

FRESNO, CALIFORNIA  
FISCAL YEAR ENDED  
JUNE 30, 2025



**2025**

**ANNUAL  
COMPREHENSIVE  
FINANCIAL REPORT**



# **City of Fresno**

Fresno, California

## **Annual Comprehensive Financial Report**

*For the Year Ended June 30, 2025*

Prepared by  
Finance Department



Fiscal Year Ended June 30, 2025  
Prepared by the Finance Department  
Fresno, California

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## Annual Comprehensive Financial Report Team

**Santino Danisi**

Controller/Finance Director

**Kaleb Neufeld**

Assistant Controller/Finance Director

**Kamaljit Kaur**, Division Manager

**Philip Leung**, Program Administrator

**Roberta Cope**, Principal Accountant

**Enrique Herrera**, Principal Accountant

**Tricia Kelsey**, Principal Accountant

**Crystal Flores**, Principal Accountant

**Matthew Tamberi**, Principal Accountant

**Leslie Velasquez**, Principal Accountant

**Brandon Sisk**, Grants Manager

**Asuncion Ramos**, Senior Accountant-Auditor

**Stephanie Sumner**, Management Analyst II

**Larry Keomanyvanh**, Accountant-Auditor II

**Matthew Diaz**, Accountant-Auditor II

**Courtney Espinoza**, Administrative Manager

**Tracy Navarro**, Management Analyst II

**Jane Mouanoutoua**, Payroll Manager

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**Annual Comprehensive Financial Report**  
**For the Year Ended June 30, 2025**  
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**Jerry Dyer**  
Mayor



**Georgeanne A. White**  
City Manager

2600 Fresno Street, Suite 2156 - Fresno, California 93721-3622

March 19, 2026

The Honorable Mayor Jerry Dyer and Members of the City Council  
Distinguished Citizens of the City of Fresno

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Fresno, California (the "City") for the fiscal year ended June 30, 2025 (fiscal year 2024-2025), with the Independent Auditor's Report, submitted in compliance with City Charter Section 804(c) and Section 1216. The ACFR has been prepared by the Finance Department in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the data, as well as the completeness and fairness of the presentation, including all disclosures, rests with the City. The existing comprehensive structure of internal accounting controls in the City provides reasonable assurance that the financial statements are free of any material misstatements. Since the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City recognizes that even sound internal controls have inherent limitations. We believe that the City's internal controls adequately safeguard assets, that the reported data is accurate in all material respects, and that its presentation fairly depicts the City's financial position and changes in its financial position as measured by the financial activity of its various funds. We are confident that the included disclosures provide the reader with an understanding of the City's financial affairs.

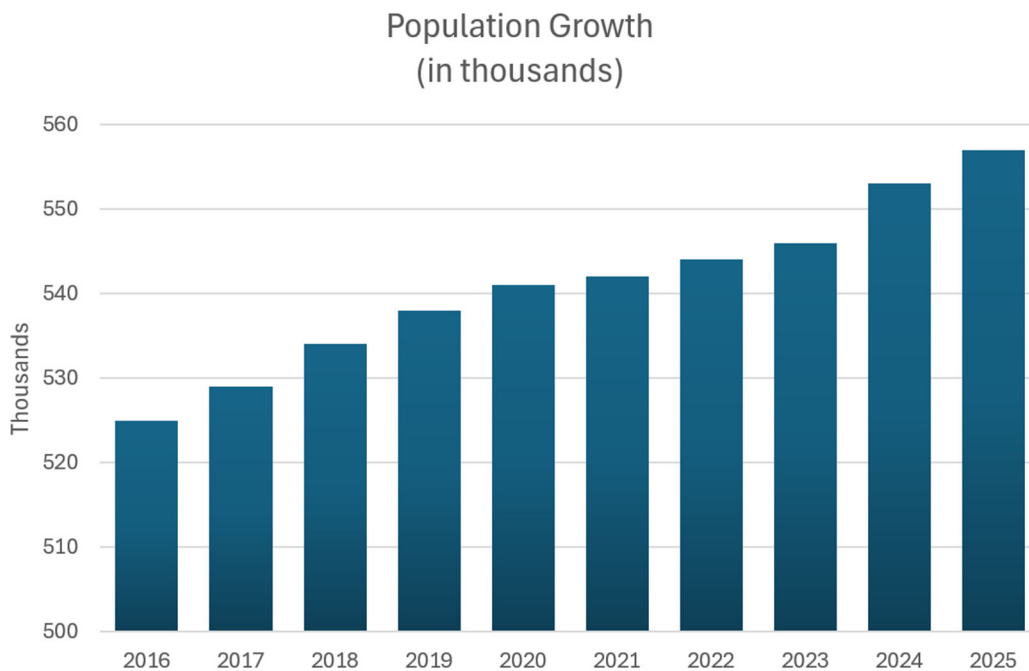
Accounting principles generally accepted in the United States of America (U.S. GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors, beginning on page [5](#).

### General Background

The City of Fresno is located near the geographical center of California, approximately 200 miles north of Los Angeles and 170 miles south of the State capital, Sacramento. The City has land area of 117.2 square miles. With over half a million residents, (557,032 as of January 1, 2025), Fresno is the 5th largest city in California by population, and 35th largest in the nation. The City is part of the Fresno-Clovis metropolitan area, which is the second largest metropolitan area in the Central Valley after Sacramento.

With its close proximity to Yosemite National Park (60 miles), Fresno also serves as gateway to Sequoia National Park (75 miles), Sierra National Forest (40 miles) and Kings Canyon National Park (75 miles).

Named for the abundant ash trees lining the San Joaquin River, Fresno was founded in 1872 as a railway station of the Central Pacific Railroad before it was incorporated in 1885.



### Government and Budget

The City operates under the strong-Mayor form of government. Under this form of government, the Mayor serves as the City’s Chief Executive Officer, appointing and overseeing the City Manager, recommending legislation, and presenting the annual budget to the City Council (Council).

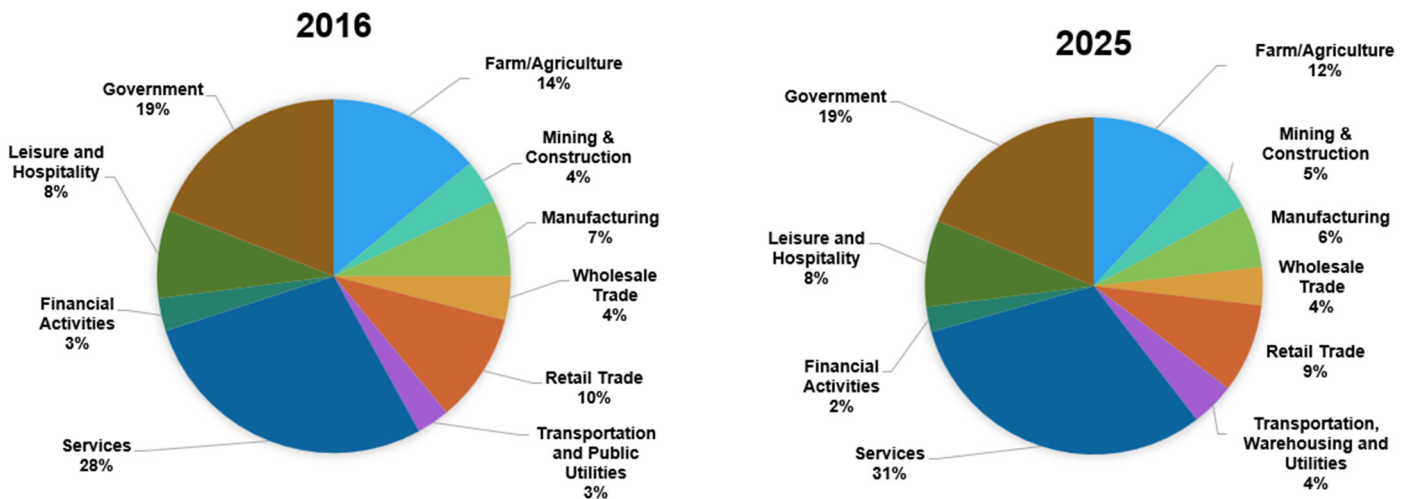
The budget of the City, within the meaning and context of Section 1205 of the City’s Charter, must be adopted by Council resolution no later than June 30th of a given year.

As provided by Section 1206 of the Charter, any adjustments in the amounts appropriated for the purposes indicated at the department/fund level shall be made only upon a motion to amend the resolution adopted by the affirmative votes of at least five Council members. Administrative changes within the department/fund level may be made without approval of Council within written guidelines established by the City Manager.

### Industry and Economy

The Fresno Metropolitan Statistical Area continues to see increasing number of industrial, manufacturing and service industries moving to the region. Additionally, Fresno is the economic hub of Fresno County and the San Joaquin Valley, with much of the surrounding areas in the Metropolitan region tied to large-scale agricultural production. While agriculture still makes up a large component of the region's employment base (12.4% of jobs), the Fresno economy continues to diversify, as evidenced by the fact that services (28.5% of jobs) and government (19.4% of jobs) employ more people than agriculture.

**2016 vs. 2025 Estimated Number of Workers by Industry**



Source: CA Employment Development Department

Distribution continues to play a growing role in the City's economy, as evidenced by the Old Navy Pacific Distribution Center, the Ulta Beauty Fulfillment Center, and the Amazon Fulfillment Center. Public sector and healthcare employment continue to be major contributors to the City's economy. The following table lists the principal employers of the City:

<b>Principal Employers (Public &amp; Private Sector)</b>	
<b>Employer</b>	<b>Employees</b>
Fresno Unified School District	15,748
Community Medical Centers	10,780
County of Fresno	9,156
Clovis Unified School District	8,470
Amazon	6,500
City of Fresno College	5,596
California State University, Fresno	5,297
State Community College District	5,187
Internal Revenue Service Center	4,477
Saint Agnes Medical Center	3,382

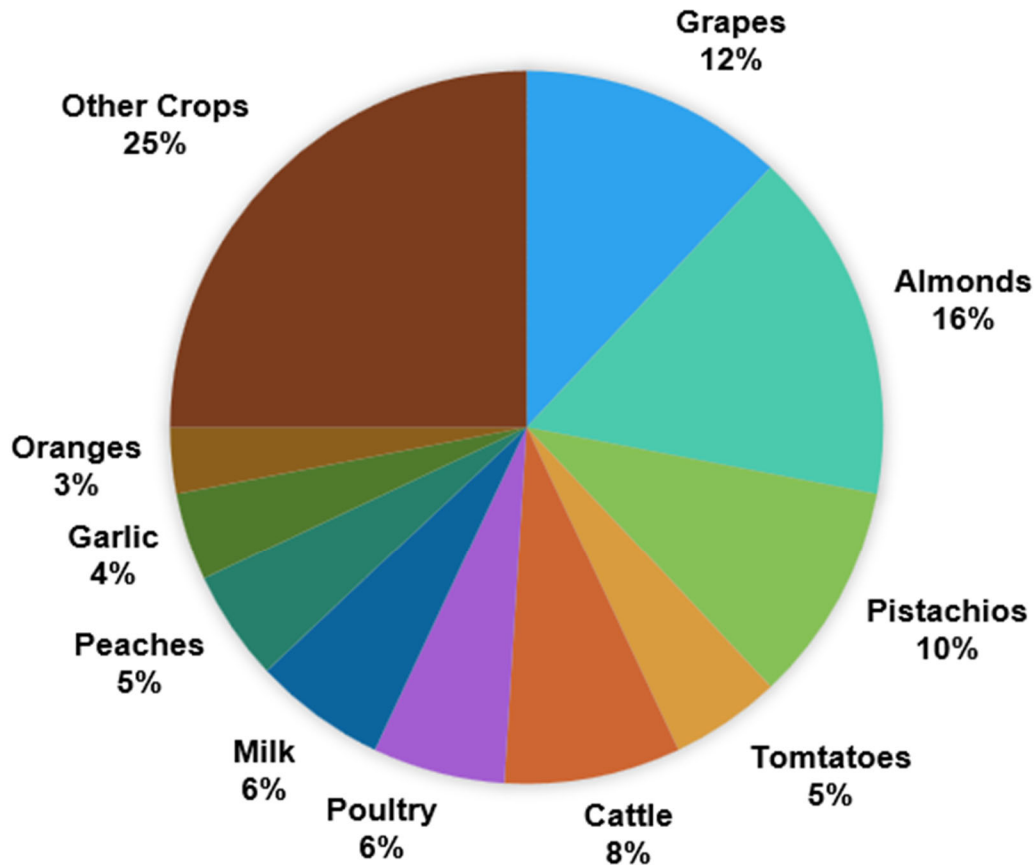
## **Economic Overview**

Agriculture remains one of the backbones of the Fresno area's economy and continues to be robust. Fresno County's agricultural strength rests in its diversity with more than 300 different commodities providing gross production of \$9.0 billion in 2024, an increase of 5.7% from 2023.

Almonds took the lead on Fresno County's Top Ten crop ranking with \$1.5 billion gross value in 2024, followed by grapes at \$1.0 billion.

Fresno County continues to supply the highest-quality agricultural products nationwide and abroad. California produces most of the grapes grown in the United States with a significant percentage of raisins coming from Fresno County. Additionally, the region is a significant exporter to many countries throughout the world. In Calendar Year 2024, Fresno County exported 96 unique agricultural commodities to 91 countries around the world.

## 2024 DIVERSIFIED AGRICULTURE BASE



Source: Fresno County Agriculture Department CY 2024

### Fiscal Year 2025 Economic Conditions & Financial Impact

The Fresno economy continued its steady expansion throughout fiscal year 2025, continuing momentum and showing growing stability across major sectors, as illustrated in the table below.

Economic Indicator	2024	2025	Change (%)
Assessed Value (in Billions)	\$49.29	\$52.15	5.8%
Taxable Sales (In Billions)	\$27.30	\$26.67	(2.3)%
Unemployment Rate	8.1%	8.6%	6.2%
Building Permits	14,617	15,552	6.4%

Local economic improvements were similarly on display when considering key City of Fresno finance indicators, as summarized below, though fiscal year 2025 revenues and expenses reflect a modest decrease from the prior year:

- Total Assets increased \$268.9 million (5.4%) from the fiscal year 2024 year-end Total Assets balance of \$4.99 billion.
- Revenues decreased \$121.1 million (-8.24%) from Revenues for fiscal year 2024, which totaled \$1.47 billion.
- Expenses decreased \$168.0 million (-13.5%) to \$1.01 billion.
- Total Net Position increased \$271.3 million (8.3%) from fiscal year 2024's total of \$3.27 billion.

Summarized below are key metrics reflecting changes within the City's General Fund:

- Total Assets increased \$12.7 million (7.1%) over the fiscal year 2024 Total Assets year-end balance of \$178.7 million. An increase in Accounts Receivable of \$8.1 million, along with a \$2.4 million rise in Intergovernmental Receivable, was the primary driver of the overall growth in Total Assets.
- Total Liabilities increased \$7.5 million (18.0%) from the fiscal year 2024 year-end Total Liabilities of \$41.5 million. A \$6.9 million increase in Accrued Liabilities was the primary reason for this increase.
- Revenues increased \$18.8 million (4.1%) from fiscal year 2024's Revenues of \$459.0 million. This was primarily related to Property Tax, which increased by \$11.9 million (6.6%) over fiscal year 2024.
- Expenditures increased by \$10.2 million (2.2%) from the fiscal year 2024 level of \$457.1 million. Growth in Community Development and Public Ways and Facilities spending were the primary drivers of the overall increase in General Fund expenditures.

These results and others are discussed in greater detail in the Management's Discussion & Analysis, which begins on page [5](#).

## How Fresno Compares to the 25 Largest California Cities

Although the City of Fresno's financial position has continued to strengthen, it still trails other large California cities in the level of resources available to support its residents. As shown in the table on page VII, the gap between Fresno's population ranking and its assets per capita remains one of the widest among the state's 25 largest cities. Fresno's standing is further influenced by the presence of a Net Pension Asset—an advantage unique among the cities surveyed—which elevates the City's reported asset levels.

Even with this benefit, the City continues to face a structural disadvantage in its ability to provide services, as the overall asset base remains insufficient to fully and efficiently meet community needs. Maintaining disciplined fiscal management is therefore essential. The City must continue its long-term strategy to build and preserve all asset categories, with particular focus on strengthening cash reserves and investing in capital assets.

## Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended June 30, 2024. This was the 32<sup>nd</sup> consecutive year that the City has achieved this prestigious national award. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized ACFR whose contents conform to program standards. The ACFR must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and are submitting it to the GFOA to determine its eligibility for another certificate.

**Total Government-Wide Assets per Capita**  
Top 25 California Cities Comparison (in Thousands)

City	Total Assets	ACFR Year	Population California Department of Finance As of January 1, 2025	Assets per Capita	Population Ranking	Per Capita Asset Rank	Net Pension Asset/(Liability)
Los Angeles	\$ 95,587,79	2025	3,835,263	\$ 25	1	2	\$ (7,307,365)
San Diego	\$ 19,996,38	2025	1,408,937	\$ 14	2	10	\$ (3,167,066)
San Jose	\$ 11,398,09	2025	979,415	\$ 12	3	11	\$ (2,962,050)
San Francisco	\$ 57,994,64	2025	835,987	\$ 69	4	1	\$ (4,283,424)
Fresno	\$ 5,264,202	2025	557,032	\$ 9	5	16	\$ 347,590
Sacramento	\$ 6,044,508	2025	527,979	\$ 11	6	12	\$ (1,180,222)
Long Beach	\$ 10,643,14	2024	458,813	\$ 23	7	3	\$ (1,487,532)
Oakland	\$ 4,790,589	2025	426,457	\$ 11	8	13	\$ (1,774,610)
Bakersfield	\$ 3,073,009	2023	411,109	\$ 7	9	20	\$ (537,204)
Anaheim	\$ 6,007,934	2025	341,773	\$ 18	10	5	\$ (893,308)
Stockton	\$ 3,179,679	2024	324,975	\$ 10	11	15	\$ (627,937)
Riverside	\$ 5,017,218	2024	316,690	\$ 16	12	8	\$ (331,262)
Irvine	\$ 4,536,737	2024	314,621	\$ 14	13	9	\$ (174,600)
Santa Ana	\$ 2,256,182	2025	232,377	\$ 9	14	23	\$ (385,754)
Chula Vista	\$ 2,788,133	2025	280,840	\$ 10	15	14	\$ (68,108)
Santa Clarita	\$ 2,012,636	2025	232,377	\$ 9	16	17	\$ (38,801)
Fremont	\$ 1,591,679	2025	230,000	\$ 7	17	22	\$ (437,318)
San Bernardino	\$ 1,345,989	2025	224,000	\$ 6	18	24	\$ (523,741)
Modesto	\$ 2,082,831	2025	219,765	\$ 9	19	16	\$ (405,315)
Fontana	\$ 1,773,787	2025	219,172	\$ 8	20	21	\$ (201,703)
Moreno Valley	\$ 1,598,969	2025	210,823	\$ 8	21	18	\$ (81,163)
Oxnard	\$ 3,272,386	2024	197,536	\$ 17	22	7	\$ (346,559)
Huntington Beach	\$ 1,525,252	2025	196,276	\$ 8	23	19	\$ (180,704)
Glendale	\$ 3,525,499	2025	192,212	\$ 18	24	6	\$ (650,370)
Ontario	\$ 3,576,692	2025	184,404	\$ 19	25	4	\$ (123,229)

Note: Only figures for each Primary Government were used as of June 30, 2025, ACFR's (2024 or 2023 when 2025 not available). Component units were excluded in instances where they were reflected in separate columns.

## Acknowledgments

The preparation of the City of Fresno's Annual Comprehensive Financial Report (ACFR) represents a major collaborative effort and reflects the dedication of many individuals across the organization. Producing a report of this scope requires sustained focus, technical expertise, and a strong commitment to accuracy. The Finance Department staff demonstrated all of these qualities, working diligently throughout the year and navigating complex challenges to ensure the successful completion of the ACFR.

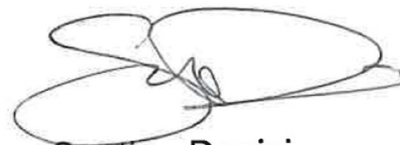
Recognition is also due to the numerous City departments whose partnership was essential to assembling the financial statements. Their timely responses, thoughtful contributions, and careful review of information played a critical role in maintaining the integrity and completeness of the report. This cross-departmental cooperation underscores the shared responsibility we hold in presenting transparent and reliable financial information to the community.

Appreciation is also extended to The Pun Group for their professional guidance and support during the preparation of the ACFR. In addition, sincere thanks are also due to the Mayor, the City Council, and the City Manager's Office for their continued leadership and commitment to strong financial stewardship.

Respectfully submitted,



**Georgeanne A. White**  
City Manager



**Santino Danisi**  
Finance Director/City Controller

# City Operating Fund Structure

## Enterprise Fund

Proprietary Fund Types operate as if they were private businesses. One type is Enterprise Funds.

These funds provide services to other governmental and non-governmental entities, including individuals and businesses.

- Airports
- Transportation (FAX)
- Convention Center
- Stadium
- Public Utilities
- Park (Golf Course)

## General Fund

The General Fund is used to account for unrestricted revenues. Revenues received by the City that have no legal or contractual restriction are placed in the various funds within the General Fund.

Appropriations may be made from the General Fund for any legal City activity. Revenues such as sales tax, property tax, and business tax are a few examples of General Fund revenues.

- Mayor
- City Manager
- City Council
- City Clerk
- City Attorney
- Animal Center
- Capital Projects
- Finance
- Fire
- Planning & Development
- General City Purpose
- PARCS
- Police
- Personnel Services

## Internal Services Fund

The Proprietary Fund types operate as if they were private businesses. One type of Proprietary Fund is the Internal Service Funds that provide services to departments within the City.

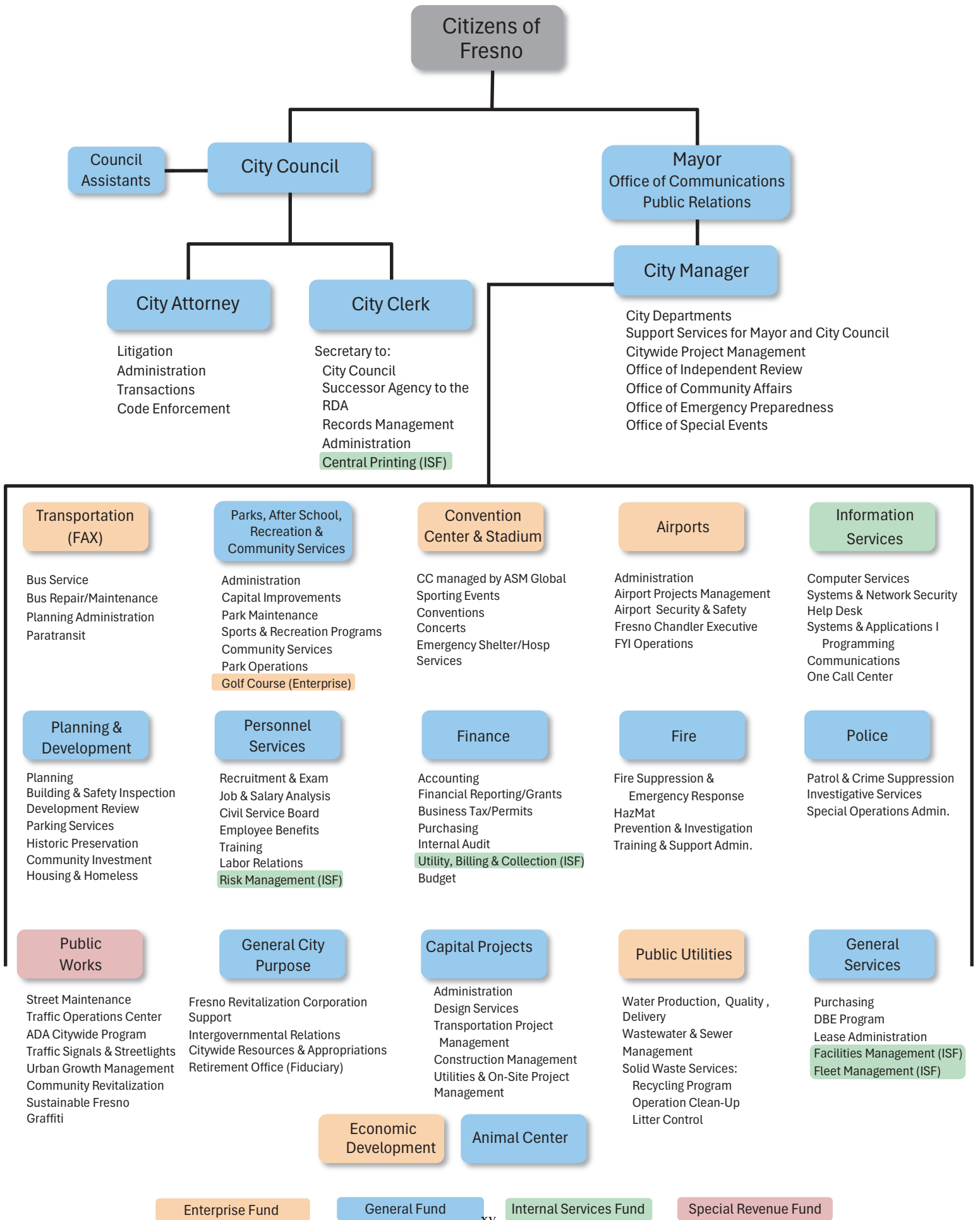
- Retirement
- Personnel Services (Risk Management)
- General Services (Fleet Management)
- Information Services
- City Clerk (Central Printing)
- Finance (Utility Billing & Collection)
- Public Works (Facilities Management)

## Special Revenue Fund

This fund type accounts for a significant amount of revenue that the City receives which is restricted as to its use. Examples of this type of revenue would be assessment districts, Community Development Block Grant, and various gas taxes.

- Public Works
- Planning & Development
- PARCS

# City Organizational Chart



# City of Fresno Directory of City Officials

*As of June 30, 2025*

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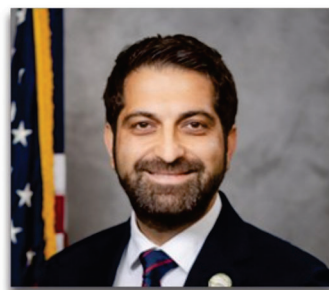
## Elected Officials



**Jerry Dyer**  
Mayor



**Annalisa Perea**  
District 1



**Mike Karbassi**  
District 2



**Miguel Arias**  
District 3



**Tyler Maxwell**  
District 4



**Brandon Vang**  
District 5



**Nick Richardson**  
District 6



**Nelson Esparza**  
District 7

## Appointed Executive Officials

Georgeanne A. White, City Manager  
TJ Miller, Assistant City Manager  
Ruth F. Quinto, CPA, Assistant City Manager  
Nick Mascia, Assistant City Manager  
Andrew Janz, City Attorney  
Amy Cobb, Interim City Clerk  
Santino Danisi, Finance Director/Controller

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Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Fresno  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

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**INDEPENDENT AUDITOR’S REPORT**



To the Honorable Mayor and Members  
of the City Council of the City of Fresno  
Fresno, California

**Report on the Audit of the Financial Statements**

**Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fresno, California (the “City”), as of and for the year ended June 30, 2025, and the related notes to the basic financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Successor Agency to the Fresno Redevelopment Agency Private-Purpose Trust Fund (Successor Agency), the Low and Moderate Income Housing Special Revenue Fund (Low and Moderate Income Housing), the Fire and Police Retirement System Pension Trust Fund (Fire and Police Pension Trust), or the Employees Retirement System Pension Trust Fund (Employee Pension Trust) which collectively represent the following percentages of assets/deferred outflows of resources, net position/fund balance, and revenues/additions of the following opinion unit as of June 30, 2025:

Opinion Unit	Assets/ Deferred Outflows of Resources	Net Position/ Fund Balance	Revenues/ Additions
Aggregate Remaining Fund Information	88.47%	96.27%	87.18%

Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Successor Agency, Low and Moderate Income Housing, Fire and Police Pension Trust, and Employee Pension Trust, are based solely on the report of the other auditors.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor’s Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis, Budgetary Comparison Schedules, Schedule of Investment Returns, Schedules of Changes in Net Pension Liability (Asset) and Related Ratios, Schedules of Contributions – Pension, and Schedule of Changes in Total OPEB Liability and Related Ratios, as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The Combining and Individual Non-major Fund Financial Statements and Schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Non-Major Fund Financial Statements and Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the Introductory and Statistical Sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

To the Honorable Mayor and Members  
of the City Council of the City of Fresno  
Fresno, California  
Page 4

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2026, on our consideration of City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City’s internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "The Per Group, LLP". The signature is written in a cursive, flowing style.

Santa Ana, California  
March 19, 2026

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Fiscal Year Ended June 30, 2025**

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**CITY OF FRESNO, CALIFORNIA**

This section of the City of Fresno's (City) Annual Comprehensive Financial Report (ACFR) presents a narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025. The reader is encouraged to consider the information presented here in conjunction with the City's financial statements, which follow this section, and the additional information that is furnished in the letter of transmittal at the front of this report. This discussion and analysis provide comparisons primarily for the previous two years, but it may include more extensive comparisons in some instances.

**FINANCIAL HIGHLIGHTS**

- The assets of the City surpassed \$5.00 billion, reaching a total of approximately \$5.26 billion.
- Overall, the City experienced a decline in revenue driven primarily by a combined \$145.0 million (-27.4%) decrease in Operating Grants, Capital Grants, and Contributions. However, the City also experienced a \$161.7 million (-19.6%) reduction in governmental activities. With these changes and prudent strategic planning, the City's net position increased by \$273.8 million (8.4%), reaching \$3.54 billion.
- The City continues to record a Net Pension Asset. For fiscal year 2025, the Net Pension Asset was \$347.6 million, an increase of \$51.2 million (17.3%). The City of Fresno remains one of very few government entities in the country with a Net Pension Asset.

**OVERVIEW OF FISCAL YEAR 2025 FINANCIAL STATEMENTS**

The Management's Discussion and Analysis is intended to serve as an introduction to the City's basic financial statements, which consist of three components: (1) **Government-Wide Financial Statements**, (2) **Fund Financial Statements** and (3) **Notes to the Financial Statements**. This report also contains other **Supplementary Information** in addition to the basic financial statements.

**Government-Wide Financial Statements** are designed to provide long-term and short-term information about the City's overall financial status in a manner similar to a private-sector business.

- The **Statement of Net Position** presents information on all assets/deferred outflows of resources and liabilities/deferred inflows of resources. The difference between them is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial position is improving or deteriorating.
- The **Statement of Activities** shows how the net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future periods. Examples include revenues pertaining to uncollected taxes and fees and expenses pertaining to earned but unused vacation and sick leave.

Both of the Government-Wide Financial Statements distinguish functions of the City that are principally supported by taxes and inter-governmental revenues (Governmental Activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (Business-Type Activities). The Governmental Activities of the City include general government, public protection, public ways and facilities, culture and recreation, and community development. The Business-Type Activities of the City include two airports, public transportation system, water, sewer, solid waste, community sanitation, convention center, and stadium.

**City of Fresno**  
**Management’s Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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The Government-Wide Financial Statements include not only the City (known as the primary government), but also legally separate component units including the Fresno Joint Powers Financing Authority, City of Fresno Fire and Police Retirement System, City of Fresno Employees Retirement System, City of Fresno Employees Healthcare Plan, and Fresno Revitalization Corporation. The component units have been “blended” into the City’s financial statements because the governing board (although legally separate from the City) is substantially the same as the City’s, or they provide services entirely or almost exclusively for the benefit of the City even though they do not provide services directly to the City.

As of February 1, 2012, a Successor Agency was created to replace the Redevelopment Agency of the City of Fresno (RDA). Dissolution law provided that the Successor Agency would pay all “enforceable obligations” of the former RDA. The Successor Agency is considered a separate legal entity under Assembly Bill (AB) 1484 for financial presentation purposes. Effective June 30, 2012, the Successor Agency was reported as a Private-Purpose Trust Fund. This means that the Successor Agency’s assets are considered to be held in a trustee or agency capacity for others and therefore cannot be used to support the City’s own programs.

The Government-Wide Financial Statements can be found on pages [30-33](#) of this report.

**Fund Financial Statements** focus on individual parts of the City government, reporting the City’s operations in more detail than the Government-Wide Financial Statements. They are used to maintain control over resources that have been segregated for specific activities or objectives and to ensure compliance with finance-related legal requirements. They can be divided into three categories:

- **Governmental Funds** are used to account for essentially the same functions reported as Governmental Activities in the Government-Wide Financial Statements (i.e., most of the City’s basic services are reported in Governmental Funds). These statements, however, focus on (1) how cash and other financial assets can be readily converted to available resources, and (2) the balances left at year-end that are available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the City’s programs.

Because the focus of Governmental Funds Financial Statements is narrower than that of the Government-Wide Financial Statements, it is helpful to compare the information presented for Governmental Funds with similar information presented for governmental activities in the Government-Wide Financial Statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the Governmental Funds Balance Sheet and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between Governmental Funds and Governmental Activities. These reconciliations may be found on pages [40](#) and [42](#).

The City maintains several individual Governmental Funds organized according to their type: general fund, special revenue, debt service, and capital projects. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund and Grants Special Revenue Fund (which are considered to be major funds). Data from the remaining Governmental Funds are combined into a single, aggregated presentation. Individual fund data for each of the Non-major Governmental Funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget. The City’s budget reflects its priorities and plans for taxpayers/ratepayers resources. Budgetary comparison schedules for the General Fund and the Grants Special Revenue Fund demonstrate compliance with the budget, and also reflect where actual results deviated from expected budgetary estimates.

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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- **Proprietary Funds** are generally used to account for services for which the City charges customers (either outside customers, or internal units or departments of the City). Proprietary Funds provide the same type of information as shown in the Government-Wide Financial Statements: albeit in more detail. Proprietary Funds (Enterprise and Internal Service) utilize the same method used by the private sector businesses: the accrual basis of accounting. The City maintains the following two types of Proprietary Funds:
  - † **Enterprise Funds** are used to report the same functions as Business-Type Activities in the Government-Wide Financial Statements. The City uses Enterprise Funds to account for the operations of the Public Utilities [**Water System, Sewer System, Solid Waste Management**], Fresno Area Express [**Transit**], Fresno International Airport (FYI) and the Fresno Chandler Downtown Airport (FCH) [**Airports**], **Fresno Convention Center**, and Chukchansi Park Stadium [**Stadium**], all of which are considered to be major funds of the City. **Community Sanitation** and **Parks and Recreation** are considered to be Non-major Enterprise Funds of the City.
  - † **Internal Service Funds** are used to report activities that provide supplies and services for certain City programs and activities. The City uses Internal Service Funds to account for its fleet of vehicles, management information systems, property maintenance, and electronics/communication support (**General Services**); self-insurance (**Risk Management**); billing, collecting, and servicing activities for the Water, Sewer, Solid Waste and Community Sanitation Funds (**Billing and Collection**); and healthcare plans (**Employees Healthcare Plan, Retirees Healthcare Plan, Blue Collar Employees Healthcare Plan**). Because Risk Management, General Services and the healthcare plans predominantly benefit Governmental rather than Business-Type functions, they have been included within Governmental Activities in the Government-Wide Financial Statements, whereas Billing and Collection is included in the Business-Type Activities in the Government-Wide Financial Statements. The Internal Service Funds are combined into a single, aggregated presentation in the Proprietary Fund Financial Statements. Individual Fund data for the Internal Service Funds is provided in the form of combining statements.
  - † **Fiduciary Funds** are used to account for resources held for the benefit of parties outside the City. Since the resources of Fiduciary Funds are not available to support the City's own programs, they are not reflected in the Government-Wide Financial Statements. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds. The City maintains three types of Fiduciary Funds:
    - † **Pension Trust Funds** consist of funds for Fire and Police and other Employees.
    - † **Private-Purpose Trust Fund** is used to account for the assets and liabilities held in trust for the Successor Agency to the former RDA.
    - † **Custodial Funds** consist of funds used to account for City-related trust activity, such as payroll withholding and bid deposits. Custodial Funds also include Special Assessment Funds that account for debt service transactions involving special assessment districts within the City.

The basic financial statements can be found on pages [30-33](#) of this report.

#### **Notes to the Financial Statements**

The Notes to the Financial Statements provide additional information that is essential to the full understanding of the data provided in all of the financial statements. The Notes to the Financial Statements can be found on pages [65-146](#) of this report.

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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***Required Supplementary Information (RSI)***

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information including budgetary comparison statements for major governmental funds as well as schedules of investment returns, changes in Net Pension Liability (Asset), employer contribution, and schedule of changes in Net Other Post-Employment Benefits (OPEB) Liability and related ratios. RSI and accompanying notes can be found on pages [151-161](#) of this report.

***Combining and Individual Fund Statements and Schedules***

The combining statements referred to earlier in connection with non major governmental funds, non-major enterprise funds, internal service funds, fiduciary funds and the discretely presented component unit are presented immediately following the appropriately labeled tabs. Combining and individual fund statements and schedules can be found on pages [166-171](#) of this report.

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The City presents its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), Basic Financial Statements - and Management's Discussion and Analysis (MD&A) - for State and Local Governments.

**Net Position - Government-Wide / Primary Government**  
(in thousands)

	Governmental Activities		Business-Type Activities		Total		Total Change from Prior Year	
	2024	2025	2024	2025	2024	2025	\$	%
<b>Assets:</b>								
Current and Other Assets	\$ 871,602	\$ 880,121	\$1,001,464	\$ 1,048,091	\$1,873,066	\$ 1,928,212	\$ 55,146	2.9%
Net Pension Asset	234,411	276,338	62,015	71,252	296,426	347,590	51,164	17.3%
Capital Assets:								
Not Being Depreciated	463,730	628,684	245,989	333,591	709,719	962,275	252,556	35.6%
Net of Accumulated Depreciation	684,052	661,597	1,432,074	1,364,528	2,116,126	2,026,125	(90,001)	-4.3%
Total Capital Assets	1,147,782	1,290,281	1,678,063	1,698,119	2,825,845	2,988,400	162,555	5.8%
Total Assets	\$2,253,795	\$2,446,740	\$2,741,542	\$ 2,817,462	\$4,995,337	\$ 5,264,202	\$ 268,865	5.4%
<b>Deferred Outflows of Resources:</b>								
Deferred Outflows - Pension	122,445	154,976	29,499	34,365	151,944	189,341	37,397	24.6%
Deferred Outflows - OPEB	18,646	15,506	7,801	6,476	26,447	21,982	(4,465)	-16.9%
Total Deferred Outflows of Resources	\$ 141,091	\$ 170,482	\$ 37,300	\$ 40,841	\$ 178,391	\$ 211,323	\$ 32,932	18.5%
<b>Liabilities:</b>								
Long-Term Liabilities Due Within One Year	99,077	60,799	31,506	28,643	130,583	89,442	(41,141)	-31.5%
Long-Term Liabilities Due in More than One Year	588,984	627,617	686,568	678,802	1,275,552	1,306,419	30,867	2.4%
Other Liabilities	271,227	217,862	123,247	131,566	394,474	349,428	(45,046)	-11.4%
Total Liabilities	\$ 959,288	\$ 906,278	\$ 841,321	\$ 839,011	\$1,800,609	\$ 1,745,289	\$ (55,320)	-3.1%
<b>Deferred Inflows of Resources:</b>								
Pension Revenue Applicable to Future Years	16,304	81,072	7,066	18,583	23,370	99,655	76,285	326.4%
Unamortized OPEB Expense	44,313	49,786	19,213	21,176	63,526	70,962	7,436	11.7%
Leases	3,837	6,050	20,990	13,858	24,827	19,908	(4,919)	-19.8%
Total Deferred Inflows of Resources	\$ 64,454	\$ 136,908	\$ 47,269	\$ 53,617	\$ 111,723	\$ 190,525	\$ 78,802	70.5%
<b>Net Position:</b>								
Net Investment in Capital Assets	881,764	1,273,621	987,193	1,021,386	1,868,957	2,295,007	426,050	22.8%
Restricted	454,508	634,897	62,015	71,252	516,523	706,149	189,626	36.7%
Unrestricted	34,872	(334,482)	845,548	873,037	880,420	538,555	(341,865)	-38.8%
Total Net Position	\$1,371,144	\$ 1,574,036	\$1,894,756	\$ 1,965,675	\$3,265,900	\$ 3,539,711	\$ 273,811	8.4%

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

**Changes in Net Position - Government-Wide / Primary Government**

(in thousands)

	Governmental Activities		Business-Type Activities		Total		Total Change from Prior Year	
	2024	2025	2024	2025	2024	2025	\$	%
<b>Revenues</b>								
Program Revenues:								
Charges for Services	\$ 116,371	\$ 104,383	\$ 313,377	\$ 316,409	\$ 429,748	\$ 420,792	\$ (8,956)	-2.1%
Operating Grants & Contributions	132,944	101,077	52,958	50,395	185,902	151,472	(34,430)	-18.5%
Capital Grants & Contributions	101,289	185,283	242,831	48,267	344,120	233,550	(110,570)	-32.1%
General Revenues:								
Property Taxes	180,976	192,854	-	-	180,976	192,854	11,878	6.6%
Business Tax	23,197	30,653	-	-	23,197	30,653	7,456	32.1%
Sales Taxes - Shared Revenues	197,924	193,373	-	-	197,924	193,373	(4,551)	-2.3%
Other Local Taxes	42,627	42,112	-	-	42,627	42,112	(515)	-1.2%
Investment Earnings	26,928	24,098	39,051	51,591	65,979	75,689	9,710	14.7%
Gain on Sale of Capital Assets	172	1,330	-	19	172	1,349	1,177	684.3%
<b>Total Revenues</b>	<b>\$ 822,428</b>	<b>\$ 875,163</b>	<b>\$ 648,217</b>	<b>\$ 466,681</b>	<b>\$1,470,645</b>	<b>\$1,341,844</b>	<b>\$ (128,801)</b>	<b>-8.8%</b>
<b>Expenses</b>								
General Government	\$ 92,381	\$ 58,969	\$ -	\$ -	\$ 92,381	\$ 58,969	\$ (33,412)	-36.2%
Public Protection	367,609	344,765	-	-	367,609	344,765	(22,844)	-6.2%
Public Ways and Facilities	173,153	114,445	-	-	173,153	114,445	(58,708)	-33.9%
Culture and Recreation	68,735	52,346	-	-	68,735	52,346	(16,389)	-23.8%
Community Development	109,567	81,272	-	-	109,567	81,272	(28,295)	-25.8%
Interest on Long-Term Debt	13,423	11,399	-	-	13,423	11,399	(2,024)	-15.1%
Sewer, Water and Solid Waste	-	-	269,930	245,542	269,930	245,542	(24,388)	-9.0%
Transit	-	-	83,681	90,131	83,681	90,131	6,450	7.7%
Airports	-	-	45,359	47,953	45,359	47,953	2,594	5.7%
Fresno Convention Center	-	-	8,750	9,088	8,750	9,088	338	3.9%
Community Sanitation	-	-	10,445	8,509	10,445	8,509	(1,936)	-18.5%
Parks and Recreation	-	-	385	472	385	472	87	22.6%
Stadium	-	-	2,862	3,142	2,862	3,142	280	9.8%
<b>Total Expenses</b>	<b>\$ 824,868</b>	<b>\$ 663,196</b>	<b>\$ 421,412</b>	<b>\$ 404,837</b>	<b>\$1,246,280</b>	<b>\$1,068,033</b>	<b>\$ (178,247)</b>	<b>-14.3%</b>
Increase (Decrease) in Net Position Before Transfers	(2,440)	211,967	226,805	61,844	224,365	273,811	49,446	22.0%
Transfers	(6,580)	(9,075)	6,580	9,075	-	-	-	
Change in Net Position	(9,020)	202,892	233,385	70,919	224,365	273,811	49,446	22.0%
Net Position - Beginning	1,380,164	1,371,144	1,661,371	1,894,756	3,041,535	3,265,900	224,365	7.4%
<b>Net Position - Ending</b>	<b>\$1,371,144</b>	<b>\$1,574,036</b>	<b>\$1,894,756</b>	<b>\$1,965,675</b>	<b>\$3,265,900</b>	<b>\$3,539,711</b>	<b>\$ 273,811</b>	<b>8.4%</b>

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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**Analysis of Changes in Government-Wide Net Position**

The City's overall Net Position increased to \$3.54 billion: a \$273.8 million (8.4%) increase from fiscal year 2024's Net Position of \$3.27 billion. This was mainly due to an increase in the Restricted Net Position, going from \$516.5 million in fiscal year 2024 to \$706.1 million in fiscal year 2025.

Several factors contributed to the overall increase in Net Position:

- The City's overall revenue decreased (8.8%) from \$1.47 billion in fiscal year 2024 to \$1.34 billion in fiscal year 2025. Contributing factors include a decrease in Charges for Services from \$429.7 million in fiscal year 2024 to \$420.7 million in fiscal year 2025 and increase in General Revenue due to Property Taxes increasing \$11.9 million (6.6%), going from \$180.9 million in fiscal year 2024 to \$192.8 million in fiscal year 2025. Operating grants decreased by \$34.4 million from \$185.9 million in fiscal year 2024 to \$151.4 million in fiscal year 2025, Capital Grants decreased by \$110.5 million from \$344.1 million in fiscal 2024 to \$233.5 million in fiscal year 2025.
- City Expenses decreased from \$1.25 billion in fiscal year 2024 to \$1.07 billion in fiscal year 2025. This was the result of a decrease of \$161.7 million (19.6%) in Governmental Activities Expenses and a decrease of \$16.5 million (3.9%) in Business-Type Activities Expenses. The primary driver of the decrease in Governmental Activities Expenses was a \$33.4 million decrease in General Government expenses, a \$22.8 million decrease in Public Protection expenses, a \$58.7 million decrease in Public Way and Facility expenses, \$16.4 million decrease in Culture and Recreation expenses, and a \$28.3 million decrease in Community Development expenses. Business-Type Activities resulted in a \$24.3 million decrease in Sewer, Water and Solid Waste expenses and \$1.9 million decrease in Community Sanitation expenses.
- Total Assets increased from \$5.0 billion in fiscal year 2024 to approximately \$5.26 billion in fiscal year 2025, a \$ 268.8 million (5.4%) increase. The increase in Total Assets was the result of a \$162.5 million increase Total Capital Assets, a \$26.1 million increase in Restricted Cash and Investments and a \$51.2 million increase in Net Pension Asset.
- Total Deferred Outflows of Resources increased by \$32.8 million (18.4%) from fiscal year 2024's amount of \$178.4 million, mainly due to a \$37.4 million increase of Deferred Outflows – Related to Pensions.
- Total Liabilities decreased by \$55.3 million (3.1%) from \$1.80 billion in fiscal year 2024 to \$1.75 billion in fiscal year 2025. The overall decrease in Total Liabilities was mainly attributable to a decrease of \$71.4 million in Unearned Revenue.
- A \$78.8 million (70.5%) increase in the Deferred Inflows of Resources, primarily caused by an increase in Pension Revenue Applicable to Future Years.

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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**Governmental Activities**

In fiscal year 2025, the Net Position for Governmental Activities increased by \$202.8 million (14.8%) to \$1.57 billion. The increase in Net Position occurred primarily within Public Ways and Facilities, which increased by \$192.4 million to fiscal year 2025's Public Ways and Facilities ending Net Position of \$206.9 million. Key factors impacting the Unrestricted Net Position Deficit were:

- Revenues increased from \$815.8 million in fiscal year 2024 to \$866.1 million in fiscal year 2025, a \$50.3 million (6.2%) increase. The overall increase was primarily due to an increase in Capital Grants and Contributions of \$83.9 million (82.9%) to \$185.2 million.
- Expenses decreased from \$824.9 million in fiscal year 2024 to \$663.2 million in fiscal year 2025, led by a 36.2% decrease in General Government expenses, going from \$92.3 million in fiscal year 2024 to \$58.9 million in fiscal year 2025, and a 33.2% decrease in Public Ways and Facilities expenses, going from \$173.2 million in fiscal year 2024 to \$114.4 million in fiscal year 2025, and a 25.8% decrease in Community Development from \$109.5 million in fiscal year 2024 to \$81.2 million in fiscal year 2025.
- Total Assets increased by \$192.9 million (8.5%) from fiscal year 2024's Total Assets amount of \$2.25 billion. The overall increase in Total Assets was primarily caused by an increase of \$43.9 million (51.8%) in Loans and Notes Receivable from \$84.7 million in fiscal year 2024 to \$128.6 million in fiscal year 2025, an increase of \$10.7 million in Accounts Receivable from \$126.9 million in fiscal year 2024 to \$137.7 million in fiscal year 2025, and an increase of \$51.1 million (17.3%) in the Net Pension Asset from \$234.4 million in fiscal year 2024 to \$276.3 million in fiscal year 2025.
- Total Liabilities decreased by \$53.0 million, from fiscal year 2024's Total Liabilities of \$959.2 million. The primary drivers include a \$72.2 million decrease in Unearned Revenue from \$192.3 million in fiscal year 2024 to \$120.0 million in fiscal year 2025.

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

**Governmental Activities - Charts and Graphs**

The following charts and graphs illustrate the City's governmental revenues by source and its expenses and revenues by function. As demonstrated below, Public Protection is by far the largest function reflecting the City's greatest overall expenses.

**Government Activities  
Revenue by Type  
(2 Year Comparative)**

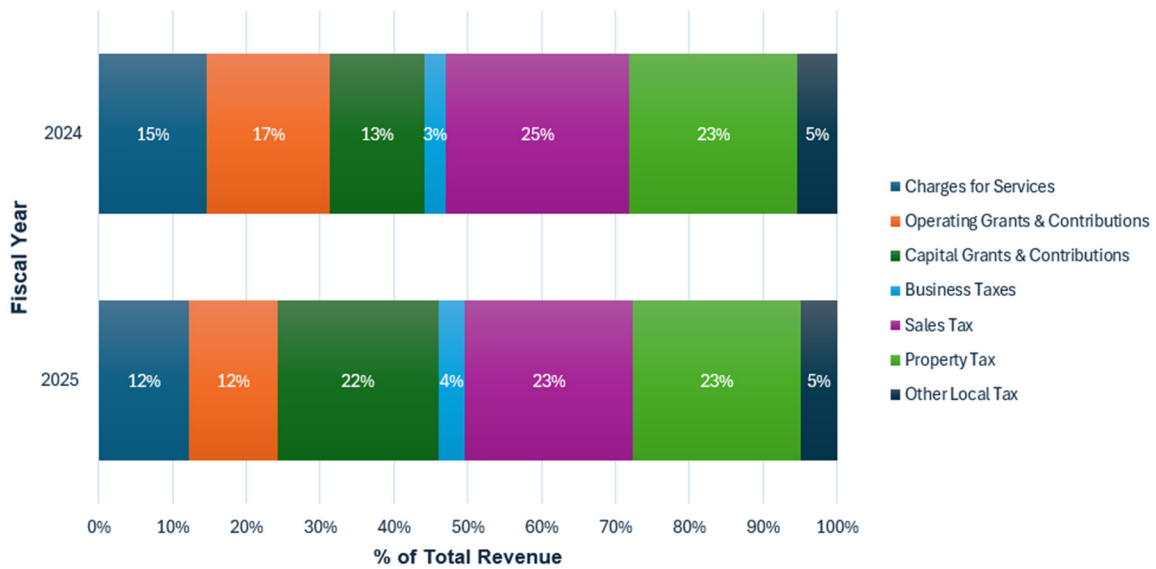
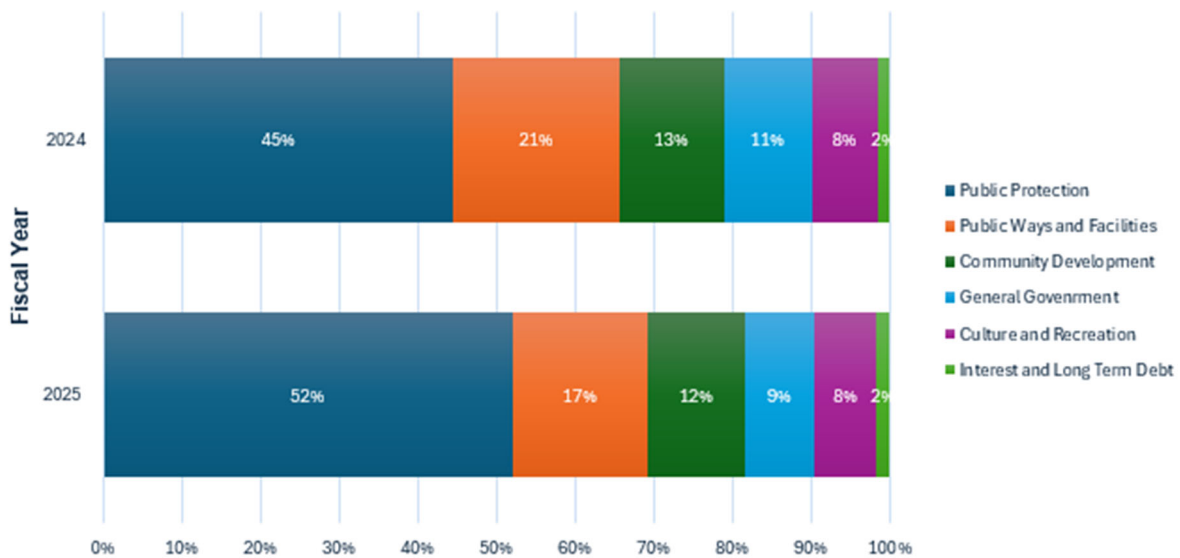


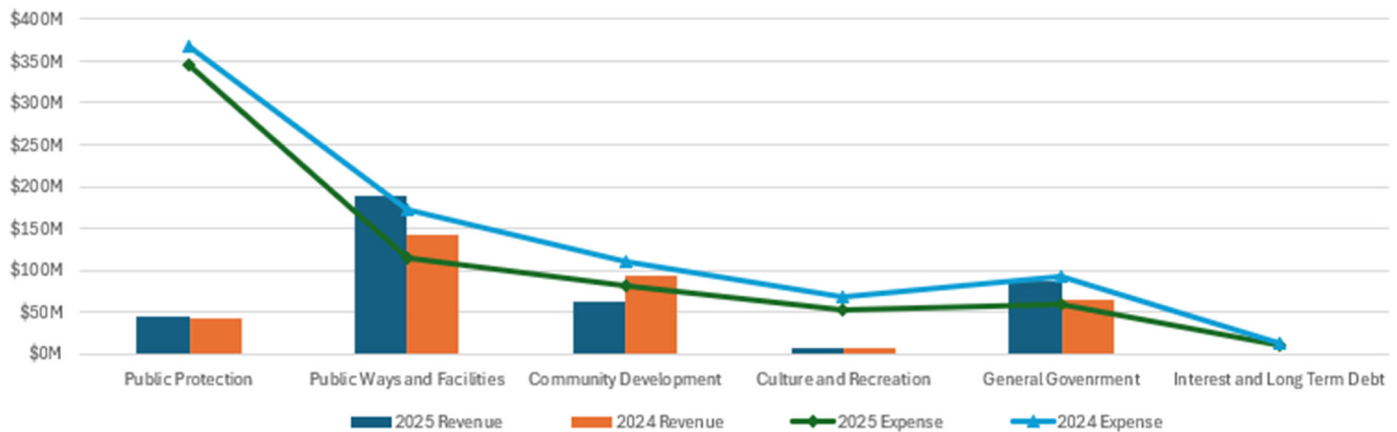
Chart Area

**Government Activities  
Expenses by Type  
(2 Year Comparative)**



**City of Fresno**  
**Management’s Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

**Government Activities**  
**Program Revenues and Expenses**  
**(2 Year Comparative)**



The following is an analysis of some of the funds within the Governmental Activities category:

**General Fund**

Fund Balance in the General Fund increased from \$ \$109.0 million in fiscal year 2024 to \$110.2 million in fiscal year 2025. The Unassigned Fund Balance decreased from \$39.0 million in fiscal year 2024 to \$33.6 million in fiscal year 2025, a \$5.4 million (-13.8%) decrease.

Fiscal year 2025's revenues continued to show growth when compared to fiscal year 2024’s revenues, increasing by \$11.2 million (2.4%) from fiscal year 2024’s total of \$459.0 million. The increase was found primarily in Taxes, which increased \$7.7 million (2.0%). The main driver in the overall increase in Tax Revenue came from an \$11.9 million increase in Property Taxes, due to increased property assessed valuations. This tax category continues to be a strong and stable source of total revenue sources.

General Fund expenditures experienced a slight increase of \$2.5 million, or 0.5%, to a total of \$459.6 million. Summarized below are the various changes in expenditure categories:

- A decrease in Public Protection expenditures, which decreased from \$315.9 million in fiscal year 2024 to \$298.3 million in fiscal year 2025, a \$17.6 million, or 5.5 decrease.
- An increase in Capital Outlay expenditures, which increased from \$10.8 million in fiscal year 2024 to \$18.4 million in fiscal year 2025, a \$7.6 million or 70.0% increase.
- An decrease in Public Ways and Facilities expenditure, which decreased from \$16.0 million in fiscal year 2024 to \$13.5 million in fiscal year 2025, a \$2.5 million or 15.6% decrease.

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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A large portion of the difference between actual expenditures and actual revenues was funded by transfers from other funds. Overall, Transfers-In decreased \$0.3 million (-6.1%) to \$5.9 million.

Total Assets increased by \$12.7 million (7.1%) to \$191.4 million. The increase was driven by the following:

- Accounts Receivable, which increased \$5.2 million (21.0%) to \$30.1 million
- Cash and Investments, which increased \$3.8 million (8.6%) to \$48.0 million

Total Liabilities increased compared to the prior fiscal year. Total Liabilities increased by \$7.5 million (18.0%) to \$48.9 million. The overall increase in Total Liabilities can be attributed to an increase in amounts payable of \$6.8 million.

Significant committed fund balance amounts of the General Fund include:

- \$47.7 million for the General Fund Emergency Reserve,
- \$5.3 million for the 27th Pay Period Reserve.

**General Fund Budget to Actual Comparison**

The fiscal year 2025 Adopted Budget was made up of \$522.5 million of budgeted revenues and \$537.4 million of appropriations. After various amendments were made throughout the fiscal year, the General Fund ended the fiscal year with \$523.6 million of budgeted revenues and \$554.9 million of appropriations. Actual results on a budgetary (cash) basis of accounting were \$470.2 million of revenues and \$459.6 million of expenditures.

**City of Fresno**  
**Management’s Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

The major differences between the budget and the actual results are noted below (Actual Budgetary Basis excludes all FY25 activity that posted after June 30, 2025):

<b>Comparison of Revenues and Expenditures - Budget to Actual / General Fund</b> (in thousands)					
	<b>Budgeted Original</b>	<b>Budgeted Final</b>	<b>Actual Budgetary (Cash) Basis</b>	<b>Over (Under) Final Budget</b>	<b>Explanation</b>
<b>Revenues:</b>					
Property Taxes	\$189,806	\$180,806	\$190,137	\$331	Assessed values of homes continued to increase due to the strong demand for housing in the Central Valley.
Sales Tax	\$151,746	\$151,146	\$146,400	(\$5,346)	Lower than anticipated sales tax due to economic uncertainty and rising inflation costs which has resulted in less consumer spending.
Charges for Services	\$43,572	\$43,572	\$37,933	(\$5,639)	Lower than expected demand for specific services (i.e., Police Event Services) and growth in service-related activities, contributed to the rise in revenue.
<b>Expenditures:</b>					
Public Ways & Facilities	\$37,966	\$39,816	\$13,511	\$26,305	Delays in the completion of planned infrastructure projects, such as road repairs and facility upgrades, resulted in expenditures being deferred to future periods. Additionally, some projects were either scaled back or adjusted to align with changing priorities, leading to lower than expected costs.
Community Development	\$74,127	\$77,851	\$47,742	\$30,109	Delays in the execution of planned community projects and programs led to lower-than-expected expenditures. In addition, some initiatives were postponed or scaled back in response to shifting priorities or adjustments in available funding.
Capital Outlay	\$10,160	\$14,577	\$18,398	(\$3,821)	Increase is mainly attributed to planned capital projects, including infrastructure improvements, equipment purchases, and building upgrades.

A more detailed look at the budget versus actual comparison for the General Fund can be found on page [151](#) in the Required Supplementary Information section.

***Grants Special Revenue Fund***

Fund Balance in the Grants Special Revenue Fund increased from \$42.6 million in fiscal year 2024 to \$65.1 million in fiscal year 2025. Total Liabilities decreased from \$188.2 million in fiscal year 2024 to \$135.4 million in fiscal year 2025, a \$52.8 million (28.0%) decrease. This is mainly due to Unearned Revenue decreasing from \$170.0 million in fiscal year 2024 to \$108.1 million in fiscal year 2025, a 36.4% decrease.

Fiscal year 2025 revenues, in the Grants Special Revenue Fund, increased \$26.4 million (16.6%) to \$184.9 million. Expenditures increased by \$2.7 million (1.7%) from fiscal year 2024’s total of \$158.3 million to fiscal year 2025’s total of \$161.1 million. Large increases in Public protection (increase of \$25.7 million or 138.6%), were offset by decreases for the General Government category (down \$9.7 million or 62.3%), and Public ways and facilities (down \$14.2 million or 55.7%).

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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***Other Governmental Funds***

Fund Balance for the Other Governmental Funds increased \$28.7 million between fiscal year 2024 and fiscal year 2025 (\$275.7 million versus \$304.4 million, respectively). The growth in the Fund Balance was primarily due to a \$10.1 million increase in the UGM Impact Fees Fund and a \$6.9 million increase in Fund Balance for the Measure P Fund.

**Business-Type Activities**

Business-Type Activities for fiscal year 2025 increased the Net Position by \$70.9 million (0.1%) over fiscal year 2024's Business-Type Activities Net Position of \$1.9 billion. Key factors affecting the Net Position were:

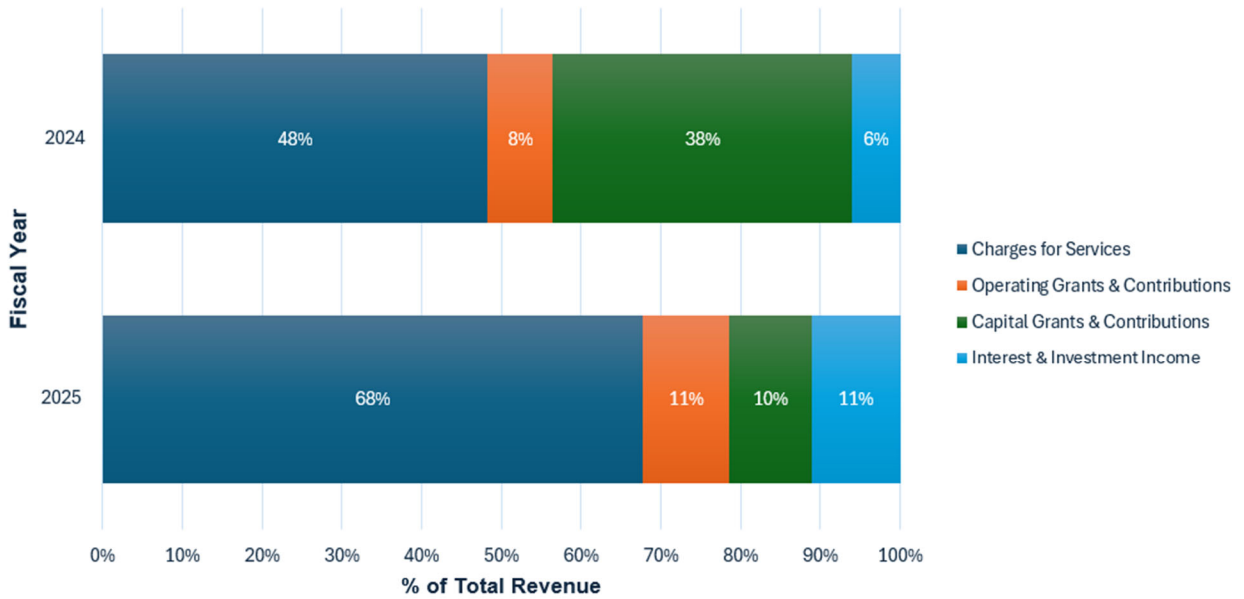
- Total Assets increased by \$75.9 million (2.8%) from fiscal year 2024's Total Asset balance of \$2.74 billion. This growth was primarily due to a \$24.1 million (4.7%) increase in Restricted Cash, to the fiscal year 2025 amount of \$537.8 million; a \$25.1 million (6.0%) increase in Cash and Investments, compared to the fiscal year 2024 figure of \$414.5 million; and a \$87.6 million (35.6%) increase in assets Not Being Depreciated, compared to the fiscal year 2024 figure of \$245.9 million. This was offset by a \$36.6 million (38.1%) decrease in Receivables, Net to the fiscal year 2025 figure of \$59.4 million.
- Total Liabilities decreased by \$2.3 million (0.2%), from fiscal year 2024's Total Liabilities of \$841.3 million.
- Revenues went from \$609.2 million in fiscal year 2024 to \$415.1 million in fiscal year 2025; a \$194.1 million (31.9%) decrease. This decrease is largely attributed to a \$180.5 million (97.8%) decrease in Water Capital Grants and Contributions Revenues, due to one-time revenues.
- Expenses went from \$421.4 million in fiscal year 2024 to \$404.8 million in fiscal year 2025; a \$16.6 million (3.9%) decrease. The primary driver behind this decrease was a \$13.2 million (9.3%) decrease in the Water Fund's expenses. Additionally, a decrease of \$6.9 million (16.2%) in Solid Waste Management's expenses.

**Business-Type Activities - Charts and Graphs**

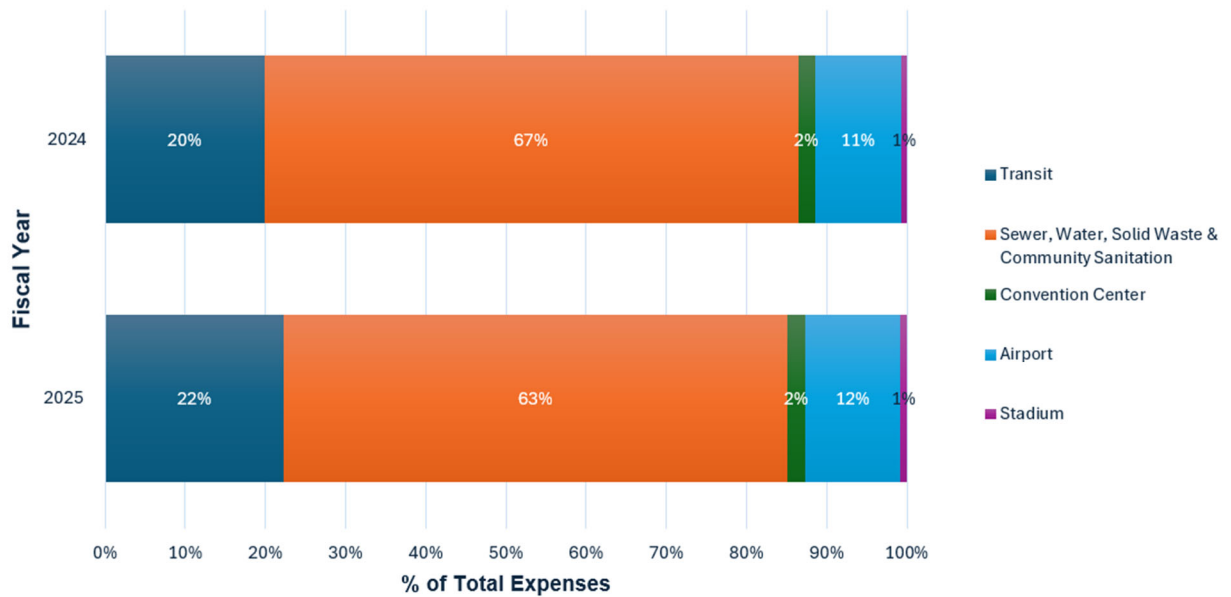
The following charts and graphs illustrate the City's Business-Type revenues and expenses by both source and function. As shown below, Sewer, Water and Solid Waste are the largest Business-Type Activities reflecting the City's greatest overall expenses.

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

**Business-Type Activities  
Revenue by Type  
(2 Year Comparative)**

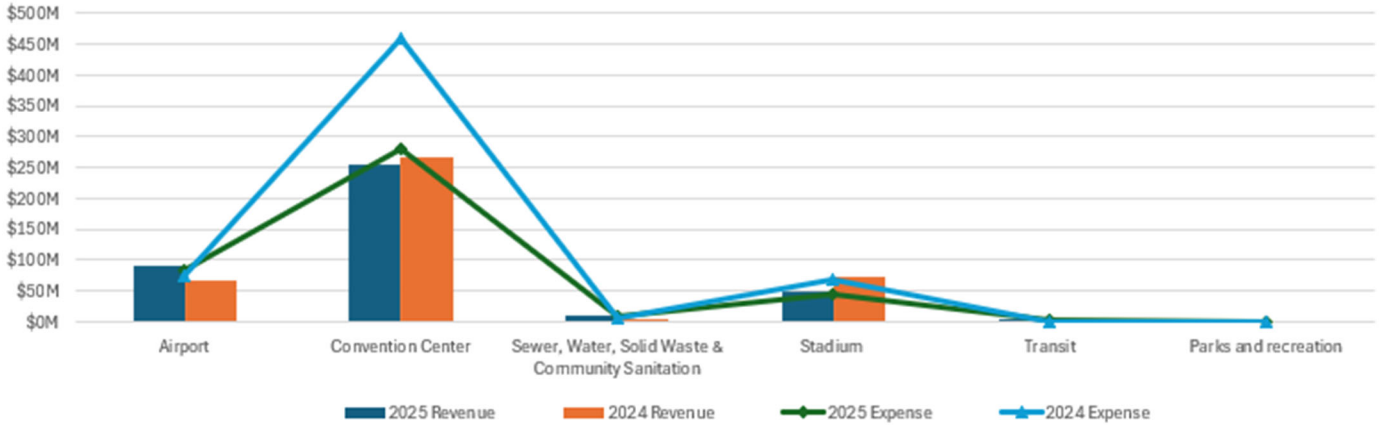


**Business-Type Activities  
Expenses by Type  
(2 Year Comparative)**



**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

**Business-Type Activities**  
**Program Revenues and Expenses**  
**(2 Year Comparative)**



The following is an analysis of some of the funds within the Business-Type Activities category:

***Water System***

The Water System Fund's (Water) Net Position showed an increase over fiscal year 2024 levels. Net Position increased from \$723.8 million in fiscal year 2024 to \$756.7 million in fiscal year 2025, an increase of \$32.9 million (4.5%). The change in Net Position was driven by the following factors:

- Total Assets increased by \$17.4 million (1.5%) over the fiscal year 2024 balance of \$1.15 billion. This was primarily due to a \$56.6 million (20.6%) increase in Restricted Cash, partially offset by a \$21.5 million (13.0%) decrease in Cash and Investments and an \$18.9 million (2.9%) decrease in Total Capital Assets.
- Operating Expenses decreased by \$11.9 million (9.3%) to \$116.8 million in fiscal year 2025. The decrease was primarily driven by a \$4.1 million (10.1%) reduction in Contractual Services, a \$2.9 million (17.7%) decrease in Interdepartmental Charges, a \$2.3 million (12.6%) decrease in Personnel Services, and a \$2.2 million (14.7%) decrease in Materials and Supplies.
- Non-Operating Revenue (Expenses) increased from \$2.2 million to \$15.7 million; a \$13.5 million (618.7%) increase. This was primarily due to a \$5.6 million (57.1%) increase in Interest Income, increasing from \$9.8 million in fiscal year 2024 to \$15.4 million in fiscal year 2025. In addition, Unrealized Gain/Loss increased from \$2.8 million in fiscal year 2024 to \$10.8 million in fiscal year 2025, a \$8.0 million (283.8%) difference.
- Total Liabilities decreased from \$431.2 million in fiscal year 2024 to \$414.4 million in fiscal year 2025, a reduction of \$16.8 million (3.9%). This was mainly driven by a \$12.4 million (3.2%) decrease in Long-Term debt related to the paydown of various notes and loans, and a \$2.0 million (22.6%) decrease in Unearned Revenue.

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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***Sewer System***

The Sewer System Fund's (Sewer) Net Position increased by \$12.4 million (1.6%), rising from \$761.6 million in fiscal year 2024 to \$773.9 million in fiscal year 2025. The increase in Net Position was driven by a \$35.7 million (4.0%) increase in Total Assets, primarily due to increases in Cash and Cash Equivalents of \$42.4 million (26.6%). These increases were partially offset by a \$0.9 million (6.0%) decrease in Accounts Receivable.

Total Liabilities also increased by \$21.9 million (18.4%), primarily due to a \$22.54 million Finance purchase agreement.

Operating Revenues declined by \$10.4 million or (11.6%), driven by decrease in Customer User Charges. Operating Expense also decreased, falling from \$84.4 million to \$79.4 million, a reduction of \$4.9 million (5.9%), mainly due to a \$1.9 million (10.5%) decrease in Contractual Services.

***Solid Waste Management***

The Solid Waste Management Fund's (Solid Waste) Net Position increased from \$18.8 million in fiscal year 2024 to \$25.6 million in fiscal year 2025; a \$6.8 million (35.9%) increase. This improvement was primarily driven by a \$3.9 million (8.9%) increase in Total Assets, which included a \$4.3 million (99.8%) increase in Cash and Cash Equivalents over the fiscal year 2024 balance of \$4.3 million. In addition, Total Capital Assets increased by \$2.3 million (46.3%) to \$7.4 million, largely due to a \$2.4 million (155.4%) increase in Buildings and Improvements compared to fiscal year 2024.

Solid Waste's Operating Expenses decreased by \$6.1 million (14.8%) in fiscal year 2025, mainly due to a \$5.6 million (43.1%) decrease in Contractual Services. Additionally, Operating Revenues increased by \$9.4 million (30.2%), rising from \$30.9 million to \$40.3 million. The primary driver of this increase was an \$8.2 million (22.9%) rise in Customer User Charges.

***Transit***

The Transit Fund continues to experience increased ridership in 2025. Transit transported 10.4 million passengers in fiscal year 2025, a 28% increase from fiscal year 2024 ridership of 8.1 million passengers. Overall, transit ridership continues to grow and has nearly returned to pre-pandemic levels.

Transit's Operating Revenues decreased slightly, falling \$1.1 million (29.9%) from \$3.6 million to \$2.5 million in fiscal year 2025. Operating Expenses increased by \$7.1 million (8.6%) over the prior fiscal year's activity of \$82.4 million. In addition, Non-Operating Revenues decreased by \$1.7 million (3.5%), mainly due to a \$1.1 million (2.4%) decrease in Operating Grant Revenue.

Total Assets decreased by \$25.7 million (10.7%), primarily due to a \$22.9 million (99.5%) decrease in Cash and Cash Equivalents. This decline was partially offset by a \$3.2 million (19.0%) increase in Net Pension Asset and a \$1.6 million (18.2%) increase in Grants Receivable.

The combined impact of fiscal year 2025 activity caused the Transit Fund's Net Position to decrease by \$21.4 million (11.6%), falling from \$185.1 million in fiscal year 2024 to \$163.7 million in fiscal year 2025.

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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***Airports***

Airports' Fund set an all-time annual record for passenger levels with fiscal year 2025's origin and destination passengers of 2.7 million, 5.1% higher than the prior fiscal year. In addition, the number of plane landings increased by 114.8%, going from 16,527 in fiscal 2024 to 18,973 in fiscal year 2025. The Airport Fund's passenger performance continues to outpace other small hub airports in the Western Pacific Region. The increase in passengers also translated into an increase in non-airline revenues.

The increase in passenger traffic had an impact on Operating Revenues, which increased \$5.1 million (12.7%) to \$45.4 million. The overall increase in Operating Revenues was powered by increases in passenger driven and airline activity revenues, particularly Landing Fees, which rose to \$8.0 million, a 47.3% increase from \$5.4 million in the prior fiscal year. Operating Expenses increased by \$6.8 million (17.8%), to a total of \$44.8 million. The increase in Operating Expenses was mainly driven by an increase of \$7.8 million (95.2%) in Contractual Services and a \$1.1 million (10.49%) increase in Personnel Service expenses. The increase in Operating Expenditures was offset by a \$4.3 million (28.7%) increase in Non-Operating Expenditures, mainly due to a decrease of \$4.0 million (56.9%) in Interest Expense.

The increase in revenues and expenses had a predictable effect on Total Assets, which increased \$41.0 million (9.9%) to \$456.1 million. The overall increase in Total Assets was due to several factors:

- A \$59.5 million (74.4%) increase in Construction in Progress,
- A \$12.7 million (24.8%) increase in Cash and Investments,
- A \$3.0 million (79.7%) increase in Accounts Receivable, Net.
- A \$23.8 million (23.5%) decrease in Restricted Cash, and
- A \$11.5 million (6.6%) decrease in Accumulated Depreciation

In addition to the increase in Total Assets, Airports experienced an increase in Total Liabilities, which rose \$7.3 million (4.3%) to \$174.7 million. This increase was primarily driven by a \$4.2 million (33.7%) increase in Accounts payable compared to the prior year's balance of \$12.4 million. These increases were partially offset by a \$3.9 million (2.7%) decrease in Long-Term Bonds Payable from the fiscal year 2024 balance of \$144.2 million, due to the Airport Revenue Bonds 2023 A and B issued for the terminal expansion.

The net effect of these changes resulted in the Total Net Position increasing by \$34.8 million (14.6%), rising from \$238.3 million in fiscal year 2024 to \$273.1 million in fiscal year 2025.

***Fresno Convention Center***

Fresno Convention Center recorded \$5.3 million of revenue in fiscal year 2025, a \$0.66 million (1.2%) decrease from the fiscal year 2024 total of \$5.4 million. Operating Expenditures increased in fiscal year 2025 to \$8.7 million, up from \$8.6 million in fiscal year 2024, an increase of \$0.14 million (1.6%). The rise in expenditures was driven primarily by a \$0.11 million (3.8%) increase in Personnel Services and a \$0.05 million (1.4%) increase in Contractual Services.

The Fresno Convention Center's Net Position increased from \$5.5 million in fiscal year 2024 to \$5.7 million in fiscal year 2025, reflecting a \$0.15 million (2.8%) improvement. This growth was largely attributable to a \$2.1 million (15.9%) reduction in Total Liabilities, mainly due to a \$2.0 million decrease in Bonds Payable resulting from scheduled debt service payments. Total Assets decreased by \$1.9 million (10.5%) from the fiscal year 2024 balance of \$18.9 million.

**City of Fresno**  
**Management’s Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

***Stadium***

The Stadium Fund continued to build on the improvement in Net Position demonstrated in fiscal year 2024. Net Position increased from \$12.1 million in fiscal year 2024 to \$12.8 million in fiscal year 2025, an improvement of \$0.7 million (5.6%). This improvement was driven by a decrease in Long-Term Debt of \$2.3 million (14.7%) resulting from annual debt principal payments. This improvement was partially offset by a \$0.89 million (3.1%) decrease in Capital Assets.

***Internal Service Funds***

The Net Position deficit in the Internal Service Funds grew by \$8.6 million (7.9%) to \$116.3 million in fiscal year 2025. The increase in the Net Position deficit was primarily due to an increase of \$20.7 million (9.4%) in the Short-Term and Long-Term (combined) Liability for Self-Insurance.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

***Capital Assets***

The City’s capital assets for its Governmental and Business-Type Activities, before Component Units, as of June 30, 2025, amount to \$2.99 billion (net of accumulated depreciation and amortization). Capital assets include land, buildings and improvements, machinery and equipment, park facilities, roads, streets, traffic signals, streetlights, bridges, and construction in progress. The City’s capital assets net increase for the current fiscal year was approximately 1.6% (a 12.3% increase for Governmental Activities, a 1.2% decrease for Business-Type Activities) as shown in the table below. Capital assets for the fiscal year ended June 30, 2024 amounted to \$2.83 billion million (net of accumulated depreciation and amortization).

<b>Changes in Capital Assets, Net of Depreciation and Amortization</b>						
(in thousands)						
Asset Category	Governmental Activities		Business-Type Activities		Total Government-Wide	
	2024	2025	2024	2025	2024	2025
Land	\$ 298,236	\$ 322,358	\$ 53,503	\$ 53,535	\$ 351,739	\$ 375,893
Intangibles (Indefinite Life)	-	-	21,629	21,629	21,629	21,629
Construction In Progress	165,494	306,326	170,859	258,427	336,353	564,753
Buildings and Improvements, Net	174,521	171,139	781,224	725,974	955,745	897,113
Machinery and Equipment, Net	98,811	101,904	31,535	52,147	130,346	154,051
Infrastructure, Net	395,551	368,439	616,847	584,497	1,012,398	952,936
Rights to Use Assets Being Amortized	15,169	20,115	2,466	1,910	17,635	22,025
Total	\$ 1,147,782	\$ 1,290,281	\$ 1,678,063	\$ 1,698,119	\$ 2,825,845	\$ 2,988,400

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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Major capital asset events during fiscal year 2025, some of which were in progress during the previous fiscal year, included the following:

† **Downtown Redevelopment Grant Water and Sewer Improvements Project**

The Project will bring water and sewer facilities to current standards. The scope of work includes the replacement of 14,315 linear feet of water mains and 5,576 linear feet of sanitary sewer mains, including trenching, excavation, water and sewer service transfers, pavement restoration, repair and reconstruction of existing improvements affected by the Project, and incidentals for complete construction. Additionally, the work includes the rehabilitation of the existing sewer and manhole facilities. Funding for this Project is provided by dollars received by the State of California for the Downtown Public Infrastructure Improvements Projects.

† **FYI Terminal Expansion Project**

The City's Airport Department is currently in the Construction phase of expansion of over 116,000 square feet of terminal facility. This \$150 million Terminal Expansion project, the largest in the history of the airport, is funded with \$70 million in Airport Revenue Bonds with the balance coming from other sources including federal grants and passenger facility charges. The expansion project will result in a new terminal concourse with two jet bridge gates for domestic and international use, new concessions, and tenant facilities; new federal inspection service facility, with attached arrivals lobby and outdoor plaza; an expanded passenger screening checkpoint; and a new Checked Baggage Inspection System (CBIS). Construction is underway with an expected opening in Fall 2025.

† **North Ave Sewer Trunk Main Realignment**

The Department of Public Utilities, Wastewater Management Division worked to design and construct a realignment of the sewer main and repair to divert flow away from an extremely deteriorated section of sewer pipe. Work began on the Installation of a 66" sewer pipe diversion on North Ave sewer trunk main between Cedar and Maple Avenues. Emergency work included the installation of a sewer bypass facility, video inspections for assessing the feasibility of performing repairs, obtaining railroad permits, and the construction repair. The project is designed to convey the flow through a new pipe structure and allow for the replacement of the existing main and will run in parallel with another large diameter pipeline.

† **Fire Station No. 12 Relocation Project**

The City continued progress on the relocation and construction of the new Fire Station No. 12, a long-planned replacement for the temporary facility that has served the area since 1977. The project consists of a 15,842-square-foot, single-story, wood-frame Fire Station No. 12. The facility will include four apparatus bays, turnout and equipment rooms, living quarters, recreation space, office space for 11 personnel, and a public lobby. It will be constructed on City-owned property at Ashlan Avenue and Valentine Avenue in the northwestern area of the City. This new fire station will replace the existing Station No. 12 located at Acacia Avenue and Marks Avenue. The new facility will be significantly larger than the current station.

† **911 Emergency Call Center Project**

The City is working towards constructing a new 911 Emergency Call Center. The plan is to construct a new 12,072-square-foot 911 Emergency Call Center for the Police Department on a 1.25-acre project site located in the eastern portion of the City's Municipal Service Center located at 1515 El Dorado Street. The 911 Emergency Call Center will consist of a single-story building with a large call center space, office space for managers and supervisors, a conference room, a training room, breakrooms, restrooms, an exercise and fitness room, a server room, an electrical room, and an outdoor courtyard. The 911 Emergency Call Center would be operational 24 hours a day, every day of the calendar year, and would be operated and maintained by the Police Department. Operation of the 911 Emergency Call Center would involve transferring certain existing operations from the police department. Design of the 911 Emergency Call Center is complete, and construction is expected to be completed Fall of 2026.

**City of Fresno**  
**Management’s Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

At June 30, 2025, the City had commitments related to various construction projects associated with Governmental Activities totaling \$87.8 million. Commitments connected with Business-Type Activities at fiscal year-end amounted to \$149.0 million. The most significant of the Governmental Activities project was the Citywide Senior Center project (\$27.1 million). The most significant of the Business-Type Activities projects were Phase 2 of the FYI Terminal Expansion (\$48.3 million) and the Fire Station #12 Relocation project (\$14.3 million). A complete list of projects appear in [Note 13\(F\)](#) - Commitments and Contingencies, page 162, under Construction and Other Significant Commitments.

***Debt Administration***

At the end of the current fiscal year, the City had total long-term bond obligations and notes and leases/subscriptions payable outstanding of \$873.6 million. Of this amount, \$72.3 million is obligation bonds backed by the full faith and credit of the City, \$654.7 million is revenue bonds and notes of the City’s business enterprises and \$896 thousand are tax allocation debt issued by the Successor Agency of the Redevelopment Agency. The remaining \$145.7 million includes lease revenue bonds, notes and capital leases for general governmental projects. For detailed information on the City's debt, see Note 6-Long Term Liabilities, pages [101-113](#).

During fiscal year 2025, the City’s total bonded debt decreased by approximately \$17 million. The decrease was due to normal debt service payments and a \$4.5 million increase in capital financed purchases made during the year.

The City took the following actions in fiscal year 2025:

- Borrowed an additional \$18.2 million through the Master Equipment Lease Purchase Agreement with Banc of America Public Capital Corp. in fiscal year 2025 for public safety vehicles.
- The Sewer Division obtained \$23.4 million in financing during fiscal year 2025 from Flagstar Funding Corp. to support energy-efficiency upgrades and critical infrastructure improvements at the Wastewater Treatment Plant.

The ratio of net general obligation bonded debt to taxable valuation and the amount of bonded debt per capita are useful indicators of the City’s debt position to management, citizens, and investors.

A comparison of these indicators follows (as stated in thousands):

	Fiscal Year		
	2025	2024	2023
<b>General Bonded Debt (Par Amount)</b>	\$55,400	\$67,190	\$78,255
<b>General Bonded Debt per Capita</b>	\$100.71	\$122.84	\$142.48
<b>Debt Service Tax Rate per \$100 Taxable Valuation</b>	\$0.11	\$0.14	\$0.17

The City's outstanding general obligation bonds cannot exceed 20% of the assessed value of property within the City. Although the City's Charter imposes a statutory limit on the amount of general obligation bonds the City can have outstanding, the City also considers the potential impacts of all general obligation bonds on its tax base. Currently, there are no outstanding general obligation bonds.

Fitch’s May 3, 2024 upgrades of the City’s Lease Revenue Bond rating from A to AA and its General Obligation rating from A+ to AA remain in place, with both ratings continuing to hold a Stable outlook. Over the past year, Fitch has maintained its positive view of the City’s financial position. Similarly, Standard & Poor’s reaffirmation of the Airport bonds’ A rating on April 26, 2024 has remained unchanged throughout the year.

**City of Fresno**  
**Management’s Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

The rating continues to be supported by an increase in enplanement performance, with passenger boardings rising from 2.4 million to 2.6 million, along with solid liquidity levels and a manageable debt burden. Over the past year, the City’s financial position remained positive, supported by ongoing development activity and continued economic diversification—particularly within logistics and fulfillment operations—which are expected to contribute to long-term revenue stability. The City’s long-term liability profile also remains strong, reinforced by low pension liabilities.

As of June 30, 2025  
City's debt ratings by rating agencies

	Moody's Ratings	S&P Global Ratings	Fitch Ratings	Kroll Bond Rating Agency
<b><u>Governmental Activities</u></b>				
General Obligation Bonds	A1	AA-	AA	---
Lease Revenue Bonds	A2	A+	AA	---
<b><u>Business-Type Activities</u></b>				
Airport Revenue Bonds	A3	A	BBB+	A+
Water Revenue Bonds	A3	AA-	A+	---
Wastewater Revenue Bonds	A1	AA+	AA	---

**FINANCIAL OUTLOOK**

The City continued to demonstrate solid performance despite ongoing uncertainties. Property taxes are a source of stable revenue generation and continue to show sustained growth. Similarly, sales tax revenues show continued resilience despite economic challenges in the region. This performance is expected to carry over into fiscal year 2026, though the city acknowledges growing uncertainties remain.

While the local and national economic landscape remains uncertain, the City's financial management practices will continue to remain crucial in maintaining stability. By employing disciplined financial policies such as implementing recurring cost controls, the City is poised to manage financial pressures well. The Fresno region has demonstrated strong foundational performance and continued evolution for support innovation and infrastructure, but it’s important to acknowledge risks remain. Risks associated with geopolitical tensions and federal policy are ever present and looming impacts exist for the region’s employment, housing and consumer spending activity. These conditions underscore the importance of prudent financial management with a sound reserve management policy. The City concluded the 2025 fiscal year with a \$47.6 million General Fund Emergency Reserve. This reserve provides a foundation for managing economic uncertainties and allows for a proactive response to unexpected fiscal challenges. The City's prudent approach to budgeting and planning ensures that it remains well-positioned to handle unforeseen economic shifts.

The City will continue to monitor sources with particular expertise of influencing factors that may effect the fiscal condition and outlook of economic activity. Publications provided by the Legislative Analyst's Office, the UCLA Anderson Forecast and others provide invaluable insights that help shape planning. As the national and local economies adjust to evolving conditions, the City remains committed to preserving its financial health, supporting its residents, and maintaining its status as a thriving and resilient city.

Fiscal year 2025 continued to reflect ongoing financial stability. While this is promising, there are still risks ahead. Alongside the national economic challenges mentioned earlier, there are substantial geopolitical factors that pose risks to economic growth. These challenges are significant and will continue to play a key role in shaping future planning as the City works to ensure a high level of services for its residents.

**City of Fresno**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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**REQUESTS FOR INFORMATION**

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Below is the contact information for questions about this report or requests for additional financial information.

Documents can be made accessible in alternative ADA compliant formats upon request. To request documents in alternative ADA Compliant formats, contact the Finance Department at *Finance@fresno.gov* or (559) 621-7001.

**CITY OF FRESNO**  
Office of the Controller/Finance Department  
2600 Fresno Street, Room 2156  
Fresno, California 93721-3622

**[www.fresno.gov](http://www.fresno.gov)**

## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**City of Fresno**  
**Statement of Net Position**  
**June 30, 2025**  
**(amounts in thousands)**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 385,040	\$ 439,606	\$ 824,646
Accounts receivables, net	33,045	59,395	92,440
Interest receivable	4,645	7,358	12,003
Lease receivable - current	603	1,643	2,246
Grants receivable	39,462	15,804	55,266
Intergovernmental receivable	59,965	17,085	77,050
Inventories and prepaid items	3,774	13,412	17,186
Internal balances	66,464	(66,464)	-
Total current assets	<u>592,998</u>	<u>487,839</u>	<u>1,080,837</u>
Noncurrent assets:			
Restricted cash and investments	154,070	537,773	691,843
Restricted interest receivable	-	949	949
Lease receivable - non-current	5,850	12,554	18,404
Loan, note, and other receivables, net - non-current	122,762	1,653	124,415
Property held for resale	3,126	-	3,126
Due from Fiduciary Fund	1,315	-	1,315
Net pension asset	276,338	71,252	347,590
Unamortized CVP water settlement	-	879	879
Solid waste rate payers	-	5,794	5,794
Other assets	-	650	650
Capital assets:			
Non-depreciable	628,684	333,591	962,275
Depreciable/amortizable, net	661,597	1,364,528	2,026,125
Total capital assets	<u>1,290,281</u>	<u>1,698,119</u>	<u>2,988,400</u>
Total noncurrent assets	<u>1,853,742</u>	<u>2,329,623</u>	<u>4,183,365</u>
<b>Total assets</b>	<u>2,446,740</u>	<u>2,817,462</u>	<u>5,264,202</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Related to pensions	154,976	34,365	189,341
Related to OPEB	15,506	6,476	21,982
<b>Total deferred outflows of resources</b>	<u>170,482</u>	<u>40,841</u>	<u>211,323</u>

**City of Fresno**  
**Statement of Net Position (Continued)**  
**June 30, 2025**  
**(amounts in thousands)**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	52,125	36,862	88,987
Salaries payable	17,908	4,704	22,612
Interest payable	2,056	4,455	6,511
Retention payable	6,281	6,933	13,214
Unearned revenue	120,066	54,495	174,561
Long-term liabilities - due within one year	99,485	32,903	132,388
Total current liabilities	<u>297,921</u>	<u>140,352</u>	<u>438,273</u>
Noncurrent liabilities:			
Deposits held for others	19,426	24,117	43,543
Long-term liabilities - due in more than one year	588,931	674,542	1,263,473
Total noncurrent liabilities	<u>608,357</u>	<u>698,659</u>	<u>1,307,016</u>
<b>Total liabilities</b>	<u>906,278</u>	<u>839,011</u>	<u>1,745,289</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Related to leases	6,050	15,219	21,269
Related to pensions	81,072	17,222	98,294
Related to OPEB	49,786	21,176	70,962
<b>Total deferred inflows of resources</b>	<u>136,908</u>	<u>53,617</u>	<u>190,525</u>
<b>NET POSITION</b>			
Net investment in capital assets	<u>1,273,621</u>	<u>1,021,386</u>	<u>2,295,007</u>
Restricted:			
General government	9,689	-	9,689
Public protection	10,023	-	10,023
Public ways and facilities	206,963	-	206,963
Culture and recreation	72,077	-	72,077
Community development	57,395	-	57,395
Debt service	2,412	-	2,412
Net pension asset	276,338	71,252	347,590
Total restricted	<u>634,897</u>	<u>71,252</u>	<u>706,149</u>
Unrestricted (deficit)	<u>(334,482)</u>	<u>873,037</u>	<u>538,555</u>
<b>Total net position</b>	<u>\$ 1,574,036</u>	<u>\$ 1,965,675</u>	<u>\$ 3,539,711</u>

**City of Fresno**  
**Statement of Activities**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

<b>Functions/Programs</b>	Program Revenues				Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government:</b>					
Governmental activities:					
General government	\$ 58,969	\$ 27,581	\$ 1,450	\$ 58,903	\$ 87,934
Public protection	344,765	25,107	305	20,010	45,422
Public ways and facilities	114,445	34,315	87,734	67,735	189,784
Culture and recreation	52,346	2,096	1,400	2,530	6,026
Community development	81,272	15,284	10,188	36,105	61,577
Interest on long-term debt	11,399	-	-	-	-
Total governmental activities	663,196	104,383	101,077	185,283	390,743
Business-type activities:					
Water system	127,689	131,153	236	4,054	135,443
Sewer system	81,819	78,806	-	3,285	82,091
Solid waste management	36,034	40,333	555	-	40,888
Transit	90,131	2,517	44,418	19,796	66,731
Airports	47,953	48,295	5,186	21,132	74,613
Fresno Convention Center	9,088	5,288	-	-	5,288
Stadium	3,142	100	-	-	100
Community sanitation	8,509	9,431	-	-	9,431
Parks and recreation	472	486	-	-	486
Total business-type activities	404,837	316,409	50,395	48,267	415,071
<b>Total primary government</b>	<b>\$ 1,068,033</b>	<b>\$ 420,792</b>	<b>\$ 151,472</b>	<b>\$ 233,550</b>	<b>\$ 805,814</b>

**City of Fresno**  
**Statement of Activities (Continued)**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

<b>Functions/Programs</b>	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
<b>Primary government:</b>			
Governmental activities:			
General government	\$ 28,965	\$ -	\$ 28,965
Public protection	(299,343)	-	(299,343)
Public ways and facilities	75,339	-	75,339
Culture and recreation	(46,320)	-	(46,320)
Community development	(19,695)	-	(19,695)
Interest on long-term debt	(11,399)	-	(11,399)
Total governmental activities	(272,453)	-	(272,453)
Business-type activities:			
Water system	-	7,754	7,754
Sewer system	-	272	272
Solid waste management	-	4,854	4,854
Transit	-	(23,400)	(23,400)
Airports	-	26,660	26,660
Fresno Convention Center	-	(3,800)	(3,800)
Stadium	-	(3,042)	(3,042)
Community sanitation	-	922	922
Parks and recreation	-	14	14
Total business-type activities	-	10,234	10,234
<b>Total primary government</b>	(272,453)	10,234	(262,219)
<b>General Revenues and Transfers:</b>			
<b>General revenues:</b>			
Taxes:			
Property taxes	192,854	-	192,854
Sales taxes - shared revenues	193,373	-	193,373
Franchise taxes	23,657	-	23,657
Business taxes	30,653	-	30,653
Room taxes	15,415	-	15,415
Other taxes	3,040	-	3,040
Total taxes	458,992	-	458,992
Investment income	24,098	51,591	75,689
Gain (loss) on sale of capital assets	1,330	19	1,349
<b>Transfers</b>	(9,075)	9,075	-
<b>Total general revenues and transfers</b>	475,345	60,685	536,030
<b>Change in net position</b>	202,892	70,919	273,811
<b>Net Position:</b>			
Beginning of year	1,371,144	1,894,756	3,265,900
End of year	\$ 1,574,036	\$ 1,965,675	\$ 3,539,711

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**FUND FINANCIAL STATEMENTS**

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**GOVERNMENTAL FUNDS FINANCIAL STATEMENTS**

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**City of Fresno**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Major Funds		Non-major Governmental Funds	Total Governmental Funds
	General Fund	Grants Special Revenue Fund		
<b>ASSETS</b>				
Cash and investments	\$ 48,045	\$ 503	\$ 261,658	\$ 310,206
Restricted cash and investments	59,306	87,515	7,249	154,070
Accounts receivables, net	30,070	2,182	501	32,753
Interest receivable	734	934	2,120	3,788
Lease receivable	5,757	82	288	6,127
Grants receivable	-	31,603	7,859	39,462
Intergovernmental receivable	44,324	-	15,641	59,965
Loan, note, and other receivables, net	-	98,715	24,024	122,739
Inventories and prepaid items	384	14	70	468
Property held for resale	-	-	3,126	3,126
Due from other funds	2,747	-	-	2,747
Advances to other funds	-	420	-	420
Due from Fiduciary Fund	-	1,315	-	1,315
<b>Total assets</b>	<b>\$ 191,367</b>	<b>\$ 223,283</b>	<b>\$ 322,536</b>	<b>\$ 737,186</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 10,406	\$ 22,977	\$ 10,543	\$ 43,926
Salaries payable	12,810	936	1,651	15,397
Retention payable	86	3,333	2,667	6,086
Deposits from others	19,389	6	31	19,426
Unearned revenue	5,655	108,119	432	114,206
Due to other funds	-	-	-	-
Advances from other funds	616	-	263	879
<b>Total liabilities</b>	<b>48,962</b>	<b>135,371</b>	<b>15,587</b>	<b>199,920</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	26,737	22,689	2,365	51,791
Related to leases	5,511	78	155	5,744
<b>Total deferred inflows of resources</b>	<b>32,248</b>	<b>22,767</b>	<b>2,520</b>	<b>57,535</b>
<b>Fund Balances:</b>				
Nonspendable	384	14	3,196	3,594
Restricted	-	65,131	268,374	333,505
Committed	54,224	-	-	54,224
Assigned	21,902	-	32,859	54,761
Unassigned	33,647	-	-	33,647
<b>Total fund balances</b>	<b>110,157</b>	<b>65,145</b>	<b>304,429</b>	<b>479,731</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 191,367</b>	<b>\$ 223,283</b>	<b>\$ 322,536</b>	<b>\$ 737,186</b>

**City of Fresno**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**June 30, 2025**  
**(amounts in thousands)**

<b>Total Fund Balances - Total Governmental Funds</b>	<u>\$ 479,731</u>
Amounts reported for Governmental Activities in the Statement of Net Position were different because:	
Unavailable revenue recorded in the fund financial statements resulting from activities in which revenues were earned but funds were not available are reclassified as revenues in the Government-Wide Financial Statements.	<u>51,791</u>
Capital Assets used in the governmental activities were not financial resources and therefore were not reported in the Governmental Funds Balance Sheet.	
Government-Wide Statement of Net Position	1,290,281
Less: amount reported in Internal Service Funds	<u>(151,420)</u>
Total capital assets	<u>1,138,861</u>
Long-term liabilities are not due and payable in the current period and therefore were not reported in the Governmental Funds Balance Sheet.	
Bonds from public borrowings, net unamortized issuance premiums/(discounts)	(145,684)
Finance purchase agreements	(70,307)
Compensated absences and health retirement arrangement	(97,901)
Total OPEB liability	(67,458)
Lease and subscription liability	(15,152)
Less: amounts reported in Internal Service Funds:	
Finance purchase agreements	42,917
Compensated absences and health retirement arrangement	6,197
Total OPEB liability	1,682
Lease and subscription liability	<u>2,871</u>
Total long-term liabilities	<u>(342,835)</u>
Prepaid bond insurance are not current financial resource. Therefore, they were not reported in the Governmental Funds Balance Sheet.	<u>808</u>
Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the governmental funds.	
Government-Wide Statement of Net Position	(2,056)
Less: amount reported in Internal Service Funds	<u>420</u>
Total interest payable	<u>(1,636)</u>
Net pension asset used in the governmental activities were not financial resources and therefore were not reported in the Governmental Funds Balance Sheet.	
Government-Wide Statement of Net Position	276,338
Less: amount reported in Internal Service Funds	<u>(9,908)</u>
Total net pension asset	<u>266,430</u>
Deferred outflows and inflows of resources related to OPEB and pensions are not available for current period and, therefore, are deferred in the governmental funds or not recorded in the governmental funds.	
Deferred outflows of resources related to pensions	154,976
Deferred outflows of resources related to OPEB	15,506
Deferred inflows of resources related to pensions	(81,072)
Deferred inflows of resources related to OPEB	(49,786)
Less: amounts reported in Internal Service Funds:	
Deferred outflows of resources related to pensions	(8,699)
Deferred outflows of resources related to OPEB	(1,138)
Deferred inflows of resources related to pensions	4,205
Deferred inflows of resources related to OPEB	<u>5,302</u>
Total deferred outflows and inflows of resources	<u>39,294</u>
Internal service funds are used by management to charge the costs of various activities, such as fleet and insurance to individual funds. Assets and liabilities of certain internal service funds are included in Governmental Activities in the Statement of Net Position.	<u>(58,408)</u>
<b>Net Position of Governmental Activities</b>	<u>\$ 1,574,036</u>

See accompanying Notes to the Basic Financial Statements.

**City of Fresno**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Major Funds		Non-major Governmental Funds	Total Governmental Funds
	General Fund	Grants Special Revenue Fund		
<b>REVENUES:</b>				
Taxes	\$ 406,388	\$ -	\$ 107,170	\$ 513,558
Licenses and permits	9,699	-	-	9,699
Intergovernmental	3,073	184,473	32,994	220,540
Charges for services	37,933	-	41,525	79,458
Fines, forfeitures and penalties	3,997	-	346	4,343
Use of money and property	7,261	25	13,142	20,428
Miscellaneous	1,835	364	550	2,749
<b>Total revenues</b>	<b>470,186</b>	<b>184,862</b>	<b>195,727</b>	<b>850,775</b>
<b>EXPENDITURES:</b>				
Current:				
General government	51,416	5,881	559	57,856
Public protection	298,282	44,268	4,683	347,233
Public ways and facilities	13,511	11,341	59,347	84,199
Culture and recreation	20,167	1,714	25,517	47,398
Community development	47,742	28,154	5,300	81,196
Capital outlay	18,398	69,073	73,647	161,118
Debt service:				
Principal	8,538	631	17,940	27,109
Interest	1,502	40	8,611	10,153
<b>Total expenditures</b>	<b>459,556</b>	<b>161,102</b>	<b>195,604</b>	<b>816,262</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>10,630</b>	<b>23,760</b>	<b>123</b>	<b>34,513</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from sale of property	-	-	1,311	1,311
Capital financing activity	19,574	-	-	19,574
Transfers in	5,922	3,530	34,462	43,914
Transfers out	(35,008)	(4,754)	(7,210)	(46,972)
<b>Total other financing sources (uses)</b>	<b>(9,512)</b>	<b>(1,224)</b>	<b>28,563</b>	<b>17,827</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,118</b>	<b>22,536</b>	<b>28,686</b>	<b>52,340</b>
<b>FUND BALANCES:</b>				
Beginning of year	109,039	42,609	275,743	427,391
End of year	<u>\$ 110,157</u>	<u>\$ 65,145</u>	<u>\$ 304,429</u>	<u>\$ 479,731</u>

**City of Fresno**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Position**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$ 52,340
Amounts reported for Governmental Activities in the Statement of Net Position were different because:	
Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Position the cost of those assets was allocated over their estimated useful lives as depreciation expenses. This is the amount of capital assets recorded in the current period (net of \$31,231 added in internal service funds) (\$27,198 of the governmental fund additions were recorded as functional expenditures).	188,316
Depreciation and amortization expense on capital assets was reported in the Government-Wide Statement of Activities and Changes in Net Position, but they did not require the use of current financial resources. Therefore, depreciation and amortization expense, net of internal service funds of \$24,183, was not reported as expenditures in the Governmental Funds.	(49,093)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) decreased net position (net of \$3,738 reported in the internal services fund).	(33)
Issuance of long-term liabilities provides current financial resources to governmental funds, but the issuance increased long-term liabilities in the Government-Wide Statement of Net Position.	
Finance purchase agreements (net of \$8,329 reported in the internal services fund)	(9,837)
Lease and subscription liability (net of \$5,916 reported in the internal services fund)	(9,737)
Repayment of long-term liabilities was an expenditures in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.	
Principal payment of long-term debt	27,109
Amortization of bond premium	738
Interest expense on long-term debt was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. This amount represented the changes in accrued interest from prior year.	
Prepaid bond insurance	(99)
Interest payable	84
Compensated absences expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	858
Revenues that are not considered to be available are reported as unavailable revenues in the governmental funds, however, these amounts are recognized in the Government-Wide Statement of Activities. This amount represents the change in unavailable revenues.	782
Certain pension expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	
Changes in pension related deferred outflows of resources	29,902
Changes in net pension assets	39,380
Changes in pension related deferred inflows of resources	(60,684)
Certain OPEB expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	
Changes in OPEB related deferred outflows of resources	(2,924)
Changes in total OPEB liabilities	10,054
Changes in OPEB related deferred inflows of resources	(5,318)
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance and fleet, to individual funds. The net revenues of certain activities of internal service funds are reported with Governmental Activities in the Statement of Activities.	(8,946)
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 202,892</b>

**PROPIETARY FUNDS FINANCIAL STATEMENTS**

**City of Fresno**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Major Funds				
	Water System Fund	Sewer System Fund	Solid Waste Management Fund	Transit Fund	Airports Fund
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 143,235	\$ 202,087	\$ 8,660	\$ 104	\$ 64,051
Accounts receivables, net	24,849	13,737	8,893	738	6,845
Interest receivable	3,822	1,519	121	374	1,286
Lease receivable	148	152	-	-	1,020
Grants receivable	296	-	6	10,206	5,296
Intergovernmental receivable	-	613	-	16,275	197
Inventories and prepaid items	4,534	5,946	-	1,626	1,144
Total current assets	<u>176,884</u>	<u>224,054</u>	<u>17,680</u>	<u>29,323</u>	<u>79,839</u>
Noncurrent assets:					
Restricted cash and investments	331,947	70,599	6,936	45,048	77,641
Restricted interest receivable	278	671	-	-	-
Lease receivable - non-current	1,258	2,024	-	-	7,759
Other receivable	1,148	505	-	-	-
Net pension asset	14,684	13,363	9,560	19,966	6,113
Unamortized CVP water settlement	879	-	-	-	-
Solid waste rate payers	-	-	5,794	-	-
Other assets	-	-	-	-	399
Advances to other funds	1,005	4,696	-	-	-
Capital assets:					
Land and intangibles	34,030	17,181	2,803	2,216	14,049
Buildings, systems and improvements	509,487	596,724	4,003	80,130	218,854
Machinery and equipment	1,487	6,250	5,699	112,957	5,583
Infrastructure	445,280	365,271	-	-	89,404
Intangible assets, being amortized	-	121	-	-	3,135
Construction in progress	30,991	61,172	456	20,663	139,431
Less: accumulated depreciation and amortization	<u>(377,079)</u>	<u>(446,178)</u>	<u>(5,591)</u>	<u>(95,260)</u>	<u>(186,116)</u>
Total capital assets	<u>644,196</u>	<u>600,541</u>	<u>7,370</u>	<u>120,706</u>	<u>284,340</u>
Total noncurrent assets	<u>995,395</u>	<u>692,399</u>	<u>29,660</u>	<u>185,720</u>	<u>376,252</u>
<b>Total assets</b>	<u>1,172,279</u>	<u>916,453</u>	<u>47,340</u>	<u>215,043</u>	<u>456,091</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension contributions	3,782	3,634	2,651	8,072	2,447
Related to pensions	1,841	1,772	1,268	3,886	1,140
Related to OPEB	<u>1,038</u>	<u>957</u>	<u>720</u>	<u>2,374</u>	<u>560</u>
<b>Total deferred outflows of resources</b>	<u>6,661</u>	<u>6,363</u>	<u>4,639</u>	<u>14,332</u>	<u>4,147</u>

**City of Fresno**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Major Funds				
	Water System Fund	Sewer System Fund	Solid Waste Management Fund	Transit Fund	Airports Fund
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	\$ 8,490	\$ 4,719	\$ 2,639	\$ 2,702	\$ 16,625
Salaries payable	761	695	511	1,742	483
Interest payable	465	262	-	-	3,134
Retention payable	592	1,040	135	980	4,186
Unearned revenue	6,921	12,826	1,577	33,171	-
Due to other funds	-	-	-	93	-
Compensated absences and HRA	471	375	402	730	422
Lease and subscription liability	-	21	-	-	649
Finance purchase agreement	-	764	-	-	-
Notes payable	12,442	2,657	-	-	-
Bonds payable	4,260	-	-	-	3,523
Liability for self-insurance	-	-	-	-	-
Accrued closure cost	-	-	900	-	-
Total OPEB liability	126	120	77	251	61
Total current liabilities	34,528	23,479	6,241	39,669	29,083
Noncurrent liabilities:					
Deposits held for others	966	17,070	-	-	487
Advances from other funds	-	-	5,242	-	-
Pollution remediation obligation	-	-	-	-	220
Compensated absences and HRA	2,049	2,028	1,405	3,556	1,654
Lease and subscription liability	-	20	-	-	671
Finance purchase agreement	-	22,536	-	-	-
Notes payable	290,139	71,341	-	-	-
Bonds payable	82,244	-	-	-	140,381
Accreted interest on capital appreciation bonds	-	-	-	-	-
Liability for self-insurance	-	-	-	-	-
Accrued closure cost	-	-	6,097	-	-
Total OPEB liability	4,494	4,302	2,753	8,960	2,172
Total noncurrent liabilities	379,892	117,297	15,497	12,516	145,585
<b>Total liabilities</b>	414,420	140,776	21,738	52,185	174,668
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Related to leases	3,195	2,996	2,213	5,627	2,189
Related to pensions	1,354	2,146	-	-	8,419
Related to OPEB	3,260	2,991	2,458	7,881	1,843
<b>Total deferred inflows of resources</b>	7,809	8,133	4,671	13,508	12,451
<b>NET POSITION</b>					
Net investment in capital assets	254,519	521,408	7,235	119,726	103,957
Restricted for net pension asset	14,684	13,363	9,560	19,966	6,113
Unrestricted (deficit)	487,508	239,136	8,775	23,990	163,049
<b>Total net position</b>	\$ 756,711	\$ 773,907	\$ 25,570	\$ 163,682	\$ 273,119

**City of Fresno**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Major Funds		Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Fresno Convention Center Fund	Stadium Fund			
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 2,604	\$ 959	\$ 7,057	\$ 428,757	\$ 85,683
Accounts receivables, net	678	323	2,093	58,156	1,531
Interest receivable	6	1	40	7,169	1,046
Lease receivable	-	84	239	1,643	9
Grants receivable	-	-	-	15,804	-
Intergovernmental receivable	-	-	-	17,085	-
Inventories and prepaid items	162	-	-	13,412	2,498
Total current assets	3,450	1,367	9,429	542,026	90,767
Noncurrent assets:					
Restricted cash and investments	1,458	3	1,864	535,496	2,277
Restricted interest receivable	-	-	-	949	-
Lease receivable - non-current	-	1,006	507	12,554	317
Other receivable	-	-	-	1,653	23
Net pension asset	-	-	3,812	67,498	13,662
Unamortized CVP water settlement	-	-	-	879	-
Solid waste rate payers	-	-	-	5,794	-
Other assets	113	127	11	650	-
Advances to other funds	-	-	-	5,701	-
Capital assets:					
Land and intangibles	4,163	710	12	75,164	-
Buildings, systems and improvements	86,932	43,899	3,743	1,543,772	24,411
Machinery and equipment	309	2,782	67	135,134	217,762
Infrastructure	-	-	122	900,077	-
Intangible assets, being amortized	-	-	-	3,256	19,543
Construction in progress	-	5,535	-	258,248	30,281
Less: accumulated depreciation and amortization	(79,497)	(25,235)	(2,862)	(1,217,818)	(140,291)
Total capital assets	11,907	27,691	1,082	1,697,833	151,706
Total noncurrent assets	13,478	28,827	7,276	2,329,007	167,985
<b>Total assets</b>	16,928	30,194	16,705	2,871,033	258,752
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension contributions	-	-	892	21,478	7,283
Related to pensions	-	-	466	10,373	3,930
Related to OPEB	10	-	280	5,939	1,675
<b>Total deferred outflows of resources</b>	10	-	1,638	37,790	12,888

**City of Fresno**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Major Funds		Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Fresno Convention Center Fund	Stadium Fund			
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	\$ 1,116	\$ 96	\$ 96	\$ 36,483	\$ 8,578
Salaries payable	-	-	202	4,394	2,821
Interest payable	445	134	15	4,455	420
Retention payable	-	-	-	6,933	195
Unearned revenue	-	-	-	54,495	5,860
Due to other funds	-	-	-	93	2,654
Compensated absences and HRA	-	-	72	2,472	931
Lease and subscription liability	-	-	-	670	1,366
Finance purchase agreement	-	-	-	764	6,021
Notes payable	-	-	-	15,099	-
Bonds payable	1,859	2,230	70	11,942	-
Liability for self-insurance	-	-	-	-	50,719
Accrued closure cost	-	-	-	900	-
Total OPEB liability	<u>2</u>	<u>-</u>	<u>30</u>	<u>667</u>	<u>105</u>
Total current liabilities	<u>3,422</u>	<u>2,460</u>	<u>485</u>	<u>139,367</u>	<u>79,670</u>
Noncurrent liabilities:					
Deposits held for others	596	-	-	19,119	4,998
Advances from other funds	-	-	-	5,242	-
Pollution remediation obligation	-	-	-	220	-
Compensated absences and HRA	-	-	665	11,357	6,933
Lease and subscription liability	-	-	-	691	1,505
Finance purchase agreement	-	-	-	22,536	36,896
Notes payable	-	-	-	361,480	-
Bonds payable	5,172	13,845	1,238	242,880	-
Accreted interest on capital appreciation bonds	2,010	-	-	2,010	-
Liability for self-insurance	-	-	-	-	241,195
Accrued closure cost	-	-	-	6,097	-
Total OPEB liability	<u>66</u>	<u>-</u>	<u>1,090</u>	<u>23,837</u>	<u>3,733</u>
Total noncurrent liabilities	<u>7,844</u>	<u>13,845</u>	<u>2,993</u>	<u>695,469</u>	<u>295,260</u>
<b>Total liabilities</b>	<u>11,266</u>	<u>16,305</u>	<u>3,478</u>	<u>834,836</u>	<u>374,930</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Related to leases	-	-	1,002	17,222	306
Related to pensions	-	1,063	876	13,858	5,566
Related to OPEB	20	-	878	19,331	7,147
<b>Total deferred inflows of resources</b>	<u>20</u>	<u>1,063</u>	<u>2,756</u>	<u>50,411</u>	<u>13,019</u>
<b>NET POSITION</b>					
Net investment in capital assets	2,865	11,616	(226)	1,021,100	112,505
Restricted for net pension asset	-	-	3,812	67,498	15,939
Unrestricted (deficit)	2,787	1,210	8,523	934,978	(244,753)
<b>Total net position</b>	<u>\$ 5,652</u>	<u>\$ 12,826</u>	<u>\$ 12,109</u>	<u>2,023,576</u>	<u>\$ (116,309)</u>
	Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds			(57,901)	
	Net position of business-type activities			<u>\$ 1,965,675</u>	

See accompanying Notes to the Basic Financial Statements.

**City of Fresno**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Major Fund				
	Water System Fund	Sewer System Fund	Solid Waste Management Fund	Transit Fund	Airports Fund
<b>OPERATING REVENUES:</b>					
Charges for services	\$ 131,153	\$ 78,806	\$ 40,333	\$ 2,517	\$ 45,410
<b>Total operating revenues</b>	<b>131,153</b>	<b>78,806</b>	<b>40,333</b>	<b>2,517</b>	<b>45,410</b>
<b>OPERATING EXPENSES:</b>					
Personnel services	15,507	15,817	14,170	45,531	11,628
Contractual services	36,663	16,948	7,373	15,043	14,789
Materials and supplies	12,650	8,492	1,136	8,433	1,033
Interdepartmental charges	13,454	9,230	12,062	11,163	5,164
Claims	-	-	-	-	-
Amortization	-	74	-	-	665
Depreciation	38,546	28,870	510	9,326	11,487
<b>Total operating expenses</b>	<b>116,820</b>	<b>79,431</b>	<b>35,251</b>	<b>89,496</b>	<b>44,766</b>
<b>OPERATING INCOME</b>	<b>14,333</b>	<b>(625)</b>	<b>5,082</b>	<b>(86,979)</b>	<b>644</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Operating grants	236	-	555	44,418	5,186
Interest income	15,394	6,804	343	880	6,084
Net increase (decrease) in cash fair value	10,774	5,714	334	1,829	2,220
Interest expense	(10,721)	(2,181)	(134)	-	(3,042)
Passenger facility charges	-	-	-	-	6,052
Customer facility charges	-	-	-	-	2,885
Gain (loss) on sale of capital assets	-	22	-	(3)	-
<b>Total nonoperating revenues (expenses)</b>	<b>15,683</b>	<b>10,359</b>	<b>1,098</b>	<b>47,124</b>	<b>19,385</b>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	<b>30,016</b>	<b>9,734</b>	<b>6,180</b>	<b>(39,855)</b>	<b>20,029</b>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>					
Capital contributions	4,054	3,285	-	19,796	15,080
Transfers in	924	1,176	2,487	7	-
Transfers out	(2,068)	(1,840)	(1,916)	(1,357)	(296)
<b>Total capital contributions and transfers</b>	<b>2,910</b>	<b>2,621</b>	<b>571</b>	<b>18,446</b>	<b>14,784</b>
<b>Changes in net position</b>	<b>32,926</b>	<b>12,355</b>	<b>6,751</b>	<b>(21,409)</b>	<b>34,813</b>
<b>NET POSITION:</b>					
Beginning of year	723,785	761,552	18,819	185,091	238,306
End of year	<u>\$ 756,711</u>	<u>\$ 773,907</u>	<u>\$ 25,570</u>	<u>\$ 163,682</u>	<u>\$ 273,119</u>

See accompanying Notes to the Basic Financial Statements.

**City of Fresno**  
**Statement of Revenues, Expenses, and Changes in Net Position (Continued)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Major Fund		Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Fresno Convention Center Fund	Stadium Fund			
<b>OPERATING REVENUES:</b>					
Charges for services	\$ 5,288	\$ 100	\$ 9,917	\$ 313,524	\$ 276,770
<b>Total operating revenues</b>	<b>5,288</b>	<b>100</b>	<b>9,917</b>	<b>313,524</b>	<b>276,770</b>
<b>OPERATING EXPENSES:</b>					
Personnel services	2,960	-	5,351	110,964	44,749
Contractual services	3,736	387	(211)	94,728	38,939
Materials and supplies	-	448	512	32,704	18,942
Interdepartmental charges	3	-	2,943	54,019	13,709
Claims	-	-	-	-	143,940
Amortization	-	-	-	739	5,201
Depreciation	2,021	1,376	189	92,325	18,989
<b>Total operating expenses</b>	<b>8,720</b>	<b>2,211</b>	<b>8,784</b>	<b>385,479</b>	<b>284,469</b>
<b>OPERATING INCOME</b>	<b>(3,432)</b>	<b>(2,111)</b>	<b>1,133</b>	<b>(71,955)</b>	<b>(7,699)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Operating grants	-	-	-	50,395	165
Interest income	15	27	148	29,695	3,933
Net increase (decrease) in cash fair value	-	29	83	20,983	1,570
Interest expense	(368)	(931)	(48)	(17,425)	(1,969)
Passenger facility charges	-	-	-	6,052	-
Customer facility charges	-	-	-	2,885	-
Gain (loss) on sale of capital assets	-	-	-	19	52
<b>Total nonoperating revenues (expenses)</b>	<b>(353)</b>	<b>(875)</b>	<b>183</b>	<b>92,604</b>	<b>3,751</b>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	<b>(3,785)</b>	<b>(2,986)</b>	<b>1,316</b>	<b>20,649</b>	<b>(3,948)</b>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>					
Capital contributions	-	-	-	42,215	-
Transfers in	3,940	3,669	4,447	16,650	1,965
Transfers out	-	-	(1,510)	(8,987)	(6,570)
<b>Total capital contributions and transfers</b>	<b>3,940</b>	<b>3,669</b>	<b>2,937</b>	<b>49,878</b>	<b>(4,605)</b>
<b>Changes in net position</b>	<b>155</b>	<b>683</b>	<b>4,253</b>	<b>70,527</b>	<b>(8,553)</b>
<b>NET POSITION:</b>					
Beginning of year	5,497	12,143	7,856		(107,756)
End of year	<u>\$ 5,652</u>	<u>\$ 12,826</u>	<u>\$ 12,109</u>		<u>\$ (116,309)</u>
				392	
				<u>\$ 70,919</u>	

Adjustment to reflect the consolidation of internal  
service fund activities related to enterprise funds

**City of Fresno**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Major Funds				
	Water System Fund	Sewer System Fund	Solid Waste Management Fund	Transit Fund	Airports Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash received from customers	\$ 130,270	\$ 83,885	\$ 42,929	\$ 9,197	\$ 45,558
Cash payments to suppliers for goods and services	(59,725)	(34,890)	(21,451)	(43,868)	(11,811)
Cash payments to employees for services	(17,945)	(18,012)	(15,808)	(50,749)	(15,025)
Cash payments for claims and refunds	-	-	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<b>52,600</b>	<b>30,983</b>	<b>5,670</b>	<b>(85,420)</b>	<b>18,722</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Capital contributions	4,054	3,285	-	19,796	15,080
Passenger and customer facility charges	-	-	-	-	8,937
Interest payments on capital-related debt	(10,659)	(2,181)	-	-	(3,485)
Proceeds from issuance of capital-related debt	-	23,474	-	-	183
Principal payments on capital-related debt	(16,375)	(2,921)	-	-	(4,327)
Proceeds from sale of capital assets	432	80	48	274	13
Acquisition and construction of capital assets	(20,119)	(21,763)	(2,801)	(8,861)	(57,116)
<b>Net cash (used in) capital and related financing activities</b>	<b>(42,667)</b>	<b>(26)</b>	<b>(2,753)</b>	<b>11,209</b>	<b>(40,715)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Operating grants received	148	262	549	44,196	3,275
Interest payments on noncapital-related debt	-	-	(134)	-	-
Interfund borrowing (lending)	949	995	1	12	-
Repayment of interfund borrowing (lending)	(626)	(163)	(2,306)	(50)	(62)
Transfers in	924	1,176	2,487	7	-
Transfers out	(2,068)	(1,840)	(1,916)	(1,357)	(296)
<b>Net cash provided by noncapital financing activities</b>	<b>(673)</b>	<b>430</b>	<b>(1,319)</b>	<b>42,808</b>	<b>2,917</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest from investments	25,762	12,317	635	2,938	7,964
<b>Net cash provided by investing activities</b>	<b>25,762</b>	<b>12,317</b>	<b>635</b>	<b>2,938</b>	<b>7,964</b>
<b>Net change in cash and cash equivalents</b>	<b>35,022</b>	<b>43,704</b>	<b>2,233</b>	<b>(28,465)</b>	<b>(11,112)</b>
<b>CASH AND CASH EQUIVALENTS:</b>					
Beginning of year	440,160	228,982	13,363	73,617	152,804
End of year	<u>\$ 475,182</u>	<u>\$ 272,686</u>	<u>\$ 15,596</u>	<u>\$ 45,152</u>	<u>\$ 141,692</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:</b>					
Cash and cash investments	\$ 143,235	\$ 202,087	\$ 8,660	\$ 104	\$ 64,051
Restricted cash and investments	331,947	70,599	6,936	45,048	77,641
<b>Total cash and cash equivalents</b>	<u>\$ 475,182</u>	<u>\$ 272,686</u>	<u>\$ 15,596</u>	<u>\$ 45,152</u>	<u>\$ 141,692</u>

See accompanying Notes to the Basic Financial Statements.

**City of Fresno**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Major Funds				
	Water System Fund	Sewer System Fund	Solid Waste Management Fund	Transit Fund	Airports Fund
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET</b>					
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ 14,333	\$ (625)	\$ 5,082	\$ (86,979)	\$ 644
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	38,546	28,944	510	9,326	12,152
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:					
Accounts receivables, net	(533)	883	(577)	(394)	(3,036)
Lease receivable	201	(90)	-	-	1,931
Other receivable	8	82	-	-	-
Inventories and prepaid items	283	579	-	(271)	(254)
Net pension asset	(1,513)	(1,456)	(1,042)	(3,194)	(965)
Unamortized CVP water settlement	(184)	-	-	-	-
Solid waste rate payers	-	-	2,361	-	-
Other assets	-	-	-	-	27
Deferred outflows - pension related	(753)	(726)	(498)	(1,588)	(609)
Deferred outflows - OPEB related	217	203	135	480	114
Accounts payable	2,759	(799)	1,367	(8,958)	9,487
Salaries payable	129	73	56	136	90
Unearned revenue	(2,026)	676	(338)	2,542	31
Deposits held for others	-	1,848	-	-	15
Pollution remediation obligation	-	-	-	-	(58)
Compensated absences and HRA	46	(37)	(65)	(152)	142
Liability for self-insurance	-	-	-	-	-
Accrued closure cost	-	-	(2,247)	-	-
Total OPEB liability	(678)	(603)	(595)	(1,643)	(387)
Deferred inflows - lease related	1,651	1,680	1,150	4,532	1,180
Deferred inflows - pension related	(180)	117	-	-	(1,960)
Deferred inflows - OPEB related	294	234	371	743	178
Total adjustments	38,267	31,608	588	1,559	18,078
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 52,600</b>	<b>\$ 30,983</b>	<b>\$ 5,670</b>	<b>\$ (85,420)</b>	<b>\$ 18,722</b>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Amortization of bond premium and discount	\$ 88	\$ -	\$ -	\$ -	\$ (334)
Borrowing under capital financing	\$ -	\$ 23,474	\$ -	\$ -	\$ -
Change in unamortized CVP water settlement receivable/payable	\$ (184)	\$ -	\$ -	\$ -	\$ -
<b>Total noncash capital and related financing activities</b>	<b>\$ (96)</b>	<b>\$ 23,474</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (334)</b>

**City of Fresno**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Major Funds		Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Fresno Convention Center Fund	Stadium Fund			
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash received from customers	\$ 4,945	\$ 1,075	\$ 11,026	\$ 328,885	\$ 264,929
Cash payments to suppliers for goods and services	(3,266)	(975)	(3,520)	(179,506)	(70,142)
Cash payments to employees for services	(2,961)	(358)	(6,236)	(127,094)	(44,987)
Cash payments for claims and refunds	-	-	-	-	(118,700)
<b>Net cash provided by (used in) operating activities</b>	<b>(1,282)</b>	<b>(258)</b>	<b>1,270</b>	<b>22,285</b>	<b>31,100</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Capital contributions	-	-	-	42,215	-
Passenger and customer facility charges	-	-	-	8,937	-
Interest payments on capital debt	(549)	(1,104)	(62)	(18,040)	(1,419)
Proceeds from capital finance activity	-	-	-	23,657	14,245
Principal payments on capital finance obligations	(2,181)	(2,100)	(70)	(27,974)	(20,291)
Proceeds from sale of capital assets	-	-	-	847	3,790
Acquisition and construction of capital assets	-	(485)	-	(111,145)	(31,438)
<b>Net cash (used in) capital and related financing activities</b>	<b>(2,730)</b>	<b>(3,689)</b>	<b>(132)</b>	<b>(81,503)</b>	<b>(35,113)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Operating grants received	-	-	-	48,430	497
Interest payments on noncapital-related debt	-	-	-	(134)	-
Interfund borrowing (lending)	-	-	-	1,957	3,833
Repayment of interfund borrowing (lending)	-	-	(140)	(3,347)	(10,863)
Transfers in	3,940	3,669	4,447	16,650	1,965
Transfers out	-	-	(1,510)	(8,987)	(6,570)
<b>Net cash provided by noncapital financing activities</b>	<b>3,940</b>	<b>3,669</b>	<b>2,797</b>	<b>54,569</b>	<b>(11,138)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest from investments	13	55	230	49,914	5,380
<b>Net cash provided by investing activities</b>	<b>13</b>	<b>55</b>	<b>230</b>	<b>49,914</b>	<b>5,380</b>
<b>Net change in cash and cash equivalents</b>	<b>(59)</b>	<b>(223)</b>	<b>4,165</b>	<b>45,265</b>	<b>(9,771)</b>
<b>CASH AND CASH EQUIVALENTS:</b>					
Beginning of year	4,121	1,185	4,756	918,988	97,731
End of year	<u>\$ 4,062</u>	<u>\$ 962</u>	<u>\$ 8,921</u>	<u>\$ 964,253</u>	<u>\$ 87,960</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:</b>					
Cash and cash investments	\$ 2,604	\$ 959	\$ 7,057	\$ 428,757	\$ 85,683
Restricted cash and investments	1,458	3	1,864	535,496	2,277
<b>Total cash and cash equivalents</b>	<u>\$ 4,062</u>	<u>\$ 962</u>	<u>\$ 8,921</u>	<u>\$ 964,253</u>	<u>\$ 87,960</u>

See accompanying Notes to the Basic Financial Statements.

**City of Fresno**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Major Funds			Total Enterprise Funds	Governmental Activities Internal Service Funds
	Fresno	Stadium	Non-major		
	Convention Center Fund	Fund	Enterprise Funds		
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET</b>					
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ (3,432)	\$ (2,111)	\$ 1,133	\$ (71,955)	\$ (7,699)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	2,021	1,376	189	93,064	24,190
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:					
Accounts receivables, net	(108)	602	281	(2,882)	1,739
Lease receivable	-	371	465	2,878	6
Other receivable	-	-	-	90	-
Inventories and prepaid items	1	-	-	338	464
Net pension asset	-	-	(384)	(8,554)	(3,231)
Unamortized CVP water settlement	-	-	-	(184)	-
Solid waste rate payers	-	-	-	2,361	-
Other assets	13	22	1	63	-
Deferred outflows - pension related	-	-	(302)	(4,476)	(3,020)
Deferred outflows - OPEB related	2	-	60	1,211	330
Accounts payable	472	(140)	(276)	3,912	984
Salaries payable	-	-	(3)	481	521
Unearned revenue	-	(20)	-	865	(13,372)
Deposits held for others	(248)	-	-	1,615	-
Pollution remediation obligation	-	-	-	(58)	-
Compensated absences and HRA	-	-	102	36	870
Liability for self-insurance	-	-	-	-	25,240
Accrued closure cost	-	-	-	(2,247)	-
Total OPEB liability	(3)	-	(168)	(4,077)	(1,198)
Deferred inflows - lease related	-	-	362	10,555	(214)
Deferred inflows - pension related	-	(358)	(247)	(2,628)	5,249
Deferred inflows - OPEB related	-	-	57	1,877	241
Total adjustments	2,150	1,853	137	94,240	38,799
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (1,282)</b>	<b>\$ (258)</b>	<b>\$ 1,270</b>	<b>\$ 22,285</b>	<b>\$ 31,100</b>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Amortization of bond premium and discount	\$ (168)	\$ (155)	\$ (14)	\$ (583)	\$ -
Borrowing under capital financing	\$ -	\$ -	\$ -	\$ 23,474	\$ 14,245
Change in unamortized CVP water settlement receivable/payable	\$ -	\$ -	\$ -	\$ (184)	\$ -
<b>Total noncash capital and related financing activities</b>	<b>\$ (168)</b>	<b>\$ (155)</b>	<b>\$ (14)</b>	<b>\$ 22,707</b>	<b>\$ 14,245</b>

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**FIDUCIARY FUNDS FINANCIAL STATEMENTS**

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**City of Fresno**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Pension Trust Funds	Successor Agency to the Fresno Redevelopment Agency Private-Purpose Trust Fund	Custodial Funds
<b>ASSETS</b>			
Cash and investments	\$ 1,425	\$ 1,810	\$ 3,404
Restricted cash and investments held by fiscal agent	-	-	637
Total cash and investments	<u>1,425</u>	<u>1,810</u>	<u>4,041</u>
Receivables:			
Receivables for investments sold	17,972	-	-
Interest and dividends receivable	4,125	-	25
Other receivables	2,170	-	5
Due from other governments	-	-	829
Total receivables	<u>24,267</u>	<u>-</u>	<u>859</u>
Investments, at fair value:			
Short-term investments	19,557	-	-
Domestic equity	1,080,888	-	-
International equities	850,932	-	-
Private equity	342,135	-	-
Fixed income	544,053	-	-
Private debt/credit	523,907	-	-
Real estate	915,468	-	-
Multi-assets	88,934	-	-
Total investments	<u>4,365,874</u>	<u>-</u>	<u>-</u>
Collateral held for securities lent	48,148	-	-
Capital assets, net	152	-	-
Other assets	102	-	-
Property held for resale	-	293	-
<b>Total assets</b>	<u>4,439,968</u>	<u>2,103</u>	<u>4,900</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension contributions	-	70	-
Related to pensions	-	127	-
<b>Total deferred outflow of resources</b>	<u>-</u>	<u>197</u>	<u>-</u>
<b>LIABILITIES</b>			
Accounts payable	19,687	160	-
Salaries payable	-	13	62
Interest payable	-	-	-
Collateral held for securities lent	48,148	-	-
Due to other governments	-	-	483
Other liabilities	2,315	-	-
Due to City	-	1,315	-
Long-term liabilities:			
Due within one year	-	103	-
Due in more than one year	-	871	-
Net pension liability	-	727	-
<b>Total liabilities</b>	<u>70,150</u>	<u>3,189</u>	<u>545</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Related to pensions	-	40	-
<b>Total deferred inflow of resources</b>	<u>-</u>	<u>40</u>	<u>-</u>
<b>NET POSITION</b>			
Restricted for pension benefits	4,369,818	-	-
Restricted for individuals, organizations, and other governments	-	-	4,355
Held in trust for redevelopment dissolution	-	(929)	-
<b>Total net position (deficit)</b>	<u>\$ 4,369,818</u>	<u>\$ (929)</u>	<u>\$ 4,355</u>

See accompanying Notes to the Basic Financial Statements.

**City of Fresno**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Pension Trust Funds	Successor Agency to the Fresno Redevelopment Agency Private-Purpose Trust Fund	Custodial Funds
<b>ADDITIONS:</b>			
Contributions:			
Employer	\$ 63,337	\$ -	\$ -
System members	34,351	-	-
Total contributions	97,688	-	-
Investments income:			
Net appreciation in fair value of investments	477,059	-	-
Interest	20,401	-	-
Dividends	13,420	-	-
Other investment related	166	-	-
Total investment income	511,046	-	-
Less: investment expense	(71,050)	-	-
Total net investment income	439,996	-	-
Securities lending income:			
Securities lending earnings	3,488	-	-
Less: securities lending expense	(3,259)	-	-
Total net securities lending income	229	-	-
Property taxes	-	1,115	-
Fees collected for organizations and other governments	-	-	5,300
Taxes collected for organizations and other governments	-	-	200
Special assessments for organizations and other governments	-	-	632
Investment income	-	-	89
Other additions	-	48	-
<b>Total additions</b>	537,913	1,163	6,221
<b>DEDUCTIONS:</b>			
Benefit payments (including post-retirement supplemental benefits)	178,047	-	-
Refunds of contributions	3,133	-	-
General and administrative expenses	5,391	206	-
Redevelopment expenses	-	76	-
Payments to individuals, organizations, and other governments	-	10	5,722
Interest expense	-	32	-
<b>Total deductions</b>	186,571	324	5,722
<b>Changes in net position</b>	351,342	839	499
<b>NET POSITION (DEFICIT):</b>			
Beginning of year	4,018,476	(1,768)	3,856
End of year	\$ 4,369,818	\$ (929)	\$ 4,355

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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**City of Fresno**  
**Index of Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2025**

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**City of Fresno**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies**

The financial statements of the City of Fresno (City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant accounting policies of the City are described below.

**A. Financial Reporting Entity**

The City is a political subdivision chartered by the State of California and, as such, can exercise the powers specified by the Constitution and laws of the State of California. The City operates under its own Charter and is governed by a directly elected strong Mayor and a seven-member City Council (Council). The City Manager serves as the head of the administrative branch of the City and is appointed by the Mayor.

As required by GAAP, these basic financial statements present the financial status of the City (the primary government) and its component units (entities for which the City is considered to be financially accountable). The blended component units, although legally separate entities, are substantially part of the City's operations. Thus, data from these units are combined with data of the primary government.

As a government agency, the City is exempt from both federal income taxes and state franchise taxes.

**B. Government-Wide and Fund Financial Statements**

The Government-Wide Financial Statements (the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its blended component units. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the consolidation process. Governmental Activities, which normally are supported by taxes and inter-governmental revenues, are reported separately from Business-Type Activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the clearly identifiable direct expenses of a given function or segment is offset by program revenues. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues. The accounts of the City are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Each fund was established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions, or limitations. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds (though the latter are excluded from the Government-Wide Financial Statements). Major individual governmental funds and major individual enterprise funds are reported by separate columns in the Fund Financial Statements.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The Government-Wide, Proprietary Fund, and Trust Fund Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal, ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to customers for sales and for services. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers property tax revenues, local taxes, licenses, interest, and other intergovernmental revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when the City receives cash. Expenditures generally are recorded when a liability is incurred. However, debt service, vacation, sick leave, claims and judgments expenditures are recorded only when payment is due. Prepaids are reported using the purchases method.

Major governmental funds of the City are outlined below:

**General Fund** is the City's primary operating fund. It accounts for all financial resources of the City except those required to be accounted for in another fund.

**Grants Special Revenue Fund** accounts for grants received from federal, state, and other agencies, which are to be used for various purposes identified within the confines of the individual grant.

Major proprietary funds of the City are outlined below:

**Water System Fund** accounts for the construction, operation, and maintenance of the City's water distribution system. Revenues are derived from water service fees and various installation charges.

**Sewer System Fund** accounts for the construction, operation, and maintenance of the City's sewer system. Revenues are derived from sewer service fees and various installation charges.

**Solid Waste Management Fund** accounts for the operations of the City's residential solid waste disposal service. Revenues are primarily derived from solid waste service fees.

**Transit Fund** accounts for the operation and maintenance of the City's mass transportation service. Primary revenue sources are rider fares, federal grants, and state operating grants.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Major proprietary funds of the City are outlined below:

*Airports Fund* accounts for the City's two airport operations. Revenues are primarily derived from fees and rents.

*Fresno Convention Center Fund* accounts for the operation and maintenance of the City's convention center. Revenues are primarily derived from fees charged for using the facilities, supplemented by General Fund support.

*Stadium Fund* accounts for the construction, operation and maintenance of the City's baseball stadium. Revenues are derived from the leasing of the facilities, supplemented by General Fund support.

Nonmajor governmental funds of the City are outlined below:

*Nonmajor Special Revenue Funds* are used to account for the proceeds of revenue sources that are restricted or committed to expenditure for specified purposes other than debt service and capital projects. Funds listed under Special Revenue Funds include High Speed Rail Fund, Fresno Revitalization Corporation Fund, Special Gas Tax Fund, Measure C Fund, Community Services Fund, Urban Growth Management (UGM) Impact Fees Fund, Low and Moderate Income Housing Fund, and Special Assessments Fund.

*Debt Service Funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest. Numbers for City debt and Financing Authorities/Corporations debt are presented in separate columns on the financial statements.

*Capital Projects Funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays.

Nonmajor proprietary funds of the City are outlined below:

*Nonmajor Enterprise Funds* account for operations that are financed and operated in a manner similar to private business enterprises. Costs are financed or recovered primarily through user charges. Funds listed under Nonmajor Enterprise Funds include Community Sanitation Fund and Parks and Recreation Fund.

*Internal Service Funds* account for the financing of goods or services provided by one City department to another City department on a cost reimbursement basis. The General Services Fund accounts for the activities of the equipment maintenance services, centralized telecommunications, information services, and central printing. The Risk Management Fund accounts for the City's self-insurance, including provision for losses on property, liability, workers' compensation, and unemployment compensation. The Billing and Collection Fund accounts for the billing, collecting, and servicing activities for the Water System, Sewer System, Solid Waste Management, and Community Sanitation Funds.

The Employees' Healthcare Plan Fund and the Retirees' Healthcare Plan Fund account for the assets held on behalf of the City of Fresno Employees' Healthcare Plan for claim payments on behalf of qualified employees and retirees. While there is only one plan, there is separate accounting for active employees and retirees. There are no standalone financial reports issued for either Healthcare Plan Fund.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the Government-Wide Financial Statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for other Proprietary Funds.

The City Departmental and Special Purpose Fund account for City-related trust activity, such as fees collected for other entities. The Special Assessments District Fund accounts for the receipts and disbursements for the debt service activity of bonded assessment districts within the City. Custodial Funds use the economic resources measurement focus. Custodial Fund Financial Statements use the economic resources measurement focus and the accrual basis of accounting. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Fiduciary funds of the City are outlined below:

**Pension Trust Funds** account for the assets held on behalf of the City of Fresno Fire and Police Retirement System and the City of Fresno Employees Retirement System for pension benefit payments to qualified employees and retirees. Pension Trust Funds are accounted for in essentially the same manner as other Proprietary Funds. The City has the following Pension Trust Funds as of June 30, 2025.

- **City of Fresno Fire and Police Retirement System (Fire and Police):** Fire and Police was established on July 1, 1955, to provide benefits to the public safety employees and retirees of the City. Fire and Police is maintained and governed by Articles 3 and 4 of Chapter 3 of the Fresno Municipal Code. Fire and Police responsibilities include: administration of the trust fund; delivery of retirement, death and disability benefits to eligible members; administration of programs; and general assistance in retirement and related benefits. The governing board is made up of two members appointed by the Mayor, an elected police member, an elected fire member and a board-appointed member.

The activity for Fire and Police is reflected within Fiduciary Funds. Separate financial statements are prepared for the Fire and Police Retirement System and may be obtained from the Retirement Office at 2828 Fresno Street, Fresno, CA 93721-3604 or at <https://www.cfrs-ca.org/fire-and-police-retirement-system/financial/>.

- **City of Fresno Employees Retirement System (Employees):** Employees was established on June 1, 1939, to provide benefits to the general employees and retirees of the City. Employees is governed by Article 5 of Chapter 3 of the Fresno Municipal Code. Employees responsibilities include: administration of the trust fund; delivery of retirement, disability, and death benefits to eligible members; administration of programs; and general assistance in retirement and related benefits. The governing board is made up of two Mayor-appointed members, two elected members and one board-appointed member. The activity for Employees is reflected within Fiduciary Funds. Separate financial statements are prepared for the Employees Retirement System and may be obtained from the Retirement Office at 2828 Fresno Street, Fresno, CA 93721-3604, or at <https://www.cfrs-ca.org/employee-retirement-system/ers-financial/>.

**Private-Purpose Trust Funds** account for the custodial responsibilities that are assigned to the Successor Agency to the Redevelopment Agency with the passage of the Redevelopment Dissolution Act.

**Custodial Funds** account for assets held by the City in a custodial capacity on behalf of individuals or other governmental units.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***D. Component Units***

In addition to the primary governmental unit, the City also has several component units whose functions are described below:

**Blended Component Units**

Although the following component units are legally separate from the City, the component units have been "blended" into the City's basic financial statements for financial reporting purposes because the governing board is substantially the same as the City Council, there is a financial benefit/burden relationship between the component unit and the City, or City management has the operational responsibility for the component unit. In addition, the component unit provides services exclusively to the primary government or the component unit's total debt outstanding is expected to be repaid with resources of the primary government.

All potential component units were evaluated, resulting in the inclusion of the following entities in the basic financial statements.

***Fresno Joint Powers Financing Authority (Authority):*** The Authority, an independent public entity created in 1988, acquires telecommunications equipment, office furniture, and streetlights; constructs facilities; and installs street improvements through the issuance of limited obligation bonds, certificates of participation and revenue bonds. The Authority currently is leasing these assets to the City. The Authority's three member governing board, consisting of the Mayor and two Council Members, is responsible for the Authority's fiscal and administrative decisions. The financial activity for the Authority is included in the Financing Authorities and Corporations Debt Service Fund. All lease obligations between the Authority and the City have been eliminated in the financial statements. The Authority does not issue separate financial statements.

***City of Fresno Employees Healthcare Plan:*** This component unit provides healthcare to City employees not represented by the Stationary Engineers Local and retired employees who elect to be covered or are covered by the Fresno City Employees Health and Welfare Trusts (Trusts). The Trusts are self-insured trusts administered by an outside third party administrator. The activity for the Trusts is reflected within Internal Service Funds.

***Fresno Revitalization Corporation:*** The Fresno Revitalization Corporation (FRC) is a non-profit public benefit corporation created in 1995 for the purpose of developing a revitalization policy and assisting with the downtown Fresno area development, redevelopment and renewal. The organization received a substantial portion of its support from the former Redevelopment Agency (RDA) and the general public. The seven Council Members of the City and the Mayor became members of the FRC's Governing Board on January 26, 2012.

***FRC Canyon Crest, LLC:*** FRC Canyon Crest, LLC is a special purpose limited liability company owned by the FRC. The purpose of FRC Canyon Crest, LLC was to acquire, operate, maintain, and rehabilitate a 118-unit low income multi-family complex. The complex was owned by a lender in Chicago as a result of a foreclosure of the previous owner. On March 4, 2010, the City Council approved the award of \$2.7 million in Neighborhood Stabilization Program (NSP) set aside funds to the FRC to acquire the property. FRC Canyon Crest, LLC acquired the property, while the RDA guaranteed the loan from the seller. The RDA also provided administrative, financial, and technical support to FRC Canyon Crest, LLC in the acquisition and operation of the property through a contractual services agreement. The Agency Loan Guarantee and Operating Agreement also contained a Declaration of Restrictions creating the affordability covenants and long-term maintenance and operating restrictions, which were recorded against and run with the property.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***D. Component Units (Continued)***

**Blended Component Units (Continued)**

The RDA and FRC Canyon Crest, LLC marketed the property for sale upon rehabilitation and stabilization to a qualified affordable housing developer for ongoing management and property improvements. In September 2011, the FRC and FRC Canyon Crest, LLC entered into an Assignment/Assumption Agreement with a developer as required by the U.S. Department of Housing and Urban Development (HUD). Final purchase of the property by the developer occurred on April 2012. However, the FRC and FRC Canyon Crest, LLC still hold a \$500,000 residual receipts note on the property.

As the City is the sole member of FRC Canyon Crest, LLC, the seven City Council members and the Mayor are Board members of FRC Canyon Crest, LLC, the activities of FRC Canyon Crest, LLC are blended into the FRC (and, by extension, the City) because: (1) its governing board is substantially the same as the City Council; (2) it provides services exclusively or almost exclusively for the benefit of the City even though it does not provide services directly to the City; and (3) the City is financially accountable for FRC Canyon Crest, LLC.

***Fresno Enhanced Infrastructure Financing District (Fresno EIFD):*** On September 17, 2020, the Fresno City Council approved the creation of the Fresno EIFD. The Fresno EIFD is intended to serve as a catalyst for private sector investment and critical infrastructure in the City’s Downtown Planning Area and the southern portion of the Blackstone Avenue Bus Rapid Transit (BRT) Corridor as characterized in the City General Plan. The Fresno EIFD encompasses approximately 4,237 acres of land, representing approximately 5.8% of the City’s total (approximately) 73,400 acres. The Fresno EIFD obtains its funding through property tax increment that is generated above the base fiscal year (2021) amount of property tax. The Fresno EIFD intends to utilize the tax increment revenue stream to issue bonds that will fund approximately \$100 million (present value dollars) in multi-modal transportation, mobility, and related improvements, including but not limited to the following:

- Safety and accessibility improvements for car, bicycle, and pedestrian travel modes.
- Roadway and bus infrastructure investments.
- Streetscape, urban greening, and lighting enhancements.
- Improved gateway and wayfinding signage.

The Fresno EIFD is governed by a five member board, which is made up of three City councilmembers and two appointed members of the public that live within the Fresno EIFD.

While there are no financial results from the Fresno EIFD in the Fiscal Year 2025 Annual Comprehensive Financial Report (ACFR), there will be results in future fiscal years as the district receives tax increment, issues bonds, and completes projects. The Fresno EIFD will be reported as a Debt Service Fund.

**Fiduciary Component Unit**

***Successor Agency to the Redevelopment Agency of the City of Fresno (Successor Agency):*** The Successor Agency was created to serve as custodian for the assets and to wind down the affairs of the former RDA. The Governing Board of the Successor Agency consists of the City Council. Over the Successor Agency's Governing Board is the Countywide Oversight Board, which replaced the fifteen oversight boards previously created by successor agencies in Fresno County. Fresno County Oversight Board is comprised of six-member representatives: a representative from the County Board of Supervisors, a representative from the cities within Fresno County, a representative from the independent special district within Fresno County, a representative from the County Office of Education, a representative of the California Community College districts in Fresno County, and a resident of Fresno County.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***D. Component Units (Continued)***

**Fiduciary Component Unit (Continued)**

In general, the Successor Agency's assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). In future fiscal years, the Successor Agency will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former RDA until all of those enforceable obligations have been paid in full and all assets have been liquidated.

The City became the Housing Successor Agency and has the sole legal authority to administer the former RDA's housing assets. The City may move forward with completing projects under contract at the time of the dissolution and liquidate surplus real estate for the purpose of distributing proceeds to taxing entities, pursuant to approval of repayment of the RDA's obligations to the City.

The Successor Agency is a separate legal entity under Assembly Bill (AB) 1484. The Successor Agency is reported as a Private-Purpose Trust Fund in the City's financial statements. This means that the Successor Agency's assets are considered to be held in a trustee or agency capacity for others and cannot be used to support the City's government's own programs. The housing activity of the former RDA is presented within the Low and Moderate Income Housing Fund, a special revenue fund.

Separate financial statements are prepared for the Successor Agency and can be obtained from the Successor Agency Office at 2344 Tulare Street, Suite 200, Fresno, CA 93721. There is no separate financial report prepared for the Housing Successor Agency.

***E. Budgetary Data***

The budget of the City is a detailed operating plan which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) programs, projects, services, and activities to be provided during the fiscal year, (2) the estimated resources (inflow) and amounts available for appropriation, and (3) the estimated charges to appropriations. The budget represents a process through which policy decisions are made, implemented, and controlled. The City Charter prohibits expending funds for which there is no legal appropriation.

**Fund Structure**

The budget document is organized to reflect the fund structure of the City's finances. Fund revenues and expenditures are rolled up to the various object levels by division and department for presentation of information to the public. Budget adoption and subsequent administration is carried out on a fund basis.

**Basis of Accounting**

The City adopts annual budgets for most governmental and business-type funds on the cash basis of accounting plus encumbrances. Major General Fund revenues, such as sales tax and property tax, are budgeted on the modified accrual basis of accounting. Supplemental appropriations during the year must be approved by the City Council. Budgeted amounts are reported as amended.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***E. Budgetary Data (Continued)***

**Basis of Accounting (Continued)**

Encumbrances are commitments related to executed contracts for goods or services. Encumbrance accounting is utilized for budgetary control and accountability and to facilitate cash planning and control. Encumbrances outstanding at year-end are reported as part of restricted, committed, or assigned fund balance. As of June 30, 2025, encumbrances totaled \$34.3 million in the General Fund, \$92.9 million in the Grants Special Revenue Fund, and \$81.3 million in the Non major Governmental Funds.

**Revenue Estimation**

The methodology for calculating revenue estimates varies depending on the source of revenue. Considerable weight generally has been given to historical trends. This emphasis on historical trends is used because of the composition of the Fresno economy, which differs from California in general.

The General Fund is the City's most versatile funding source, since it has the fewest restrictions. Its revenue comes from property and sales taxes, business tax fees, room tax (Transient Occupancy Tax), charges for services, development fees, and revenues from other governmental agencies. Property tax is the largest revenue source in the General Fund. The main source for projecting this revenue is assessed value information received from the County of Fresno.

Revenue estimates for Enterprise and Internal Service Funds are also rooted in historical trends. As those funds are generally self-supporting (meaning, they do not generally receive tax dollars to cover operational costs), revenue estimates also take into account any adjustments to fees assessed by the Enterprise or the Internal Service Funds. Additionally, any anticipated changes in service levels are also reflected in the revenue estimates.

**Budget Administration**

The budget establishes appropriation and expenditure levels. Expenditures may be below budgeted amounts at year-end due to unanticipated or mandated savings. The existence of a particular appropriation in the budget does not automatically mean funds are expended. Because of the time span between preparing the budget and the subsequent adoption by the governing body, actual expenditures are likely to be different than the budgeted amounts.

Each expenditure is reviewed prior to any disbursement. These expenditure review procedures assure compliance with the City's requirements and provide some degree of flexibility for modifying programs to meet changing needs and priorities.

***F. Deposits and Investments***

**1. Investment in the Treasurer's Pool** - The City Controller/Treasurer invests on behalf of most funds of the City in accordance with the City's investment policy and the California Government Code Section 53601. The City Treasurer, who reports investments and earnings on a monthly basis to the City Council, manages the Treasurer's Investment Pool. The Treasurer's Investment Pool consists of two components: 1) pooled deposits and investments and 2) dedicated investment funds. The dedicated investment funds represent restricted funds related to bond issuances of Enterprise Funds. In addition to the Treasurer's Investment Pool, the City has other funds that are held by trustees. These funds are related to the issuance of Non-Enterprise Fund bonds and certain loan programs of the City.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***F. Deposits and Investments (Continued)***

- 2. Investment Valuation** - The City categorizes its investments at fair value measurement within the fair value hierarchy established by generally accepted accounting principles as codified in GASB Statement No. 72, *Fair Value Measurement and Application*.

All City investments are authorized by statute. The City is invested in the following authorized investment instrumentalities: obligations of the U.S. Treasury, agencies, state and local agencies, and supranationals, negotiable and non-negotiable certificates of deposit, medium term corporate notes, money market mutual funds, and the State Treasurer's investment pool. All are stated at fair value except for the non-negotiable certificates of deposit and money mutual fund which are stated at amortized cost.

- 3. Investment Income** - Cash balances of each of the City's funds, except for certain Trust and Custodial Funds and other restricted accounts, are pooled and invested by the City. Interest income from pooled investments is allocated to the individual funds based on the fund participant's average daily cash balance at month end in relation to total pooled investments. The City's policy is to charge interest to those funds that have a negative average daily cash balance at month end. Fiscal year-end deficit cash balances are reclassified as Due to Other Funds and funded by operating funds with positive cash balances.

***G. Loans Receivable***

For the purposes of the Fund Financial Statements, Special Revenue and Capital Projects Funds expenditures relating to long-term loans arising from loan subsidy programs are recorded as loans receivable net of an estimated allowance for potentially uncollectible loans. In some instances, amounts due from external participants are recorded with an offset to an allowance account. The balance of long-term loans receivable includes loans that may be forgiven if certain terms and conditions of the loans are met.

***H. Inventories***

Inventories recorded in the Proprietary Funds primarily consist of construction materials and maintenance supplies. Generally, Proprietary Funds value inventory at cost or average cost. Inventory is expensed as it is consumed (the consumption method of inventory accounting). The City uses the purchases method of accounting for inventories in governmental fund types, whereby inventory items are considered expenditures when purchased and are not reported in the balance sheet.

***I. Former Redevelopment Agency Property Held for Resale***

Property of the former RDA, some of which was allocated to Low and Moderate Income Housing (LMIH) (\$3.1 million) and some to the Successor Agency (\$0.3 million), is being held for resale per the law dissolving the RDA. The property is recorded at the current determination of the lower of estimated cost or market as documented in its approved Long-Range Property Management Plan (LRPMP). The LRPMP addresses the anticipated disposition and use of the real properties of the former RDA. At June 30, 2025, the adjusted value of the property was \$3.4 million.

Property held for sale may, during the period it is held by the City, generate rental income. This rental income is recognized as it becomes due and is considered collectible. The property held by the LMIH appears on the Nonmajor Governmental Fund Financial Statements and Government-Wide Financial Statements as Property Held for Resale. Property held for resale by the Successor Agency is included in the fiduciary funds.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**J. Restricted Assets**

Restricted cash is classified as restricted assets on the financial statements because it is maintained in separate bank accounts or tracked separately in the City Treasury group of accounts. Use of the proceeds is limited by applicable bond covenants and resolutions. Restricted assets account for the principal and interest amounts accumulated to pay debt service, unspent bond proceeds and amounts restricted for future capital projects. Restricted grants and interest receivable represent cash and receivables contributed for capital projects and the associated interest.

**K. Capital Assets**

Capital assets, which include land, buildings and improvements, machinery and equipment, infrastructure, and intangible assets, are reported in the applicable Governmental Activities or Business-Type Activities columns in the Government-Wide Financial Statements and in the Private-Purpose Trust Fund (former RDA). All land not included in property held for resale is defined as Capital Assets, regardless of the acquisition cost of the land. All other acquisitions or constructions (excluding Infrastructure) with an initial cost of \$15,000 or more (excluding bundled purchases) and having an estimated useful life in excess of two years are defined as Capital Assets. Computer purchases acquired through a capital financing are capitalized in bulk and not on an individual basis.

Infrastructure with an initial cost of more than \$50,000 is capitalized. Improvements that extend an asset’s life or efficiency by over 25% are also capitalized. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed unless they fall below the initial cost threshold.

Asset Category	Capitalization Threshold
Land	All Land
Buildings, improvements, and machinery & equipment	More than \$15,000
Infrastructure	More than \$50,000

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value at the date of donation. Capital outlay is recorded as expenditures of the General, Special Revenue, and Capital Projects Funds and as assets in the Government-Wide Financial Statements to the extent the City’s capitalization threshold is met. In prior years, interest cost incurred during the construction phase of capital assets of Business-Type Activities was included as part of the capitalized value of the assets constructed. Amortization of assets acquired under finance purchase is included in depreciation and amortization.

Buildings and improvements, infrastructure, and machinery and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated used lives:

Asset Category	Useful Life (Years)
Buildings and improvements	20 to 40
Infrastructure	15 to 55
Machinery and equipment	3 to 12

Works of art and historical treasures held for public exhibition, education, or research in furtherance of public service, rather than financial gain, are not capitalized. These items are protected, kept unencumbered, cared for and preserved by the City.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***K. Capital Assets (Continued)***

Airports Department capitalizes noise mitigation costs consistent with GASB Statement No. 51 - Intangible Assets. Water Rights, in the Water Fund, are also capitalized as Intangible Assets with indefinite useful lives and no amortization. The Airports' Noise Mitigation program consists of improvements made to properties falling within Federal Aviation Administration (FAA) designated high noise impact areas. Although the properties do not belong to Airports, noise insulation measures are installed to reduce the impact of sound decibels inside properties located within the flight path of the airport. In exchange, property owners grant aviation easements to the Airports Department with the easement having an indefinite life. Funding for the program is provided through federal grants.

As of fiscal year end 2025, \$21.6 million has been capitalized as an intangible asset. Included in this amount are noise mitigation assets of \$5.4 million and Water Rights in the amount of \$16.2 million.

**Capital Financing Activities**

Property, plant and equipment include the following property held under finance purchase agreements at June 30, 2025 (in thousands):

	<b>Governmental Activities</b>
Machinery and equipment	\$ 251,776
Less: accumulated depreciation	(202,397)
Machinery and equipment, net	\$ 49,379

***L. Bond Prepaid Insurance, Bond Premiums and Discounts and Accreted Interest Payable***

In the Government-Wide Financial Statements, as well as in the Proprietary Fund type and the Fiduciary Fund type in the Fund Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable Governmental Activities, Business-Type Activities, or Proprietary Fund and Fiduciary Fund Statement of Net Position. Bond prepaid insurance is reported as other assets and amortized over the term of the related debt. Bond issuance premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond issuance premium or discount. Interest accrued on capital appreciation bonds is reported as accreted interest payable in the Proprietary Fund and as Long-Term Liabilities, Due In More Than One Year in the Government-Wide Statements.

***M. Deferred Outflows of Resources***

**Pension and OPEB**

In the Government-Wide Financial Statements and the Proprietary Fund type in the Fund Financial Statements, deferred outflows of resources are recorded for the current year employer pension contributions to the retirement systems, which represent contributions made after the measurement period in accordance with GASB Statement No. 71. For the OPEB plan, the employer contribution made after the measurement period is the implicit subsidy for the current fiscal year. Refer to Note 1 (R) and 1 (S) for additional information.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**N. Unearned Revenues**

Unearned revenues arise when resources are received by the City before it has a legal claim to them (i.e., upfront grants or when the City bills certain fixed rate services in advance). Amounts billed, but not yet earned, are amortized over the service period.

**O. Deferred Inflows of Resources**

The City records deferred inflows of resources in its Governmental, Proprietary, and Government-Wide Financial Statements which represent an acquisition of net assets that applies to future periods. In the Government-Wide Financial Statements and the Proprietary Fund type in the Fund Financial Statements, deferred inflows of resources are recorded for unamortized pension revenue, unamortized OPEB expense, and unamortized leases revenue.

In the governmental fund statements, the deferred inflows of resource unavailable revenue consists of revenue not collected within the availability period after fiscal year-end. The deferred inflows of resources balance as of June 30, 2025 consists of the following unavailable revenue (in thousands):

<b>Unavailable Revenue</b>	<b>General Fund</b>	<b>Grants Special Revenue Fund</b>	<b>Non-major Governmental Funds</b>	<b>Total</b>
Property Taxes	\$ 2,540	\$ -	\$ -	\$ 2,540
Franchise Taxes	4,007	-	-	4,007
Business Tax	5,351	-	-	5,351
Measure C and Other Tax	-	-	2,365	2,365
Code Enforcement Revenue	10,326	-	-	10,326
Fire Revenue	2,439	-	-	2,439
Grant Revenue	-	22,689	-	22,689
Parking Citations, Fines and Other Revenue Leases	2,074	-	-	2,074
<b>Total</b>	<b>\$ 26,737</b>	<b>\$ 22,689</b>	<b>\$ 2,365</b>	<b>\$ 51,791</b>

**P. Interfund Transfers**

Interfund transfers are generally recorded as transfers in (out). The following types of transactions would not be considered Interfund Transfers, and therefore would not be recorded as an interfund item in the external financial statements. These exceptions include the following:

- Charges for services are recorded as both revenues of the performing fund and expenditures of the requesting fund. Unbilled costs are recognized as an asset of the performing fund at the end of the fiscal year.
- Reimbursements for expenditures initially made by one fund which are properly applicable to another fund are recorded both as expenditures in the reimbursing fund and as a reduction of expenditures in the fund that is reimbursed.

**Q. Cash Flows**

The Statements of Cash Flows are presented for Proprietary Fund types. Cash and cash equivalents include all unrestricted and restricted highly liquid investments with original purchase maturities of three months or less. Pooled cash and investments in the City’s Treasury represent monies in a cash management pool and such accounts are similar in nature to demand deposits.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**R. Pensions**

For purposes of measuring the net pension asset, deferred outflows/inflows of resources related to pensions and pension revenue/expense, information about the fiduciary net position of the City's two pension plans, City of Fresno Employees Retirement System and the City of Fresno Fire and Police Retirement System (Plans), and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans, which is the accrual basis of accounting. Employer and employee contributions are recognized as revenue when due. Contributions are recorded in the period the related salaries are earned and become measurable. Investment income is recognized when it is earned. The net appreciation in fair value of investments held by the Plans is recorded as an increase to investment income based on the valuation of investments at fiscal year-end, which includes both realized and unrealized gains and losses on investments. Retirement benefits and refunds are recognized when due and payable under the terms of the Plans.

**S. Other Post-Employment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB revenue/expense, information about the fiduciary net position of the City's OPEB Plan, and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis, which is the accrual basis of accounting. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. While participant retirees pay 100% of their premium costs, they are allowed to purchase insurance at blended premium rates. Thus, the City's contribution is deemed to be equal to the implicit subsidy, which is that portion of retiree claims costs over premiums contributed by retirees.

**T. Regulatory Assets and Liabilities**

At June 30, 2025, the Statement of Net Position Business-Type Activities reflected approximately \$0.9 million in regulatory assets related to the Central Valley Project (CVP) Water Settlement. These assets will continue to have an impact on water rates which are to be charged to customers over approximately the next 20 years. The settlement for past deficiencies was negotiated between the City and the United States Bureau of Reclamation (USBR). Under GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance*, regulatory assets represent future revenue associated with certain costs (CVP Litigation Settlement) that will be recovered from customers through the ratemaking process.

**U. Property Taxes**

Article XIII of the California Constitution (Proposition 13) limits ad valorem taxes on real property to 1% of value plus taxes necessary to pay indebtedness approved by voters prior to July 1, 1978. The Article also established the 1975/1976 assessed valuation as the base and limits annual increases to the cost-of-living adjustment, not to exceed 2% for each year thereafter. Property may also be reassessed to full market value after a sale, transfer of ownership, or completion of new construction. The State is prohibited under the Article from imposing new ad valorem, sales, or transaction taxes on real property. Local government may impose special taxes (except on real property) with the approval of two-thirds of the qualified electors.

All property taxes are collected and allocated by the County of Fresno to the various taxing entities. Property taxes are determined annually as of January 1 and attached as enforceable liens on real property. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. Secured property taxes become a lien on the property on January 1. Property taxes on the unsecured roll are due on the January 1 (lien date) and become delinquent if unpaid on August 31. Property tax revenues are recognized in the governmental funds in the fiscal period for which they are levied and collected, adjusted for any amounts deemed uncollectible and amounts expected to be collected more than 60 days after the fiscal year.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**V. Net Position**

The financial statements utilize a net position presentation. Net position is classified as follows:

**Net Investment in Capital Assets** - This category of net position consists of capital assets, net of accumulated depreciation and amortization, and reduced by any debt outstanding and any deferred outflows/inflows of resources related to such borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is offset by unspent proceeds.

**Restricted Net Position** - This category presents restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Those assets are restricted due to external restrictions imposed by creditors (such as through bond covenants), grantors or laws and regulations of other governments and restrictions imposed through constitutional provisions or enabling legislation.

**Unrestricted** - This category represents net position of the City that is not restricted for any project or other purpose.

When both restricted and unrestricted resources are available for use, the City's policy is to use restricted resources first, then unrestricted resources that are needed.

**W. Fund Balance**

In the fund financial statements, fund balances of the governmental funds are reported in a hierarchy of classifications which are based on the extent to which the City is bound to honor constraints on the specific purposes for which the amounts in the funds can be spent. Governmental fund balance classifications consist of the following:

**Nonspendable** - Includes amounts that are either not in spendable form or are legally/contractually required to be maintained intact. These items include those not expected to be converted to cash, such as inventories, prepaid items, and certain long-term receivables.

**Restricted** - Includes amounts which have constraints placed on the use of the resources. The constraints are either externally imposed by creditors, grantors, contributors, the legally enforceable laws or regulations of other governments, or by the legally enforceable laws or enabling legislation of the government itself.

**Committed** - Includes amounts that can only be used for specific purposes. Various reserves, including the City's Emergency Reserve, are included as a committed reserve.

Resolution No. 2011-64 established the Reserve Management Act which set forth policy with stringent limitations on the reserve funds. This Act increased the minimum reserve balance to 10% of the adopted budget for the next year's General Fund appropriations.

A November 16, 2012 ballot measure amended Section 1212 of the City Charter to require that the Council establish a policy for managing the City Reserves. The measure also defined several "qualifying events" under which the City's Emergency Reserve could be used. Qualifying events were deemed to be 1) Natural catastrophe; 2) An immediate threat to health and public safety; or 3) A significant decline in General Fund Revenues, which in the opinion of the City Manager, impairs his/her ability to administer the Council adopted budget. All qualifying events must be declared by the Mayor and ratified by a super majority Council vote.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***W. Fund Balance (Continued)***

The Reserve Management Act (the Act) was further amended through Resolution 2015-77, which was adopted on May 15, 2015. The amendment to the Act permitted the use of the Emergency Reserve for year-end cash balancing purposes, with the approval of the Council.

On June 30, 2025, the Reserve balance identified as Committed Fund Balance was at \$59.0 million, including \$47.7 million for the General Fund Emergency Reserve.

On December 7, 2017, with the adoption of Resolution No. 2017-334, the Act was again amended. The Resolution stated that any real or personal asset sale of City property with proceeds greater than \$15,000, which would otherwise be deposited into the General Fund, shall instead be deposited into an Asset Sale/Special Windfall Reserve Fund. Proceeds deposited into this new fund are amortized over a five-to-ten year period and used to provide a revenue stream for General Fund items deemed necessary to deliver core City services for the protection and benefit of the citizens of Fresno. Monies from the Asset Sale/Special Windfall Reserve Fund are currently being used to fund salaries of additional police dispatchers. The Committed Fund Balance as of June 30, 2025 includes \$0.2 million within this fund.

In addition to the City's Emergency Reserve, the Committed Fund Balance as of June 30, 2025 also consists of \$5.3 million designated exclusively for use in a year when a 27th pay period occurs. Monies are set aside each year to fund the extra pay period that is a product of paying employees bi-weekly. The next fiscal year containing a 27th pay period is fiscal year 2028.

The Committed Fund Balance as of June 30, 2025 also includes \$1.3 million for the Housing Reserve. Funds in this reserve are to be used exclusively for construction of low-income housing, or subsidizing private sector development of low-income housing.

***Assigned*** - Includes amounts that are not classified as nonspendable, restricted, or committed, but which are intended by the City to be used for specific purposes. Intent is expressed by legislation or action of the City Council, the Mayor, or the City Manager which legislation has delegated the authority to assign amounts for specific purposes.

***Unassigned*** - The residual classification for fund balance, which includes all amounts not reported as nonspendable, restricted, committed, or assigned. The General Fund may report either a positive or negative unassigned fund balance. Unassigned amounts are available for any purpose. Other governmental funds may report only negative unassigned fund balances if expenditures incurred for specific purposes exceeded amounts restricted, committed or assigned for those purposes. Other governmental funds may not report positive unassigned fund balances.

When multiple classifications of resources are available for use, it is the City's policy to use resources in the order of restricted, committed, assigned, and unassigned.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**W. Fund Balance (Continued)**

Fund Balances of the governmental funds at June 30, 2025 consisted of the following (in thousands):

	General Fund	Grants Special Revenue Fund	Non-major Governmental Funds	Total
<b>Nonspendable</b>				
Inventories and prepaid items	\$ 384	\$ 14	\$ 70	\$ 468
Property held for sale	-	-	3,126	3,126
<b>Total nonspendable</b>	<b>384</b>	<b>14</b>	<b>3,196</b>	<b>3,594</b>
<b>Restricted</b>				
Debt Service	-	-	2,412	2,412
Fire	-	-	1,058	1,058
PARCS	-	-	68,870	68,870
Public Works	-	-	94,750	94,750
Police	-	491	4,816	5,307
ARPA and Public Safety Grants	-	7,715	-	7,715
Capital Projects and Community Revitalization Grants	-	2,271	96,356	98,627
Planning and Development Grants	-	54,654	112	54,766
<b>Total restricted</b>	<b>-</b>	<b>65,131</b>	<b>268,374</b>	<b>333,505</b>
<b>Committed</b>				
27th Pay Period Reserve	5,267	-	-	5,267
Emergency Reserve General Fund	47,665	-	-	47,665
Housing General Fund	1,292	-	-	1,292
<b>Total committed</b>	<b>54,224</b>	<b>-</b>	<b>-</b>	<b>54,224</b>
<b>Assigned</b>				
Animal Care	55	-	-	55
Capital Projects	-	-	17,111	17,111
Economic Development	-	-	1,392	1,392
Fire	-	-	8,773	8,773
General Purpose	19,388	-	248	19,636
Mayor and City Manager	-	-	187	187
Neighborhood and Community Service	-	-	248	248
PARCS	-	-	209	209
Personnel	-	-	-	-
Police	140	-	5	145
Public Works	2,319	-	4,686	7,005
<b>Total assigned</b>	<b>21,902</b>	<b>-</b>	<b>32,859</b>	<b>54,761</b>
<b>Unassigned</b>	<b>33,647</b>	<b>-</b>	<b>-</b>	<b>33,647</b>
<b>Total fund balances</b>	<b>\$ 110,157</b>	<b>\$ 65,145</b>	<b>\$ 304,429</b>	<b>\$ 479,731</b>

**X. Estimates**

The preparation of financial statements, in conformity with GAAP, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**Y. Implementation of New GASB Pronouncements for the Year Ended June 30, 2025**

The requirements of the following accounting standards are effective for the purpose of implementation, if applicable to the City, for the year ended June 30, 2025. The financial statements included herein apply the requirements and provisions of these statements, including necessary retroactive adjustments to financial statement classifications and presentations.

**GASB Statement No. 101** – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Implementation of this Statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2025.

**GASB Statement No. 102** – In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. Implementation of this Statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2025.

**Note 2 – Cash and Investments**

**A. City Cash and Investments**

**Sponsored Investment Pool**

As part of the City's total cash and investment portfolio, the Treasury Officer and staff, under the supervision of the Controller, manage an investment pool that includes only internal investors and is available for use by all funds. The pool is not registered with the Securities and Exchange Commission as an investment company. Investment activity is reported monthly to the City Council by posting reports to the City's web page and annually through an investment policy submitted to the Council for review and approval. The investments are reported at fair value, which is determined monthly. Participants' shares are determined by the daily cash balance deposited in the pool (the value of its pool shares). Investment income earned by the pooled investments is allocated to the various funds on a monthly basis, based on each fund's daily cash balance. Interest payments are paid to the various funds also on a monthly basis. The value of the pool shares is based upon amortized cost in day-to-day operations, but is adjusted to the fair value at year-end. The value of the shares is supported by the value of the underlying investments. Each fund type's portion of this pool is displayed on the financial statements as "Cash and Investments." In addition, certain funds related to debt issues have investments with trustees.

The following is a summary of cash, deposits, and investments at June 30, 2025 (in thousands):

	<b>Government -Wide Statement of Net Position</b>			<b>Fiduciary</b>	
	<b>Governmental</b>	<b>Business-Type</b>	<b>Total</b>	<b>Fund Financial</b>	<b>Total</b>
	<b>Activities</b>	<b>Activities</b>		<b>Statements</b>	
Cash and investments	\$ 385,040	\$ 439,606	\$ 824,646	\$ 6,639	\$ 831,285
Restricted cash and investments	154,070	537,773	691,843	637	692,480
Pension trust investments at fair value	-	-	-	4,365,874	4,365,874
Collateral held for securities lent	-	-	-	48,148	48,148
<b>Total</b>	<b>\$ 539,110</b>	<b>\$ 977,379</b>	<b>\$ 1,516,489</b>	<b>\$ 4,421,298</b>	<b>\$ 5,937,787</b>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 2 – Cash and Investments (Continued)**

**A. City Cash and Investments (Continued)**

**Cash, Deposits, and Investments**

At year-end, the City's bank balance was \$37.2 million inclusive of Successor Agency to the Fresno Redevelopment Agency Private-Purpose Trust Fund and pension trust funds. The recorded balance reflected in the June 30, 2025 financial statements was \$35.6 million. The difference is due to deposits in transit and outstanding checks.

Cash includes amounts in demand and time deposits. Investments are reported in the accompanying financial statements at fair value, except for certain certificates of deposit and investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates.

Changes in fair value that occur during a fiscal year are recognized as income from property and investments. Income from property and investments includes interest earnings; changes in fair value; any gains or losses realized upon the liquidation, unrealized gains and losses, maturity, or sales of investments; property rentals and the sale of City owned property.

**Fair Value Hierarchy**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

- **Level 1:** Investments reflect prices quoted (unadjusted) for identical assets or liabilities in active markets.
- **Level 2:** Inputs other than quoted prices included in Level 1 that are observable for an asset or liability, either directly or indirectly. Inputs to the valuation include prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- **Level 3:** Inputs are unobservable inputs for an asset or liability where there are little market activities. The inputs into the determination of fair value are based upon unobservable sources and may require estimation.

The City uses the market approach as a valuation technique in the application of GASB Statement No. 72. This method uses prices and other relevant information generated by market transactions involving identical or comparable assets or group of assets. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Securities listed on the fair value hierarchy are valued by the custodial bank using Data Feed purchased from Interactive Data Corporation (IDC). The Level 2 Data Feed provides end of day independent valuations utilizing rules based on logic and standard valuation techniques. It maximizes the use of relevant observable inputs including quoted prices for similar assets, benchmark yield curves, and market corroborated inputs.

According to GASB Statement No. 72, money market investments and participating interest-earning investment contracts that have a remaining maturity at the time of purchase of one year or less should be measured at amortized cost, and as such, are not shown in the fair value hierarchy. In addition, the City's investment in LAIF is also not subject to the fair value hierarchy, as the amount available for withdrawal is based on the amortized cost.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 2 – Cash and Investments (Continued)**

**A. City Cash and Investments (Continued)**

**Fair Value Hierarchy (Continued)**

The following is a summary of the fair value of the City’s investments using the hierarchy previously discussed (in thousands):

<b>Pooled investments by fair value level</b>	<b>June 30, 2025</b>	<b>Fair Value Measurements Using</b>	
		<b>Level 1</b>	<b>Level 2</b>
Federal Farm Credit Bank Bonds	\$ 63,826	\$ -	\$ 63,826
Federal Home Loan Bank Bonds	169,345	-	169,345
Federal Home Loan Mortgage Corporation Bonds	33,808	-	33,808
Federal National Mortgage Association Bonds	19,862	-	19,862
Federal AG Mortgage Corporation	75,242	-	75,242
U.S. Treasury Securities	58,392	58,392	-
Medium Term Corporate Notes	264,462	-	264,462
Negotiable Certificate of Deposit	24,710	-	24,710
<b>Total pooled investments by fair value</b>	<b>709,647</b>	<b>58,392</b>	<b>651,255</b>
<b><u>Pooled investment not subject to the fair value hierarchy</u></b>			
State Local Agency Investment Fund	81,193		
Time Deposits	6,256		
Municipal Bonds	130,811		
Supranational	23,954		
Money Market Funds	454,000		
<b>Total pooled investments not subject to the fair value hierarchy</b>	<b>696,214</b>		
<b>Total pooled investments</b>	<b>1,405,861</b>		
<b><u>Investments held outside the Treasurer's pool not subject to the fair value hierarchy</u></b>			
Money Market Mutual Funds	30,944		
	30,944		
<b>Total investments held outside the Treasurer's pool</b>	<b>30,944</b>		
<b>Grand total of investments</b>	<b>\$ 1,436,805</b>		

**Investments Authorized by the California Government Code and the City’s Investment Policy**

The City maintains a formal investment policy, which is adopted annually by the City Council. All investments held in the Treasurer's Pool are consistent with the City's investment policy objectives of preservation of principal, adequacy of liquidity, and achievement of an average market rate of return.

The policy addresses the soundness of financial institutions in which the City will deposit funds, types of investment instruments as permitted by the California Government Code, and the percentage of the portfolio that may be invested in certain instruments with longer terms to maturity. A copy of the City’s current investment policy can be found at [www.fresno.gov/finance/investmentpolicy.pdf](http://www.fresno.gov/finance/investmentpolicy.pdf).

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 2 – Cash and Investments (Continued)**

**A. City Cash and Investments (Continued)**

**Investments Authorized by the California Government Code and the City’s Investment Policy (Continued)**

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
United States Treasury Bills, Bonds, Notes	5 years	None	100%	No Limit
Federal Agency Obligations or U.S. Government-Sponsored Enterprise Obligations (GSE)	5 years	None	100%	25%
Municipal Securities	5 years	A	30%	5%
Bankers' Acceptances	180 days	A/A-1 or higher	40%	5%
Commercial Paper	270 days	A/A-1 or higher	25%	5% (A)
Negotiable Certificates of Deposit (NCDs)	5 years	A/A-1 or higher	30% (B)	5%
Federally Insured Non - Negotiable Certificates of Deposit	5 years	None	20% (C)	(D)
Collateralized Non-Negotiable Certificates of Deposit	5 years	None	20% (C)	No Limit
Certificate of Deposit Placement Service (CDARS)	5 years	None	30% (B)	No Limit
Repurchase Agreements	1 year	None	100%	10%
Local Agency Investment Fund	N/A	None	\$75 million	\$75 million
Local Government Investment Pools	N/A	None	100%	No Limit
Medium-Term Corporate Notes	5 years	A	30%	5%
Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, and Collateralized Mortgage Obligations	5 years	A/AA or higher	20%	5% (E)
Mutual Funds	N/A	Highest Category	20%	10%
Money Market Mutual Funds	N/A	Highest Category	20%	20%
Supranational Securities	5 years	AA	30%	10%

- (A) The City may purchase no more than 10% of the outstanding commercial paper of any single issuer.
- (B) Combined limit for NCD and CDARS.
- (C) Combined limit for Federally Insured and Collateralized Non-Negotiable Certificates of Deposit.
- (D) The amount per institution is limited to the maximum covered under federal insurance.
- (E) No issuer limitation on any mortgage security where the issuer is the U.S. Treasury or a Federal Agency/GSE.

**B. Investments Authorized by Debt Agreements**

Investment of debt proceeds held by bond trustees is governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City’s investment policy. Investments held outside the Treasurer's Pool consist mainly of required reserve funds for various bond issues. They are held by trustees, and are not available for the City's general expenditures.

Investment agreements are used for the investment of bond proceeds in accordance with the permitted investment provisions of the specific bond indentures, which are prepared in accordance with numerous safeguards to reduce the risk associated with a provider’s ability to meet its contractual obligations.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 2 – Cash and Investments (Continued)**

***B. Investments Authorized by Debt Agreements (Continued)***

The City has invested bond trust monies into securities with maturity periods of one to three years under a “ladder” approach to investing. Such a structure allows for reinvestment in the short-term until interest rates begin to rise. Staff believes that investing in the long-term at this time would commit the City into low earnings, instead of taking advantage of opportunities in case rates begin to rise. During fiscal year 2025, total interest of \$49.1 million was earned for the City’s investments.

***C. Types of Risk Associated with the Treasury Pool’s Investments***

**Investment Risk**

The City invests in no derivatives other than structured (step-up) notes, which guarantee coupon payments. These are minimal risk instruments. All investments are held by a third-party custodian in the City’s name.

**Deposit and Investment Risk**

The risk disclosures below apply to the City’s internal investment pool and deposits as well as investments held by trustees for debt service funds or bond proceeds. Portfolio investments are exposed to four main types of risk: concentration, interest rate, default, and custodial risk. Deposits are exposed primarily to custodial credit risk.

**Concentration of Credit Risk**

The investment policy of the City contains limitations on the amount that can be invested in any one issuer, which are more restrictive than those stipulated by the California Government Code. While the State has no limit on the percentage of the portfolio that can be invested in a single U.S. Government Agency Security, the City’s Investment Policy limits investment in any one issuer to 50% of the portfolio. Also, while the State limits investments to 30% of the Portfolio for any single issuer of Medium Term Notes, the City’s Investment Policy limits investments to 20% of the portfolio invested in any single issuer. Investments in any one issuer (other than U.S. Treasury securities, money market funds, and external investment pools) that represent 5% or more of the total Treasurer’s Pool investments or investments with trustees are as follows (in thousands):

<b>Treasurer's Pool Investments</b>			
<u>Issuer</u>	<u>Investment Type</u>	<u>Amount</u>	<u>% of Total</u>
<u>Treasurer's Pool Investments:</u>			
Federal Farm Credit Bank Bonds	U.S. Government Agency	\$ 63,826	17.63 %
Federal Home Loan Bank Bonds	U.S. Government Agency	169,345	46.77 %
Federal Home Loan Mortgage Corporation Bonds	U.S. Government Agency	33,808	9.34 %
Federal National Mortgage Association	U.S. Government Agency	19,862	5.49 %
Federal AG Mortgage Corporation	U.S. Government Agency	75,242	20.78 %
		<u>\$ 362,083</u>	<u>100.00 %</u>

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally the longer the maturity of an investment, the greater will be the sensitivity of its fair value to changes in market interest rates.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 2 – Cash and Investments (Continued)**

**C. Types of Risk Associated with the Treasury Pool’s Investments (Continued)**

**Concentration of Credit Risk (Continued)**

One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments. Another way the City mitigates this risk is by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time to provide the cash flow and liquidity needed for operations. The City monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The Investment Policy limits the portfolio's weighted average maturity to three years, except for debt agreements held by trustees which are governed by the indentures and may be longer.

**Interest Rate Risk**

Interest rate risk for the Treasurer’s Pool and for investments with trustees is disclosed in the following table. As of June 30, 2025, the City had the following cash and investments in its portfolio (in thousands):

<b>Treasurer’s Pool</b>	<b>Fair Value</b>	<b>Less than 1 Year</b>	<b>1 to 5 Years</b>	<b>5 to 10 Years</b>	<b>More than 10 Years</b>
Cash accounts	\$ 45,446				
<b>Treasurer’s Pool Investments</b>					
U.S. Government Agencies:					
Federal Farm Credit Bank	63,826	\$ 34,608	\$ 29,218	\$ -	\$ -
Federal Home Loan Bank	169,345	55,445	113,900	-	-
Federal Home Loan Mortgage Corporation	33,808	9,780	24,028	-	-
Federal National Mortgage Association	19,862	19,862	-	-	-
Federal AG Mortgage Corporation	75,242	4,918	70,324	-	-
<b>Subtotal of U.S. Government Agencies</b>	<b>362,083</b>	<b>124,613</b>	<b>237,470</b>	<b>-</b>	<b>-</b>
U.S. Treasury Securities	58,392	19,886	38,506	-	-
Medium Term Corporate Notes	264,462	36,202	228,260	-	-
Negotiable Certificate of Deposit	24,710	9,855	14,855	-	-
State Local Agency Investment Fund (CA LAIF)	81,193	81,193	-	-	-
Time Deposits	6,256	6,256	-	-	-
Municipal Bonds	130,811	41,700	89,111	-	-
Supranational	23,954	4,884	19,070	-	-
Money Market Mutual Funds	454,000	454,000	-	-	-
<b>Total Treasurer’s Pool Investments</b>	<b>1,405,861</b>	<b>778,589</b>	<b>627,272</b>	<b>-</b>	<b>-</b>
<b>Investments held outside the Treasurer’s pool</b>					
Debt Service Funds/Bond proceeds:					
Mutual Funds	30,944	30,944	-	-	-
	<b>\$ 30,944</b>	<b>\$ 30,944</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Other deposits	46,964				
Outstanding checks	(5,833)				
Deposits in transit	190				
Petty cash	193				
Pension trust assets (See Separate ACFRs)	4,414,022				
<b>Subtotal</b>	<b>\$ 4,455,536</b>				
<b>Total cash and investments</b>	<b>\$ 5,937,787</b>				

**Default Credit Risk**

Generally, default credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating by a nationally recognized statistical rating organization.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 2 – Cash and Investments (Continued)**

**C. Types of Risk Associated with the Treasury Pool's Investments (Continued)**

**Default Credit Risk (Continued)**

The following table represents the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type:

<b>Treasurer's Pool Investments</b>	<b>Market Value</b>	<b>Minimum Legal Rating</b>	<b>Rating at Year End</b>	<b>Total Investment Portfolio</b>
<b>U.S. Government Agency Securities:</b>				
Federal Farm Credit Bank	\$ 63,826	A	AA+	4.54 %
Federal Home Loan Bank	169,345	A	AA+	12.05 %
Federal Home Loan Mortgage Corporation	33,808	A	AA+	2.40 %
Federal National Mortgage Association	19,862	A	AA+	1.41 %
Federal AG Mortgage Corporation	75,242	A	Unrated	5.35 %
U.S. Treasury Securities	58,392	A	Aaa	4.15 %
<b>Medium Term Corporate Notes:</b>				
Toyota Motor Credit Corp	4,882	A	A+	0.35 %
JP Morgan Chase	4,865	A	AA-	0.35 %
Bank of America	4,854	A	A-	0.35 %
Bank of America	4,854	A	A-	0.35 %
Protective Life	4,894	A	AA-	0.35 %
Bank of America	4,821	A	A-	0.34 %
Bank of New York	4,847	A	A	0.34 %
Met Life Glob	4,832	A	AA-	0.34 %
Apple Inc	9,829	A	AA+	0.70 %
U.S. Bancorp	9,823	A	A	0.70 %
Toyota Motor Credit Corp	9,813	A	A+	0.70 %
New York Life	5,849	A	AA+	0.42 %
Meta Platforms Inc	9,904	A	AA-	0.70 %
National Secs Clearing	5,116	A	AA+	0.36 %
Massmutual Global Fund	10,203	A	AA+	0.73 %
Toyota Motor Credit Corp	10,295	A	A+	0.73 %
Guardian Life	9,328	A	AA+	0.66 %
Northwestern Mutual Gbl	9,847	A	AA+	0.70 %
Pacific Life	5,175	A	AA-	0.37 %
Amazon.Com Inc	4,918	A	AA	0.35 %
Massmutual Global Fund	10,158	A	AA+	0.72 %
JP Morgan Chase	10,004	A	A	0.71 %
Emerson Electric Co	8,039	A	A	0.57 %
Athene Global Funding	1,200	A	A+	0.09 %
Athene Global Funding	461	A	A+	0.03 %
Massmutual Global Funding I	1,260	A	AA+	0.09 %
Athene Global Funding	3,074	A	A+	0.22 %
Bank of New York	4,986	A	A	0.35 %
Met Life Glob	4,832	A	AA-	0.34 %
New York Life Global Funding	2,034	A	AA+	0.14 %
John Deere Capital Corp	1,769	A	A	0.13 %
Athene Global Funding	2,768	A	A+	0.20 %
Met Life Global Funding I	1,015	A	AA-	0.07 %
National Australia Bank Lmtd NY	2,003	A	AA-	0.14 %
National Australia Bank Lmtd NY	1,327	A	AA-	0.09 %
National Australia Bank Lmtd NY	1,685	A	AA-	0.12 %
Guardian Life	1,183	A	AA+	0.08 %
Guardian Life	1,654	A	AA+	0.12 %
Bank of New York	2,991	A	A	0.21 %
Equitable Financial Life	3,737	A	A	0.27 %
John Deere Capital Corp	3,136	A	A+	0.22 %
Protective Life	11,925	A	AA-	0.85 %
Jackson Natl Life Global Fundin	4,985	A	A	0.35 %
John Deere Capital Corp	5,121	A	A	0.36 %
American Honda Finance	7,207	A	A-	0.51 %
Protective Life	14,807	A	AA-	1.05 %
Massmutual Global Fund	12,152	A	AA+	0.86 %

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 2 – Cash and Investments (Continued)**

**C. Types of Risk Associated with the Treasury Pool’s Investments (Continued)**

**Default Credit Risk (Continued)**

<b>Treasurer's Pool Investments</b>	<b>Market Value</b>	<b>Minimum Legal Rating</b>	<b>Rating at Year End</b>	<b>Total Investment Portfolio</b>
Municipal Bonds:				
Antelope Vally Union High	1,772	A	Aa2	0.13 %
County of Westchester NY	1,940	A	AAA	0.14 %
Chaffey Community College	2,818	A	Aa1	0.20 %
State of Hawaii	6,188	A	AA+	0.44 %
State of California	9,685	A	AA-	0.69 %
Golden State Tobacco	1,951	A	A+	0.14 %
Los Angles Unified School Dist	3,355	A	Aa2	0.24 %
State of New York	6,825	A	AA+	0.49 %
Golden State Tobacco	6,147	A	A+	0.44 %
University of California	8,800	A	AA	0.63 %
Los Angles Unified School Dist	13,860	A	AA-	0.99 %
Golden State Tobacco	8,909	A	A+	0.63 %
Kern County CA Pension Oblg	14,915	A	AA-	1.06 %
Marin CA Cmnty Clg Dist	2,972	A	Aaa	0.21 %
Contra Costa CA Cmnty Clg Dist	2,692	A	AA+	0.19 %
State of Hawaii	8,738	A	AA+	0.62 %
State of Connecticut	9,953	A	AA-	0.71 %
State of Hawaii	4,513	A	AA+	0.32 %
State of California	9,457	A	AA-	0.67 %
Chabot-Las Positas Calif Cmnty	948	A	AA	0.07 %
City of Los Angeles CA	1,139	A	AA-	0.08 %
California State University	3,234	A	AA-	0.23 %
Supranational:				
Intl Bk Recon & Develop	4,883	AA	AAA	0.35 %
Intl Bk Recon & Develop	3,424	AA	AAA	0.24 %
Intl Bk Recon & Develop	5,706	AA	AAA	0.41 %
Intl Finance Corp	9,941	AA	AAA	0.71 %
Negotiable Certificate of Deposit:	24,710	N/A	Unrated	1.76 %
State Local Agency Investment Pool:	81,193	N/A	Unrated	5.78 %
Time deposits:	6,256	N/A	Unrated	0.44 %
Money Market Funds:	454,000	N/A	Unrated	32.29 %
<b>Total treasurer's pool investments</b>	<b>\$ 1,405,861</b>			<b>100.00 %</b>
Investments with Trustees				
Money Market Funds	\$ 30,944	N/A	Unrated	100.00 %
<b>Total:</b>	<b>\$ 30,944</b>			<b>100.00 %</b>

<sup>1</sup>Standard & Poor's rating of SP-1 indicates a strong capacity to pay principal and interest. An issue determined to possess a very strong capacity to pay debt service is given a plus (+) designation.

The City of Fresno’s Investment Policy requires that the City only invest in high quality obligations, which means only those with a rating category of “A” or better by a nationally recognized rating service.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 2 – Cash and Investments (Continued)**

**C. Types of Risk Associated with the Treasury Pool's Investments (Continued)**

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The City maintains cash accounts at Bank of America. The City maintains separate accounts for payment of general accounts payable checks, payroll checks, and utility refund checks. Amounts in excess of \$250,000 are securitized in accordance with California Government Code Section 53652. The California Government Code and the City's investment policy contain legal or policy requirements that limit the exposure to custodial credit risk for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The collateral pledged to cover the public fund deposits in California is held in the name of the California Collateral Pool Administrator and is held in their name by the Federal Reserve Bank as custodian. The City had no uncollateralized cash at June 30, 2025. As of June 30, 2025, the City's deposits with institutions in excess of federal depository insurance limits were \$36.3 million held in accounts collateralized in accordance with California law as described above.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to the transaction, a government will not be able to recover the value of its investment of securities that are in the possession of the counterparty. As of June 30, 2025, in accordance with the City's investment policy, none of the City's investments were held with a counterparty. All of the City's investments were held with an independent third party custodian bank. The City uses Bank of New York Trust Company (BNY) as a third-party custody and safekeeping service for its investment securities. Custodial credit risk is the risk that the City will not be able to recover the value of its investments in the event of a BNY failure. All City investments held in custody and safekeeping by BNY are held in the name of the City and are segregated from securities owned by the bank. This is the lowest level of custodial credit risk exposure.

**D. Investment in State Investment Pool**

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. As of June 30, 2025, the City had \$81,193,247 invested in LAIF. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. LAIF is reported at amortized cost, which approximates fair value.

**E. Pension Trust (Retirement Systems) Deposits and Investments**

The investment guidelines for the City of Fresno's Retirement Systems (Systems) reflect the duties imposed by an investment standard known as the "prudent expert rule." The prudent expert rule includes anyone who has discretionary authority with respect to the Systems' investments.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 2 – Cash and Investments (Continued)**

***E. Pension Trust (Retirement Systems) Deposits and Investments (Continued)***

The Fire and Police Retirement System's Investment Policy can be found at [https://www.cfrs-ca.org/fire-and-police-retirement-system\\_investments](https://www.cfrs-ca.org/fire-and-police-retirement-system_investments), while the Employees Retirement System's Investment Policy can be found at <https://www.cfrs-ca.org/employee-retirement-system/investments>. Both investment policies can also be obtained by contacting the Retirement Office at 2828 Fresno Street, Suite 201, Fresno, CA 93721.

Northern Trust serves as custodian of the Systems' investments. The Systems' asset classes include U.S. Equity, International Equity, U.S. Fixed Income, International Fixed Income, Direct Lending, and Real Estate. Any class may be held in direct form, pooled form, or both. The Systems have 15 external investment managers, managing 19 individual portfolios.

Investments at June 30, 2025 consist of the following (in thousands):

<b>Investments at Fair Value</b>	
Domestic equities	\$ 1,080,888
International equities	850,932
Private equity	342,135
Fixed income	544,053
Private debt/credit	523,907
Real estate	915,468
Multi-assets	88,934
Short-term investments	19,557
<b>Total investments at fair value</b>	<b>\$ 4,365,874</b>

Both Retirement Boards have established policies for investing, specifying the following target allocations with a minimum and maximum range for each of these asset classes:

Asset Class	Minimum	Target	Maximum
Domestic equities	15.0%	22.5%	36.0%
International equities	10.0%	18.0%	25.0%
Private equity	0.0%	6.5%	10.0%
Core fixed income	5.0%	13.0%	20.0%
Private debt/credit	5.0%	14.0%	20.0%
Core real estate	5.0%	9.0%	15.0%
Non-core real estate	2.0%	6.0%	8.0%
Infrastructure	2.0%	7.0%	10.0%
Alternative credit	0.0%	4.0%	7.0%
		100.0%	

The Retirement Systems have investments in Tiers 1, 2, and 3 as defined under GASB Statement No. 72. For further information regarding the Retirement Systems' classification of investment, please see the Retirement Systems' Annual Comprehensive Financial Reports (Systems' ACFRs).

Investments of the Systems are exposed to custodial credit risk, credit and interest rate risk, concentration risk, and foreign currency risk. In addition to those risks, the Systems are also exposed to credit risk and market risk associated with their derivatives investments. For a detailed description of all of the risks associated with the Systems' investments, please see the Systems' ACFRs which can be found at <https://www.cfrs-ca.org/fire-and-police-retirement-system/financial/> and <https://www.cfrs-ca.org/employee-retirement-system/ers-financial/> or by contacting the Retirement Office at 2828 Fresno Street, Suite 201 Fresno, CA 93721.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 2 – Cash and Investments (Continued)**

**F. Stewardship, Compliance and Accountability**

There have been no material violations of finance-related legal or contractual provisions.

**G. Restricted Assets**

Restricted cash includes funds held by trustees relating to bonds payable and those amounts held by each fund for which a specific, non-operating use has been determined. Restricted interest receivable is interest earned with the trustee.

Restricted assets are reported in the following funds at June 30, 2025 (in thousands):

	<b>Cash and Investments Current and Noncurrent</b>	<b>Interest Receivable</b>	<b>Total</b>
<b>Governmental activities:</b>			
General Fund	\$ 59,306	\$ -	\$ 59,306
Grants Special Revenue Fund	87,515	-	87,515
Nonmajor Governmental Funds	7,249	-	7,249
Internal Services Funds	-	-	-
<b>Subtotal</b>	<b>154,070</b>	<b>-</b>	<b>154,070</b>
<b>Business-type activities:</b>			
Water System Fund	331,947	278	332,225
Sewer System Fund	70,599	671	71,270
Solid Waste Management Fund	6,936	-	6,936
Transit Fund	45,048	-	45,048
Airports Fund	77,641	-	77,641
Convention Center Fund	1,458	-	1,458
Stadium Fund	3	-	3
Nonmajor Enterprise Funds	1,864	-	1,864
Internal Service Funds	2,277	-	2,277
<b>Subtotal</b>	<b>537,773</b>	<b>-</b>	<b>538,722</b>
<b>Fiduciary:</b>			
Custodial Funds	637	-	637
<b>Subtotal</b>	<b>637</b>	<b>-</b>	<b>637</b>
<b>Total</b>	<b>\$ 692,480</b>	<b>\$ -</b>	<b>\$ 693,429</b>

**Note 3 – Receivables**

Receivables are presented in the financial statements net of the allowance for uncollectible accounts. The uncollectible accounts related to accounts receivable at June 30, 2025 were \$7.4 million for the General Fund, \$0.1 million for Water System, \$0.1 million for Sewer System, \$0.1 million for Solid Waste Management, \$0.5 million for Airports, and \$0.1 million for Other Enterprise Funds. The uncollectible accounts related notes receivables at June 30, 2025 were \$8.2 million for Grants Special Revenue Fund and \$ 1.8 million for Other Governmental Funds. Accounts not scheduled for collection during the subsequent year are \$121.8 million for Governmental notes and loans and \$8.9 million for Business-Type notes and loans.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 3 – Receivables (Continued)**

The allowance for doubtful accounts is a Statement of Net Position and/or Balance Sheet account that reduces the reported amount of a receivable. Providing an allowance for doubtful accounts presents a more realistic picture of how much of the receivable is likely to be turned into cash, particularly in the near term. The amount of the allowance for each fund is a determination made by management at the end of the fiscal year through a review of past collections received on each account. This analysis includes reviewing the aging of the receivable balance, past account write-offs and other known variables.

Receivables, net of amounts uncollectible, (in thousands) as of June 30, 2025 were as follows:

	Accounts Receivable	Interest Receivable	Lease Receivable	Grants Receivable	Intergovernmental Receivable		Loan, Note, and Other Receivable	Total
					Property Taxes	Other		
<b>Governmental Activities:</b>								
General Fund	\$ 30,070	\$ 734	\$ 5,757	\$ -	\$ 4,914	\$ 39,410	\$ -	\$ 80,885
Grants Special Revenue Fund	2,182	934	82	31,603	-	-	98,715	133,516
Nonmajor Governmental Funds	501	2,120	288	7,859	-	15,641	24,024	50,433
Internal Services Funds	292	857	326	-	-	-	23	1,498
<b>Subtotal</b>	<b>33,045</b>	<b>4,645</b>	<b>6,453</b>	<b>39,462</b>	<b>4,914</b>	<b>55,051</b>	<b>122,762</b>	<b>266,332</b>
<b>Business-Type Activities:</b>								
Water System Fund	24,849	4,100	1,406	296	-	-	1,148	31,799
Sewer System Fund	13,737	2,190	2,176	-	-	613	505	19,221
Solid Waste Management Fund	8,893	121	-	6	-	-	-	9,020
Transit Fund	738	374	-	10,206	-	16,275	-	27,593
Airports Fund	6,845	1,286	8,779	5,296	-	197	-	22,403
Convention Center Fund	678	6	-	-	-	-	-	684
Stadium Fund	323	1	1,090	-	-	-	-	1,414
Nonmajor Enterprise Funds	2,093	40	746	-	-	-	-	2,879
Internal Service Funds	1,239	189	-	-	-	-	-	1,428
<b>Subtotal</b>	<b>59,395</b>	<b>8,307</b>	<b>14,197</b>	<b>15,804</b>	<b>-</b>	<b>17,085</b>	<b>1,653</b>	<b>116,441</b>
<b>Total</b>	<b>\$ 92,440</b>	<b>\$ 12,952</b>	<b>\$ 20,650</b>	<b>\$ 55,266</b>	<b>\$ 4,914</b>	<b>\$ 72,136</b>	<b>\$ 124,415</b>	<b>\$ 382,773</b>

Receivables are presented on the Statement of Net Position as follows (in thousands):

	Governmental Activities	Business-Type Activities	Total
Accounts receivables, net	\$ 33,045	\$ 59,395	\$ 92,440
Interest receivable	4,645	8,307	12,952
Lease receivable	6,453	14,197	20,650
Grants receivable	39,462	15,804	55,266
Intergovernmental receivable	59,965	17,085	77,050
Loan, note, and other receivables, net	122,762	1,653	124,415
<b>Total</b>	<b>\$ 266,332</b>	<b>\$ 116,441</b>	<b>\$ 382,773</b>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 4 – Capital Assets**

**A. Citywide Capital Assets**

The following is a summary of capital assets as of June 30, 2025 (in thousands):

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Fiduciary Funds</b>	<b>Total</b>
<b>Capital assets, not being depreciated</b>				
Land	\$ 322,358	\$ 53,535	\$ -	\$ 375,893
Intangibles, indefinite life	-	21,629	-	21,629
Construction in progress	306,326	258,427	-	564,753
<b>Total capital assets, not being depreciated</b>	<b>628,684</b>	<b>333,591</b>	<b>-</b>	<b>962,275</b>
<b>Capital assets, being depreciated</b>				
Building and improvements	373,537	1,543,897	-	1,917,434
Machinery and equipment	257,581	135,255	2,997	395,833
Infrastructure	1,552,890	900,077	-	2,452,967
Intangible assets				
Lease assets	18,183	121	-	18,304
Subscription assets	24,341	3,135	-	27,476
<b>Total capital assets, being depreciated</b>	<b>2,226,532</b>	<b>2,582,485</b>	<b>2,997</b>	<b>4,812,014</b>
<b>Accumulated depreciation:</b>				
	-	-		
Building and improvements	(202,398)	(817,923)	-	(1,020,321)
Machinery and equipment	(155,677)	(83,108)	(2,845)	(241,630)
Infrastructure	(1,184,451)	(315,580)	-	(1,500,031)
Intangible assets				
Lease assets	(6,052)	(44)	-	(6,096)
Subscription assets	(16,357)	(1,302)	-	(17,659)
<b>Total accumulated depreciation</b>	<b>(1,564,935)</b>	<b>(1,217,957)</b>	<b>(2,845)</b>	<b>(2,785,737)</b>
<b>Total capital assets, being depreciated, net</b>	<b>661,597</b>	<b>1,364,528</b>	<b>152</b>	<b>2,026,277</b>
<b>Total capital assets, net</b>	<b>\$ 1,290,281</b>	<b>\$ 1,698,119</b>	<b>\$ 152</b>	<b>\$ 2,988,552</b>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 4 – Capital Assets (Continued)**

**B. Governmental Activities**

Capital asset activity related to governmental activities for the fiscal year ended June 30, 2025 was as follows (in thousands):

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
<b>Capital assets, not being depreciated:</b>					
Land	\$ 298,236	\$ 24,122	\$ -	\$ -	\$ 322,358
Construction in progress	165,494	146,797	(33)	(5,932)	306,326
<b>Total capital assets, not being depreciated</b>	<b>463,730</b>	<b>170,919</b>	<b>(33)</b>	<b>(5,932)</b>	<b>628,684</b>
<b>Capital assets, being depreciated:</b>					
Building and improvements	365,082	8,455	-	-	373,537
Machinery and equipment	236,705	24,519	(5,124)	1,481	257,581
Infrastructure	1,548,439	-	-	4,451	1,552,890
Intangible assets					
Lease assets	9,275	9,001	(93)	-	18,183
Subscription assets	18,068	6,652	(379)	-	24,341
<b>Total capital assets, being depreciated</b>	<b>2,177,569</b>	<b>48,627</b>	<b>(5,596)</b>	<b>5,932</b>	<b>2,226,532</b>
<b>Accumulated depreciation:</b>					
Building and improvements	(190,561)	(11,837)	-	-	(202,398)
Machinery and equipment	(137,918)	(19,146)	1,387	-	(155,677)
Infrastructure	(1,152,864)	(31,587)	-	-	(1,184,451)
Intangible assets					
Lease assets	(3,665)	(2,480)	93	-	(6,052)
Subscription assets	(8,509)	(8,227)	379	-	(16,357)
<b>Total accumulated depreciation</b>	<b>(1,493,517)</b>	<b>(73,277)</b>	<b>1,859</b>	<b>-</b>	<b>(1,564,935)</b>
<b>Total capital assets, being depreciated, net</b>	<b>684,052</b>	<b>(24,650)</b>	<b>(3,737)</b>	<b>5,932</b>	<b>661,597</b>
<b>Total capital assets, net</b>	<b>\$ 1,147,782</b>	<b>\$ 146,269</b>	<b>\$ (3,770)</b>	<b>\$ -</b>	<b>\$ 1,290,281</b>

Depreciation/Amortization was charged to functions/funds as follows (in thousands):

General government	\$ 11,364
Public protection	3,229
Public ways and facilities	30,273
Culture and recreation	4,183
Community development	44
Internal service funds	24,184
<b>Total depreciation/amortization expense - governmental activities</b>	<b>\$ 73,277</b>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 4 – Capital Assets (Continued)**

**C. Business-Type Activities**

Capital asset activity related to Business-Type Activities for the fiscal year ended June 30, 2025 was as follows (in thousands):

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
<b>Capital assets, not being depreciated:</b>					
Land	\$ 53,503	\$ 32	\$ -	\$ -	\$ 53,535
Intangibles, indefinite life	21,629	-	-	-	21,629
Construction in progress	170,859	104,941	(1,405)	(15,968)	258,427
<b>Total capital assets, not being depreciated</b>	<b>245,991</b>	<b>104,973</b>	<b>(1,405)</b>	<b>(15,968)</b>	<b>333,591</b>
<b>Capital assets, being depreciated:</b>					
Building and improvements	1,533,698	2,946	-	7,253	1,543,897
Machinery and equipment	120,115	6,720	(295)	8,715	135,255
Infrastructure	900,077	-	-	-	900,077
Intangible assets					
Lease assets	717	-	(596)	-	121
Subscription assets	2,952	183	-	-	3,135
<b>Total capital assets, being depreciated</b>	<b>2,557,559</b>	<b>9,849</b>	<b>(891)</b>	<b>15,968</b>	<b>2,582,485</b>
<b>Accumulated depreciation:</b>					
Building and improvements	(752,474)	(52,583)	-	(12,866)	(817,923)
Machinery and equipment	(88,580)	(7,412)	18	12,866	(83,108)
Infrastructure	(283,230)	(32,350)	-	-	(315,580)
Intangible assets					
Lease assets	(552)	(74)	582	-	(44)
Subscription assets	(651)	(651)	-	-	(1,302)
<b>Total accumulated depreciation</b>	<b>(1,125,487)</b>	<b>(93,070)</b>	<b>600</b>	<b>-</b>	<b>(1,217,957)</b>
<b>Total capital assets, being depreciated, net</b>	<b>1,432,072</b>	<b>(83,221)</b>	<b>(291)</b>	<b>15,968</b>	<b>1,364,528</b>
<b>Total capital assets, net</b>	<b>\$ 1,678,063</b>	<b>\$ 21,752</b>	<b>\$ (1,696)</b>	<b>\$ -</b>	<b>\$ 1,698,119</b>

Depreciation/Amortization was charged to funds as follows (in thousands):

Water System Fund	\$ 38,546
Sewer System Fund	28,944
Solid Waste Management Fund	510
Transit Fund	9,326
Airports Fund	12,152
Convention Center Fund	2,021
Stadium Fund	1,376
Nonmajor Enterprise Funds	189
Internal Service Funds	6
<b>Total depreciation/amortization expense - business-type activities</b>	<b>\$ 93,070</b>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 4 – Capital Assets (Continued)**

**D. Fiduciary Funds**

Capital asset activity related to fiduciary funds for the fiscal year ended June 30, 2025 was as follows (in thousands):

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
<b>Capital assets, being depreciated:</b>					
Machinery and equipment	\$ 3,207	\$ -	\$ (210)	\$ -	\$ 2,997
<b>Total capital assets, being depreciated</b>	<u>3,207</u>	<u>-</u>	<u>(210)</u>	<u>-</u>	<u>2,997</u>
<b>Accumulated depreciation:</b>					
Machinery and equipment	(2,573)	(272)	-	-	(2,845)
<b>Total accumulated depreciation</b>	<u>(2,573)</u>	<u>(272)</u>	<u>-</u>	<u>-</u>	<u>(2,845)</u>
<b>Total capital assets, net</b>	<u>\$ 634</u>	<u>\$ (272)</u>	<u>\$ (210)</u>	<u>\$ -</u>	<u>\$ 152</u>

Depreciation was charged to functions as follows (in thousands):

Fire & Police Retirement System Pension Trust Funds	\$ 136
Employee Retirement System Pension Trust Funds	<u>136</u>
<b>Total depreciation/amortization expense - fiduciary funds</b>	<u>\$ 272</u>

**E. Construction in Progress**

At June 30, 2025, Construction in Progress consisted of the following (in thousands):

Project Title	Construction Cost To Date
<b>Governmental Activities:</b>	
Neighborhood improvements	\$ 4,147
Parks improvements	30,236
Public protection	7,752
Public works improvements	234,088
Other miscellaneous projects	<u>30,103</u>
<b>Subtotal</b>	<u>306,326</u>
<b>Business-Type Activities:</b>	
Water capital projects	30,991
Sewer/wastewater capital projects	61,172
Transit capital projects	20,663
Airports capital projects	139,431
Stadium capital projects	5,535
Other capital projects	<u>635</u>
<b>Subtotal</b>	<u>258,427</u>
<b>Total construction in progress</b>	<u>\$ 564,753</u>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 5 – Leases and Subscription-Based Information Technology Arrangements**

**A. Leases**

The accounts for leases in accordance with GASB Statement No. 87, which requires the recognition of a lease liability and an intangible right-to-use (RTU) asset for lease agreements. The City continues to account for lease agreements under these guidelines, recognizing leases as financings of the right-to-use underlying assets.

As a lessee, the City has entered into various lease agreements for land, buildings, and other properties, with lease terms expiring between 2025 and 2065. These agreements do not contain variable payments or guaranteed residual values. In fiscal year 2025, the City recognized lease liabilities and corresponding intangible right-to-use assets for the value of leased assets and the obligations to make future lease payments. Short-term leases (12 months or less) are excluded from the lease liabilities and recognized as outflows of resources (expenditures) in the period incurred. The City has accounted for any renewal options based on the likelihood of their exercise, where renewal periods that are reasonably certain to be exercised are included in the lease term.

Future payments, under these non-regulated leases for each of the next five years and in five-year increments thereafter are as follows (amounts in thousands):

Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 1,828	\$ 319	\$ 21	\$ 1
2027	1,452	261	20	-
2028	1,317	217	-	-
2029	1,230	183	-	-
2030	1,294	148	-	-
2031-2035	2,419	441	-	-
2036-2040	861	292	-	-
2041-2045	809	212	-	-
2046-2050	1,056	108	-	-
2051-2054	428	15	-	-
<b>Total</b>	<b>\$ 12,694</b>	<b>\$ 2,196</b>	<b>\$ 41</b>	<b>\$ 1</b>

As a lessor, the City recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, excluding regulated leases subject to external laws or regulations, such as aviation leases. The City continues to follow GASB 87's guidelines, recognizing revenue from both fixed and variable lease payments (excluding usage-based variables). The lease receivable is measured at the present value of expected payments during the lease term.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 5 – Leases and Subscription-Based Information Technology Arrangements (Continued)**

**A. Leases (Continued)**

Future receipts, under these non-regulated leases for each of the next five years and in five-year increments thereafter are as follows (amounts in thousands):

Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 603	\$ 152	\$ 1,643	\$ 103
2027	638	146	1,338	100
2028	496	123	1,233	84
2029	378	113	737	76
2030	229	106	565	71
2031-2035	1,268	451	2,895	304
2036-2040	1,228	303	2,445	217
2041-2045	1,242	148	2,152	154
2046-2050	371	14	381	107
2051-2055	-	-	297	75
2056-2060	-	-	331	41
2061-2065	-	-	180	6
<b>Total</b>	<b>\$ 6,453</b>	<b>\$ 1,556</b>	<b>\$ 14,197</b>	<b>\$ 1,338</b>

In fiscal year 2025, the City recognized \$3.9 million in amortization expense related to its lease agreements. The City’s leases include agreements with various organizations, such as the New Towers Radio Hut and Carlulu LLC, for governmental purposes. For business purposes, significant agreements include the DHL Building and the Loperena Antenna Site. As of June 30, 2025, the balance of the deferred inflow of resources related to leases was \$19.9 million.

**B. Subscription-Based Information Technology Arrangements (SBITA) - GASB 96**

In fiscal year 2025, the City recognized significant subscription expense as part of the ongoing SBITA contracts. The City has ensured that variable payments (based on usage) are excluded from the SBITA liability calculation, and prepaid amounts are properly recognized as part of the subscription asset. In addition, the City recognizes Subscription-Based Information Technology Arrangements (SBITAs) in accordance with GASB Statement No. 96. SBITA liabilities and intangible right-to-use (RTU) subscription assets are recognized at the commencement of the subscription term, with the liabilities measured as the present value of subscription payments expected to be made during the subscription term. If not explicitly stated in the contract, the City's incremental borrowing rate (IBR) is used for discounting the liability.

The City’s SBITA agreements include Tyler Technologies, Soundthinking, Inc., and Dell, with terms expiring in fiscal year 2027. These agreements are non-cancellable and include fixed, prepaid, and fixed-in-substance components. The City has recognized corresponding subscription liabilities and intangible RTU subscription assets in accordance with GASB 96, with amortization of the assets on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT systems.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 5 – Leases and Subscription-Based Information Technology Arrangements (Continued)**

**C. City as SBITA Service Receiver**

The City recognizes a subscription liability and an intangible RTU subscription asset at the beginning of an SBITA unless it is considered a short-term SBITA. A subscription liability is measured at the present value of subscription payments expected to be made during the subscription term using the City's incremental borrowing rate. The City's SBITA contracts have terms expiring through 2028.

A subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying subscription asset. Remeasurement of subscription liability occurs when there is a change in the subscription term and/or other changes that are likely to have a significant impact on the subscription liability. Variable payments based on the usage of the underlying assets are not included in the subscription liability calculations but are recognized as outflows of resources in the period in which the obligation was incurred.

As of June 30, 2025, the City's SBITA RTU subscription assets are \$27.5 million with accumulated amortization of \$17.7 million, while the City's principal and interest requirements to maturity for the SBITA liability are as follows (in thousands):

Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 2,458	\$ 76	\$ 649	\$ 38
2027	-	-	671	19
<b>Total</b>	<b>\$ 2,458</b>	<b>\$ 76</b>	<b>\$ 1,320</b>	<b>\$ 57</b>

**D. Discount Rate**

Unless explicitly stated in the lease agreement, known by the City, or the City is able to determine the rate implicit within the lease, the discount rate used to calculate lease right-to-use assets and liabilities and related lease receivable is the City's incremental borrowing rate at the end of each fiscal year. As of June 30, 2025, the City's incremental borrowing rate was 2.21%. This was the discount rate utilized for applicable leases reported in fiscal year 2025.

**E. Variable Payments**

Variable payments based on the future performance of the lessee or lessor or usage of the underlying asset are not included in the measurement of lease assets or liabilities.

**F. Regulated Leases**

In accordance with GASB Statement No. 87, The City does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, e.g. the U.S. Department of Transportation and the Federal Aviation Administration, regulated aviation leases between airports and air carriers and other aeronautical users.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 5 – Leases and Subscription-Based Information Technology Arrangements (Continued)**

**F. Regulated Leases (Continued)**

During the year ended June 30, 2025, the City recognized the following related to its regulated lease agreements (in thousands):

Year Ending June 30,	Principal	Interest	Total
<b>Airlines:</b>			
2026	\$ 130	\$ -	\$ 130
2027	65	-	65
<b>Airlines total</b>	<b>\$ 195</b>	<b>\$ -</b>	<b>\$ 195</b>
<b>General Aviation</b>			
2026	\$ 864	\$ -	\$ 864
2027	864	-	864
2028	764	-	764
2029	264	-	264
2030	264	-	264
2031-2035	1,307	-	1,307
2036-2040	1,043	-	1,043
2041-2045	861	-	861
2046-2050	244	-	244
<b>General Aviation total</b>	<b>\$ 6,475</b>	<b>\$ -</b>	<b>\$ 6,475</b>
<b>Government:</b>			
2026	\$ 173	\$ -	\$ 173
2027	173	-	173
2028	173	-	173
2029	173	-	173
2030	174	-	174
2031-2035	217	-	217
<b>Government total</b>	<b>\$ 1,083</b>	<b>\$ -</b>	<b>\$ 1,083</b>
<b>Real Estate:</b>			
2026	\$ 764	\$ -	\$ 764
2027	127	-	127
<b>Real Estate total</b>	<b>\$ 891</b>	<b>\$ -</b>	<b>\$ 891</b>
<b>Total</b>	<b>\$ 8,644</b>	<b>\$ -</b>	<b>\$ 8,644</b>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 6 – Long-Term Liabilities**

**A. Summary of Long-Term Liabilities**

The following is a summary of the City's Long-Term Liabilities as of June 30, 2025 (in thousands):

	<u>Primary Government</u>		<u>Fiduciary</u>	<u>Total</u>
	<u>Governmental</u>	<u>Business-Type</u>		
	<u>Activities</u>	<u>Activities</u>	<u>Funds</u>	
<b>Long-Term Debt:</b>				
Bonds from public borrowings	\$ 139,495	\$ 218,457	\$ -	\$ 357,952
Bonds from direct placements	-	30,974	-	30,974
Accreted interest	-	2,010	-	2,010
Issuance premiums/(discounts)	6,189	5,391	-	11,580
Notes payable from direct borrowings	-	376,579	896	377,475
Finance purchase agreements	70,307	23,300	-	93,607
<b>Total long-term debt</b>	<b>215,991</b>	<b>656,711</b>	<b>896</b>	<b>873,598</b>
<b>Other Long-Term Liabilities:</b>				
Compensated absences and health retirement arrangement	97,901	15,496	78	113,475
Total OPEB liability	67,458	26,660	-	94,118
Liabilities for self-insurance	291,914	-	-	291,914
Accrued closure cost	-	6,997	-	6,997
Pollution remediation	-	220	-	220
Lease and subscription liability	15,152	1,361	-	16,513
<b>Total other long-term liabilities</b>	<b>472,425</b>	<b>50,734</b>	<b>78</b>	<b>523,237</b>
Due within one year	99,485	32,903	103	132,491
Due in more than one year	588,931	674,542	871	1,264,344
<b>Total long-term liabilities</b>	<b>\$ 688,416</b>	<b>\$ 707,445</b>	<b>\$ 974</b>	<b>\$ 1,396,835</b>

Internal service funds (ISFs), except for Utility Billing and Collection, primarily serve the governmental funds. Accordingly, Long-Term Liabilities for ISFs are included as part of the above totals for governmental activities, while the long-term liabilities for Utility Billing and Collection are included as part of the totals for Business-Type Activities. Governmental Activities also reflect claims/judgments which are liquidated by Risk Management and the Employees Healthcare Plan, and net OPEB liability which is liquidated by the Employees Healthcare Plan.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 6 – Long-Term Liabilities (Continued)**

**A. Summary of Long-Term Liabilities (Continued)**

	Balance			Classification		
	July 1, 2024	Additions	Reductions	Balance June 30, 2025	Due within One Year	Due in More Than One Year
<b>Governmental Activities:</b>						
<b>Bonds Payable from Public Borrowings:</b>						
Lease Revenue Bonds, Series 2004	\$ 7,650	\$ -	\$ (1,110)	\$ 6,540	\$ 1,180	\$ 5,360
Taxable Pension Obligation Bonds Refunding, Series 2002	67,190	-	(11,790)	55,400	12,560	42,840
Lease Revenue Bonds 2017A, City Hall Refunding, Fresno Bee Building, Granite Park, Improvements	14,155	-	(1,805)	12,350	1,865	10,485
Lease Revenue Bonds, Series 2017A Parks Projects	18,240	-	(930)	17,310	975	16,335
Lease Revenue Bonds, Series 2017A, Police and Fire/Public Safety	25,360	-	(1,175)	24,185	1,235	22,950
Lease Revenue Bonds, Series 2017A Various	8,880	-	(695)	8,185	-	8,185
Lease Revenue Bonds, Series 2020A, Animal Svcs	15,960	-	(435)	15,525	455	15,070
<b>Total bonds payable from public borrowings</b>	<b>157,435</b>	<b>-</b>	<b>(17,940)</b>	<b>139,495</b>	<b>18,270</b>	<b>121,225</b>
Unamortized issuance premiums/(discounts) on bonds	6,927	-	(738)	6,189	-	6,189
Finance purchase agreements	64,832	18,166	(12,691)	70,307	10,941	59,366
<b>Total long-term debt</b>	<b>229,194</b>	<b>18,166</b>	<b>(31,369)</b>	<b>215,991</b>	<b>29,211</b>	<b>186,780</b>
<b>Other Long-Term Liabilities:</b>						
Compensated absences						
health retirement arrangement*	97,547	354	-	97,901	13,177	84,724
Net OPEB liability	78,378	7,288	(18,208)	67,458	2,092	65,366
Liabilities for self-insurance	266,674	145,840	(120,600)	291,914	50,719	241,195
Lease and subscription liability	16,268	15,653	(16,769)	15,152	4,286	10,866
<b>Total other long-term liabilities</b>	<b>458,867</b>	<b>169,135</b>	<b>(155,577)</b>	<b>472,425</b>	<b>70,274</b>	<b>402,151</b>
<b>Total long-term liabilities</b>	<b>\$ 688,061</b>	<b>\$ 187,301</b>	<b>\$ (186,946)</b>	<b>\$ 688,416</b>	<b>\$ 99,485</b>	<b>\$ 588,931</b>

\* - The change in compensated absences and health retirement arrangement above is a net change for the year.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 6 – Long-Term Liabilities (Continued)**

**A. Summary of Long-Term Liabilities (Continued)**

	Balance			Classification		
	July 1, 2024	Additions	Reductions	Balance June 30, 2025	Due within One Year	Due in More Than One Year
<b>Business-Type Activities:</b>						
<b>Bonds Payable from Public Borrowings:</b>						
Water System Revenue Bonds and (Taxable BABs) 2010 A-2	\$ 91,340	\$ -	\$ (4,090)	\$ 87,250	\$ 4,260	\$ 82,990
Lease Revenue Bonds 1998, Exhibit Hall Expansion Project	901	-	(199)	702	189	513
Lease Revenue Bonds 2001 A and B, Stadium Project	9,785	-	(1,130)	8,655	1,210	7,445
Airport Revenue Bonds 2007 - Cons. Rental Car	18,880	-	(645)	18,235	725	17,510
Airport Revenue Bonds 2023 A & B, Terminal Expansion & Federal Inspection Station	91,085	-	(1,620)	89,465	1,915	87,550
Lease Revenue Bonds 2017A, Exhibit Hall Expansion Project	6,060	-	(1,095)	4,965	1,155	3,810
Lease Revenue Bonds 2017A - Convention Center	1,545	-	(490)	1,055	515	540
Lease Revenue Bonds 2017A, Stadium Project	7,895	-	(970)	6,925	1,020	5,905
Lease Revenue Bonds 2017A - Riverside Golf Course	1,275	-	(70)	1,205	70	1,135
<b>Total bonds payable from public borrowings</b>	<b>228,766</b>	<b>-</b>	<b>(10,309)</b>	<b>218,457</b>	<b>11,059</b>	<b>207,398</b>
<b>Bonds Payable from Direct Placements:</b>						
Airport Revenue Bonds 2019 - Airport Parking	31,830	-	(856)	30,974	883	30,091
Accreted interest on capital appreciation bonds	2,407	154	(551)	2,010	-	2,010
Unamortized issuance premiums/(discounts) on bonds	5,973	96	(678)	5,391	-	5,391
Finance purchase agreements	-	23,474	(174)	23,300	764	22,536
<b>Notes Payable from Direct Placements:</b>						
Construction of Water Supply Disinfection Buildings	\$ 837	\$ -	\$ (104)	\$ 733	\$ 105	\$ 628
Improvements on the Enterprise and Jefferson Canals	535	-	(66)	469	68	401
Water Meter Project	25,703	-	(2,570)	23,133	2,570	20,563
Southeast Surface Water Treatment Facility	149,501	-	(4,982)	144,519	5,065	139,454
Tertiary Treatment Facility	25,297	-	(1,034)	24,263	1,044	23,219
Northeast Surface Water Treatment Facility	12,770	-	(380)	12,390	383	12,007
Friant-Kern Canal Raw Water Pipeline	17,900	-	(617)	17,283	627	16,656
Regional Transmission Mains	59,268	-	(1,899)	57,369	1,929	55,440
Kings River Pipeline	48,352	-	(1,667)	46,685	1,694	44,991
Southwest Quadrant Recycled Water Distribution System	51,333	-	(1,598)	49,735	1,614	48,121
<b>Total notes payable from direct placements</b>	<b>391,496</b>	<b>-</b>	<b>(14,917)</b>	<b>376,579</b>	<b>15,099</b>	<b>361,480</b>
<b>Total long-term debt</b>	<b>660,472</b>	<b>23,724</b>	<b>(27,485)</b>	<b>656,711</b>	<b>27,805</b>	<b>628,906</b>
<b>Other Long-Term Liabilities:</b>						
Compensated absences and health retirement arrangement*	14,790	706	-	15,496	2,802	12,694
Net OPEB liability	31,071	2,942	(7,353)	26,660	726	25,934
Accrued closure cost	9,244	-	(2,247)	6,997	900	6,097
Pollution remediation	279	-	(59)	220	-	220
Lease and subscription liability	2,498	183	(1,320)	1,361	670	691
<b>Total other long-term liabilities</b>	<b>57,882</b>	<b>3,831</b>	<b>(10,979)</b>	<b>50,734</b>	<b>5,098</b>	<b>45,636</b>
<b>Total long-term liabilities</b>	<b>\$ 718,354</b>	<b>\$ 27,555</b>	<b>\$ (38,464)</b>	<b>\$ 707,445</b>	<b>\$ 32,903</b>	<b>\$ 674,542</b>

\* - The change in compensated absences and health retirement arrangement above is a net change for the year.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 6 – Long-Term Liabilities (Continued)**

**A. Summary of Long-Term Liabilities (Continued)**

	Balance			Classification		
	July 1, 2024	Additions	Reductions	Balance June 30, 2025	Due within One Year	Due in More Than One Year
<b>Fiduciary Funds:</b>						
<b>Successor Agency to the Fresno Redevelopment Agency:</b>						
<b>Notes payable from direct placements:</b>						
California Infrastructure Bank	\$ 979	\$ -	\$ (83)	\$ 896	\$ 86	\$ 810
<b>Total notes payable from direct placements</b>	<b>979</b>	<b>-</b>	<b>(83)</b>	<b>896</b>	<b>86</b>	<b>810</b>
<b>Other Long-Term Liabilities:</b>						
Compensated absences*	67	16	(5)	78	17	61
<b>Total other long-term liabilities</b>	<b>67</b>	<b>16</b>	<b>(5)</b>	<b>78</b>	<b>17</b>	<b>61</b>
<b>Total long-term liabilities</b>	<b>\$ 1,046</b>	<b>\$ 16</b>	<b>\$ (88)</b>	<b>\$ 974</b>	<b>\$ 103</b>	<b>\$ 871</b>

\* - The change in compensated absences above is a net change for the year.

The following is a description of Long-Term Debt, Excluding Capital Financing Obligations, Leases and Subscription-based Information Technology Arrangements, which had activity in 2025 (in thousands):

Debt	Series	Purpose	Rate Range	Issue Date	Maturity Date	Note	Annual Principal	Outstanding Principal	Issuance Disc/(Prem)/Accreted Int	Net Principal Due	Payments to Maturity	FY 2025 Debt Service Payment
<b>Governmental</b>												
<b>Bonds from public borrow</b>												
Taxable Pension Obligation Bonds 2002	\$205,335 taxable	Refund 2000 Taxable Pension Obligation Bonds	6.55%	2/21/2002	6/1/2029	Repayment of bonds not limited to any special source of City funds. Principal due annually, interest due semiannually. City uses funds throughout the City based on full-time employees assigned to funds. During 2025 \$13,710 was used from General Fund and \$2,481 was used from Enterprise Funds and Internal Service Funds to make the 2025 debt service payment of \$16,191.	\$12,560 to \$15,195	\$ 55,400	\$ -	\$ 55,400	\$ 64,759	\$ 16,191
Fresno Joint Powers Financing Authority: Lease Refunding 2017 B, Bee Bldg & Granite Park	B = \$21,980 taxable	Fresno Bee Building and Granite Park	3.48% to 4.16%	5/10/2017	4/1/2031	Repayment payable solely by revenues pledged under Master Facilities Sublease agreement, primarily Base Rental Payments. Principal due annually, interest due semiannually. Lease revenue of \$2,364 was equal to debt service in 2025.	\$1,865 to \$2,270	12,350	-	12,350	14,181	2,364
Fresno Joint Powers Financing Authority: Lease Revenue Bonds 2004 C, Convention Center Parking Garage	C = \$28,870 taxable	Convention Center Parking Garage	5.90%	4/28/2004	10/1/2034	Repayment payable solely by revenues pledged under Master Facilities Sublease agreement, primarily Base Rental Payments. Principal due annually, interest due semiannually. Lease revenue of \$1,528 was equal to debt service in 2025.	\$1,180 to \$1,400	6,540	3	6,543	7,538	1,528
Fresno Joint Powers Financing Authority: Lease Revenue Refunding Bonds 2017 A, Convention Center Parking Garage	A = \$12,435 tax-exempt	Refinance Convention Center Parking Garage	5.00%	5/10/2017	4/1/2035	Repayment payable solely by revenues pledged under Master Facilities Sublease agreement, primarily Base Rental Payments. Principal due annually, interest due semiannually. Lease revenue of \$1,139 was equal to debt service in 2025.	\$40 to \$1,785	8,185	811	8,996	11,491	1,139
Fresno Joint Powers Financing Authority: Lease Revenue Refunding Bonds (Parks Projects) 2017 A, Parks Impact Fee Projects	A = \$22,965 tax-exempt	Refinance Improvements to Various Park Facilities	5.00%	5/10/2017	4/1/2038	Repayment payable solely by revenues pledged under Master Facilities Sublease agreement, primarily Base Rental Payments. Principal due annually, interest due semiannually. Lease revenue of \$1,820 was equal to debt service in 2025.	\$975 to \$1,755	17,310	1,459	18,769	23,670	1,820
Fresno Joint Powers Financing Authority: Lease Revenue Refunding Bonds 2017 A, Police and Fire/Public Safety	A = \$32,065 tax-exempt	Refinance Public Safety Capital Improvement Projects (Police & Fire)	5.00%	5/10/2017	4/1/2039	Repayment payable solely by revenues pledged under Master Facilities Sublease agreement, primarily Base Rental Payments. Principal due annually, interest due semiannually. Lease revenue of \$2,386 was equal to debt service in 2025.	\$1,235 to \$2,300	24,185	1,931	26,116	33,422	2,386
Fresno Joint Powers Financing Authority: Lease Revenue Bonds 2020 A, Animal Services Facility	A = \$17,145,000 tax-exempt	Animal Services Facility	4.00% to 5.00%	11/3/2020	4/1/2046	Repayment payable solely by revenues pledged under Master Facilities Sublease agreement, primarily Base Rental Payments. Principal due annually, interest due semiannually. Lease revenue of \$1,121 was equal to debt service in 2025.	\$435 to \$1,075	15,525	1,985	17,510	23,509	1,121
<b>Revenue and other bonds total</b>							<b>139,495</b>	<b>6,189</b>	<b>145,684</b>	<b>178,570</b>	<b>26,549</b>	
<b>Governmental total</b>							<b>139,495</b>	<b>6,189</b>	<b>145,684</b>	<b>178,570</b>	<b>26,549</b>	

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 6 – Long-Term Liabilities (Continued)**

**A. Summary of Long-Term Liabilities (Continued)**

Debt	Series	Purpose	Rate Range	Issue Date	Maturity Date	Note	Annual Principal	Outstanding Principal	Issuance Disc/(Prem) / Accreted Int	Net Principal Due	Payments to Maturity	FY 2025 Debt Service Payment
<b>Business-Type Revenue and Other Bonds</b>												
Fresno Joint Powers Financing Authority: Lease Revenue Refunding Bonds 2017 A, Convention Center	A = \$4,260 tax-exempt	Refinance Convention Center Improvement Projects (Phase I)	5.00%	5/10/2017	4/1/2027	Repayment payable solely by revenues pledged under Master Facilities Sublease agreement, primarily Base Rental Payments. Principal due annually, interest due semiannually. During 2025 the City chose to make these lease payments from the General Fund in the amount of \$567, which was equal to debt service in 2025. While the City has the right to use any unencumbered funding source it wishes to use for future lease payments, it is anticipated that General Fund revenues will be used to make these future payments, which the Authority will then use to make the debt service payment.	\$515 to \$540	1,055	41	1,096	1,135	567
Fresno Joint Powers Financing Authority: Lease Revenue Bonds 1998, Exhibit Hall Expansion Project	\$32,610 tax-exempt	Construction of an Exhibit Hall	N/A	9/1/1998	9/1/2028	Current Interest Serial Bonds (\$25,395) and Capital Appreciation Serial Bonds (\$7,215). Repayment payable solely by revenues pledged in trust agreement, primarily Base Rental Payments pursuant to a Facilities Lease. Principal due annually. Interest due semiannually. During 2025, the City chose to make these lease payments from the General Fund in the amount of \$750, which was equal to the debt service payment. All remaining bonds are Capital Appreciation Bonds, so interest is accreted. While the City has the right to use any unencumbered funding source it wishes to use for future lease payments, it is anticipated that General Fund revenues will be used to make future lease payments, which the Authority will then use to make the debt service payment.	\$162 to \$189	702	1,995	2,697	3,000	750
Fresno Joint Powers Financing Authority: Lease Revenue Refunding Bonds 2017 A, Exhibit Hall Expansion Project Refunding	A = \$11,665 tax-exempt	Refinance Exhibit Hall Expansion Project	5.00%	5/10/2017	4/1/2029	Repayment payable solely by revenues pledged under Master Facilities Sublease agreement, primarily Base Rental Payments. Principal due annually, interest due semiannually. Lease revenue of \$1,398, which was equal to debt service in 2025. While the City has the right to use any unencumbered funding source it wishes to use for future lease payments, it is anticipated that General Fund revenues will be used to make these future payments, which the Authority will then use to make the debt service payment.	\$1,155 to \$1,330	4,965	283	5,248	5,600	1,398
Fresno Joint Powers Financing Authority: Lease Revenue Refunding Bonds 2017 A, Stadium Project	A = \$13,510 tax-exempt	Refinance MultiPurpose Stadium Project	5.00%	5/10/2017	4/1/2031	Repayment payable solely by revenues pledged under Master Facilities Sublease agreement, primarily Base Rental Payments. Principal due annually, interest due semiannually. During 2025, the City chose to make these lease payments from the General Fund in the amount of \$1,365, which was equal to the debt service payment. While the City has the right to use any unencumbered funding source it wishes to use for future lease payments, it is anticipated that General Fund revenues will be used to make future lease payments, which the Authority will then use to make the debt service payment.	\$1,020 to \$1,300	6,925	489	7,414	8,186	1,365
Fresno Joint Powers Financing Authority: Lease Revenue Bonds 2001 A & B, Stadium Project	A = \$23,615 tax-exempt; B = \$22,235 taxable	Acquire and construct a MultiPurpose Outdoor Stadium	7.03%	6/12/2001	6/1/2031	Repayment payable solely by revenues pledged in trust agreement, primarily Base Rental Payments pursuant to a Facilities Lease. Principal due annually, interest due semiannually. During 2025, the City chose to make these lease payments from the General Fund in the amount of \$1,818, which was equal to the debt service payment. While the City has the right to use any unencumbered funding source it wishes to use for future lease payments, it is anticipated that General Fund revenues will be used to make future lease payments, which the Authority will then use to make the debt service payment.	\$1,210 to \$1,700	8,655	5	8,660	10,905	1,818
Airport Revenue Bonds 2007, Consolidated Rental Car Facility	\$22,000 taxable	Construction of a Consolidated Rental Car Facility and related improvements	5.83%	6/14/2007	7/1/2037	Repayment of bonds solely from operation of the City Airport System. While not required under the Bond Indenture, Airports uses Customer Facility Charge (CFC) revenues first to meet the debt payment, and then uses other permitted revenues to cover any difference between CFCs and the debt payment. Principal due annually, interest due semiannually. During Fiscal Year 2025 \$1,728 of CFC revenues was used to fully cover the debt service payment.	\$725 to \$2,265	18,235	-	18,235	26,502	1,728
Fresno Joint Powers Financing Authority: Lease Revenue Refunding Bonds (Riverside Golf Course) 2017 A, Riverside Golf Course	A = \$1,615 tax-exempt	Refinance Improvements to Riverside Golf Course	5.00%	5/10/2017	4/1/2038	Repayment payable solely by revenues pledged under Master Facilities Sublease agreement, primarily Base Rental Payments. Principal due annually, interest due semiannually. During 2025, the City chose to make these lease payments from the General Fund in the amount of \$132, which was equal to the debt service payment. While the City has the right to use any unencumbered funding source it wishes to use for future lease payments, it is anticipated that General Fund revenues will be used to make future lease payments, which the Authority will then use to make the debt service payment.	\$70 to \$125	1,205	103	1,308	1,648	132
Water System Revenue Bonds (Taxable Build America Bonds) 2010 A-2, Water	A-2 = \$91,340 taxable	Improvements to the Water System	6.50% to 6.75%	2/3/2010	6/1/2040	Repayment of bonds solely from revenues derived from the operation of the City Water System, except connection fees and charges, refundable deposits and capital contributions. Principal payable annually, interest semiannually. During Fiscal Year 2025, a federal Build America Bonds subsidy of \$1,020,467 was received.	\$4,260 to \$7,715	87,250	(745)	86,505	138,831	10,187
Airport Revenue Bonds 2019, Airport Parking	\$35,000 taxable	Construction of a Parking Garage	3.45%	5/3/2019	7/1/2048	Bonds privately placed with the California Infrastructure and Development Bank (I-Bank). Interest rate includes 3.15% charged by the I-Bank for interest plus 0.30% charged by the I-Bank as a fee. Repayment of bonds solely from operation of the City Airport System. Principal due annually, interest due semiannually.	\$883 to \$1,802	30,974	-	30,974	45,370	1,939
Airport Revenue Bonds 2023, Airport Concourse & Federal Inspection Station	A = \$94,485 AMT B = \$5,690 Non-AMT	Construction of Concourse and Federal Inspection Station	5.00%	5/25/2023	7/1/2053	Repayment of bonds solely from operation of the City Airport System. Bond Indenture requires a minimum \$1,600 of PFC Contribution toward annual debt service from Passenger Facility Charges (PFC).	\$1,915 to \$4,830	89,465	5,230	94,695	158,909	6,055
<b>Revenue and other bonds total</b>								<b>249,431</b>	<b>7,401</b>	<b>256,832</b>	<b>400,086</b>	<b>25,939</b>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 6 – Long-Term Liabilities (Continued)**

**A. Summary of Long-Term Liabilities (Continued)**

Debt	Series	Purpose	Rate Range	Issue Date	Maturity Date	Note	Annual Principal	Outstanding Principal	Issuance Disc/(Prem)/ Accreted Int	Net Principal Due	Payments to Maturity	FY 2025 Debt Service Payment
<b>Business-Type Notes Payable</b>												
Water: Safe Drinking Water Program	\$1,947 Loaned	Contract between the State Water Resources Control Board and the City to protect the City's drinking water supplies from Possible Contaminating Activities (PCAs)	2.29%	7/1/2009	7/1/2031	Repayment of loan is funded from revenues of the Water Fund. Pledged in parity with the pledges securing the 2010 Bonds and other State loans for Water. Principal and interest due in semiannual installments of \$61.	\$61 to \$119	733	-	733	794	122
Water: Safe Drinking Water Program	\$1,245 Loaned	Contract between the State Water Resources Control Board and the City for improvements on the Enterprise and Jefferson Canals	2.29%	7/1/2009	1/1/2032	Repayment of loan is funded from revenues of the Water Fund. Pledged in parity with the pledges securing the 2010 Bonds and other State loans for Water. Principal and interest due in semiannual installments of \$39.	\$39 to \$76	469	-	469	507	78
Water: Safe-Drinking Water Program	\$51,405 Loaned	Contract between the State Water Resources Control Board and the City for installation of water meters throughout the City of Fresno	0.00%	4/10/2012	7/16/2034	No interest loan. Repayment of the loan is funded from revenues of the Water Fund. Pledged in parity with the pledges securing the 2010 Bonds and other State loans for Water. Principal due in semiannual installments of \$1,285.	\$2,570 to \$2,570	23,133	-	23,133	23,132	2,570
Sewer: Clean Water State Revolving Fund Project	\$33,213 Loaned	Contract between the State Water Resources Control Board and the City for construction of a tertiary treatment facility	1.00%	10/17/2015	7/12/2046	Repayment of loan solely from all revenues derived from the operation of the City Sewer System, except connection fees and charges, refundable deposits and capital contributions. Pledged in parity with State loans for Sewer. Principal and interest due in annual installments of \$1,286.	\$1,043 to \$1,282	24,263	-	24,263	27,022	1,286
Sewer: Clean Water State Revolving Fund Project No. 8061-110	\$54,484 Loaned	Contract between the State Water Resources Control Board and the City for construction of a recycled water distribution system in the southwest quadrant of the City	1.00%	8/19/2015	5/30/2047	Repayment of loan solely from all revenues derived from the operation of the City Sewer System, except connection fees and charges, refundable deposits and capital contributions. Pledged in parity with State loans for Sewer. Principal and interest due in semiannual installments of \$1,056.	\$1,613 to \$2,090	49,735	-	49,735	56,998	2,111
Water: Drinking Water State Revolving Fund Project 1010007-029C	\$21,379 Loaned	Contract between the State Water Resources Control Board and the City for construction of the Friant-Kern Canal Raw Water Pipeline	1.60%	4/5/2016	7/1/2048	Repayment of loan is funded from the revenues of the Water Fund. Pledged in parity with the pledges securing the 2010 Bonds and other State loans for Water. Principal and interest due in semiannual installments of \$407.	\$627 to \$890	17,283	-	17,283	20,726	813
Water: Drinking Water State Revolving Fund Project 1010007-031C	\$57,615 Loaned	Contract between the State Water Resources Control Board and the City for construction of a Kings River Pipeline	1.60%	4/5/2016	7/1/2048	Repayment of loan is funded from the revenues of the Water Fund. Pledged in parity with the pledges securing the 2010 Bonds and other State loans for Water. Principal and interest due in semiannual installments of \$1,217.	\$1,694 to \$2,405	46,685	-	46,685	55,984	2,434
Water: Drinking Water State Revolving Fund Project 1010007-028C	\$177,894 Loaned	Contract between the State Water Resources Control Board and the City for construction of a Southeast Surface Water Treatment Facility	1.66%	7/15/2015	1/1/2049	Repayment of loan is funded from the revenues of the Water Fund. Pledged in parity with the pledges securing the 2010 Bonds and other State loans for Water. Principal and interest due in semiannual installments of \$3,722. \$3 million of the loan was forgiven by the State Water Resources Control Board.	\$3,691 to \$7,292	144,519	-	144,519	174,926	7,444
Water: Drinking Water State Revolving Fund Project 1010007-030C	\$67,437 Loaned	Contract between the State Water Resources Control Board and the City for construction of a raw water pipeline to replace the Enterprise Canal for the Northeast Surface Water Treatment Facility	1.60%	8/23/2016	1/1/2050	Repayment of loan is funded from the revenues of the Water Fund. Pledged in parity with the pledges securing the 2010 Bonds and other State loans for Water. Principal and interest due in semiannual installments \$1,420.	\$1,409 to \$2,784	57,369	-	57,369	69,573	2,840
Water: Drinking Water State Revolving Fund Project 1010007-032C	\$13,652 Loaned	Contract between the State Water Resources Control Board and the City for construction of a Northeast Surface Water Treatment Facility	1.80%	11/26/2016	1/1/2051	Repayment of loan is funded from the revenues of the Water Fund. Pledged in parity with the pledges securing the 2010 Bonds and other State loans for Water. Principal and interest due in semiannual installments of \$273.	\$383 to \$635	12,390	-	12,390	13,778	545
<b>Notes payable total</b>								376,579	-	376,579	443,440	20,243
<b>Business-Type total</b>								626,010	7,401	633,411	843,526	46,182
<b>Fiduciary Notes Payable</b>												
RDA: Roeding Business Park	\$2,118 Loaned	Loaned from the California Infrastructure and Economic Development Bank to be used to complete the Roeding Business Park	3.53%	3/18/2004	8/1/2033	Principal and interest due in annual installments. Secured by Tax Increment revenue received into the Roeding Business Park Project area.	\$80 to \$114	896	-	896	1,045	116
<b>Notes payable total</b>								896	-	896	1,045	116
<b>Fiduciary total</b>								896	-	896	1,045	116
<b>Grand total</b>								\$ 766,401	\$ 13,590	\$ 779,991	\$ 1,023,141	\$ 72,847

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 6 – Long-Term Liabilities (Continued)**

**B. Debt Service Requirements (Excluding Capital Financing Activities)**

The annual debt service requirements excluding capital financings, leases and subscription-based information technology arrangements, for the City's long-term debt outstanding as of June 30, 2025 are as follows (in thousands):

Year Ending June 30,	Public Borrowings							
	Governmental Activities		Business-Type Activities			Fiduciary Funds		
	Principal	Interest	Principal	Interest Accretion	Interest	Principal	Interest	
2026	\$ 18,270	\$ 7,546	\$ 11,059	\$ 561	\$ 13,048	\$ -	\$ -	
2027	19,370	6,450	12,945	570	12,346	-	-	
2028	20,535	5,285	13,071	579	11,605	-	-	
2029	21,775	4,040	13,752	588	10,852	-	-	
2030	6,855	2,711	12,905	-	9,559	-	-	
2031-2035	29,230	9,188	50,780	-	37,541	-	-	
2036-2040	17,595	3,008	53,460	-	21,691	-	-	
2041-2045	4,790	805	14,430	-	10,611	-	-	
2046-2049	1,075	43	18,070	-	6,843	-	-	
2051-2055	-	-	17,985	-	1,853	-	-	
2056-2059	-	-	-	-	-	-	-	
<b>Subtotal - Public Borrowings</b>	<b>\$ 139,495</b>	<b>\$ 39,076</b>	<b>\$ 218,457</b>	<b>\$ 2,298</b>	<b>\$ 135,949</b>	<b>\$ -</b>	<b>\$ -</b>	

	Direct Placements							
	Governmental Activities		Business-Type Activities			Fiduciary Funds		
	Principal	Interest	Principal	Interest	Interest	Principal	Interest	
2026	\$ -	\$ -	\$ 15,792	-	\$ 6,081	\$ 86	\$ 30	
2027	-	-	16,201	-	5,918	89	27	
2028	-	-	16,423	-	5,698	92	24	
2029	-	-	16,649	-	5,476	96	21	
2030	-	-	16,879	-	5,249	99	17	
2031-2035	-	-	84,698	-	22,731	434	31	
2036-2040	-	-	80,400	-	16,544	-	-	
2041-2045	-	-	87,266	-	9,786	-	-	
2046-2049	-	-	68,277	-	2,662	-	-	
2051-2055	-	-	4,968	-	66	-	-	
2056-2059	-	-	-	-	-	-	-	
<b>Subtotal - Direct Placements</b>	<b>-</b>	<b>-</b>	<b>407,553</b>	<b>-</b>	<b>80,211</b>	<b>896</b>	<b>150</b>	
<b>Issuance premiums/(discounts)</b>	<b>6,189</b>	<b>-</b>	<b>5,391</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Unaccreted interest</b>	<b>-</b>	<b>-</b>	<b>2,010</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>\$ 145,684</b>	<b>\$ 39,076</b>	<b>\$ 633,411</b>	<b>\$ 2,298</b>	<b>\$ 216,160</b>	<b>\$ 896</b>	<b>\$ 150</b>	

**C. Debt Compliance**

There are a number of limitations and restrictions contained in the various loan, note and bond indentures. The City is in compliance with all significant limitations, restrictions and covenants.

**D. Debt Management Policy**

The City maintains a Debt Management Policy (Policy) which sets forth certain debt management objectives, establishes overall parameters, and provides general direction in the planning, issuing, and administering of the City's debt. The purpose of the Policy is to assist in the City's ability to incur debt and other long-term obligations at favorable interest rates for capital improvements, facilities and equipment which are beneficial to the City and necessary for providing essential services.

The Policy integrates the best practices of other debt management plans utilized by similar California cities and is consistent with the provisions of the City Charter, and any enabling legislation.

As part of the Lease Revenue Bond refinancing that took place in 2017, the City's Debt Management Policy was reviewed to ensure compliance with Senate Bill 1029 (SB 1029). That update was approved by Council on April 6, 2017.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 6 – Long-Term Liabilities (Continued)**

***E. Legal Debt Limit and Legal Debt Margin***

Article XVI, Section 18 of the California Constitution, (the “debt limit”) prohibits cities (including chartered cities), counties, and school districts from entering into indebtedness or liability that in any year exceeds the income and revenue provided for such year unless the local agency first obtains two-thirds voter approval for the obligation. This general limitation has several important exceptions as described below. It is important to remember that this limitation applies not only to traditional bonds, but could apply to many forms of indebtedness or liability, such as installment payment obligations, long-term service or construction contracts, letter-of-credit reimbursement agreements, and other types of arrangements commonly seen in public finance transactions. In determining whether the arrangement under consideration might pose a problem under the debt limit it is useful to ask the following questions:

- Does the arrangement provide for payment in future fiscal years that comes out of revenue generated in those years?
- Does the arrangement call for payments by a city, county, or school district (as opposed to other types of governmental agencies)?

If the answer to these two questions is “yes”, then the analysis should proceed to determine if one of the exceptions to the debt limit applies. There are three major exceptions to the debt limit that have been recognized by California courts: the Offner-Dean lease exception, the special fund doctrine, and the “obligations imposed by law” exception.

As of June 30, 2025, the City’s debt limit (20% of valuation subject to taxation) was \$10.4 billion. This number was calculated by taking the Total Assessed Values (Gross) from the County of Fresno Tax Rate Book, page 14 multiplied by 20%. This is in comparison with debt limits of \$9.9 billion in 2024. The City’s legal debt margin is equal to the City’s debt limit because it has no debt subject to the limitation.

***F. Arbitrage***

Under U.S. Treasury Department regulations, all governmental tax-exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. The requirements stipulate, in general, the earnings from the investment of tax-exempt bond proceeds that exceed related interest expenditures on the bonds must be remitted to the federal government on every fifth anniversary of each bond issue. The City has evaluated each general obligation bond and lease revenue bond issue subject to the arbitrage rebate requirements and has deferred credits and other liabilities in the governmental funds. Each Enterprise Fund has performed a similar analysis of the debt the respective enterprise has issued which is subject to arbitrage rebate requirements. Any material arbitrage liability related to the debt of the Enterprise Funds has been recorded as a liability in the respective fund. In addition, the Successor Agency to the former Redevelopment Agency records any arbitrage liability in deferred credits and other liabilities. As of June 30, 2025, the City had no arbitrage liability.

***G. Capital Financing Activities***

The Fresno Yosemite International Airport received \$70 million from the issuance of Series 2023 Bonds for the capital costs of the Terminal/FIS Expansion Project, net of fund deposits and Issuance Costs. The total estimated cost of the project is anticipated to be \$145.1 million and will provide the design and construction of:

- An expanded security checkpoint to provide a minimum of 5 lanes and related offices for Transportation Security Administration (TSA).
- A new concourse to the east of the expanded security checkpoint, with two additional gates on the second floor equipped with loading bridges.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 6 – Long-Term Liabilities (Continued)**

**G. Capital Financing Activities (Continued)**

- A new FIS facility with a target throughput of 400 arrivals per hour compared to the current capacity of 150 arrivals per hour, with a baggage claim unit located on the first floor of the new concourse and the processing facility to the east.
- An in-line baggage screening facility between the expanded security checkpoint and the new concourse.
- Additional airline ticket offices in the existing ticket lobby, converted from prior baggage makeup and screening space.
- Other supporting concession space.

Additional costs for this project will be paid by grants and cash on hand.

The City has entered into several Master Lease Agreements that allowed for a set amount of financing over the term of the Master Lease. Several financings took place under these Master Leases whose maturities exceeded the term of the agreement. These agreements qualify as capital financing activities for accounting purposes.

On January 13, 2017, the City entered into a Master Equipment Lease-Purchase Agreement with Banc of America Public Capital Corp. (BAPCC). Each schedule represents a separate capital financing with annual upfront payment terms provided by the lender at the time the equipment is purchased. There were nineteen schedules executed totaling \$25,184,972 with interest rates ranging from 1.92% to 3.16% and terms between five and ten years. Early in fiscal year 2019, the City reached the maximum amount available to borrow under this master agreement which was \$25 million.

On February 21, 2020, the City entered into a new \$5.6 million lease purchase agreement with Alliance Funding Solution, Inc., at a rate of 2.95%. The funds were used to install solar equipment and other energy efficient equipment at both City Hall and the City's Municipal Service Center.

On January 13, 2022, the City entered into a new Master Equipment Lease-Purchase Agreement with BAPCC. Each schedule represents a separate capital financing with annual upfront payment terms provided by the lender at the time of financing. The purpose of these finance purchases is to finance new and replacement equipment throughout the City. To date, there have been twenty one schedules executed totaling \$38.97 million with interest rates ranging from 1.66% to 4.52% and terms of five to ten years. This new master agreement was amended to add \$20 million to not to exceed amount during fiscal year 2024. This agreement expires on December 31, 2024.

On February 10, 2022, the city entered into a 15-year agreement to borrow \$19.9 million from Alliance Building Solutions, Inc for a design-build contract to build turn-key PARCS and Public Safety facilities which will include upgrades to lighting to convert to LED efficient lighting, HVAC upgrades and replacements, system controls and monitoring, lighting controls, and transformer upgrades for implementation of a robust list of energy related and sustainability services. The interest rate is fixed at 2.62% for the term of the lease. Principal and interest due in semiannual installments that begin on August 16, 2022. Expected energy bill savings are expected to exceed \$23 million over the life of the agreement by creating 3.5 million kilowatt hours per year, which is equivalent to taking 539 gas-powered vehicles off the road every year or powering nearly 300 homes annually. This aligns with the City's GHG Reduction Plan (Climate Action Plan) Municipal Strategies section 5.1.7 which targets GHG emissions generated at City facilities and operations.

On July 18, 2024, the City entered into a new \$23,474,520 lease purchase agreement with Flagstar Public Funding Corporation at a rate of 5.28%. The funds were for the acquisition and construction of energy efficiency improvements for the City's Wastewater Treatment Plant.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 6 – Long-Term Liabilities (Continued)**

**G. Capital Financing Activities (Continued)**

The following table lists the City’s capital financing activities by lender as of June 30, 2025 (in thousands):

Lender	Loan Date	Term (Years)	Purchased	Interest Rate	Annual (P&I Payment)
Community First National Bank	7/13/2015	10	2015 Smeal Engines on Spartan Metrostar Chassis (4)	2.92%	\$ 105
Alliance Funding Solutions, Inc.	2/21/2020	15	Energy Efficient Equipment & Solar PPA (City Hall & MSC)	2.95%	474
Alliance Funding Solutions, Inc.	2/16/2022	15	Energy Efficiency Project Lease	2.62%	1,287
Flagstar Public Funding Corp.	7/18/2024	15	Energy Efficiency Project Lease	5.28%	1,589
Banc of America Public Capital Corp	5/2/2017	10	2017 Fire Engines & Pumpers BofA	2.52%	464
Banc of America Public Capital Corp	6/26/2018	10	2018 Fire Ladder Truck & Pumpers (3)	3.16%	371
Banc of America Public Capital Corp	5/29/2019	10	2019 Fire Pumper Trucks (3)	2.83%	239
Banc of America Public Capital Corp	5/15/2020	10	2020 Fire Engines (4)	1.34%	311
Banc of America Public Capital Corp	8/17/2020	10	2020 Type III Fire Engines (2)	1.26%	82
Banc of America Public Capital Corp	11/19/2020	5	2020 Ford Transit Van PARCS (1)	0.92%	8
Banc of America Public Capital Corp	11/19/2020	5	2021 Freightliner Street Sweepers (2)	0.92%	163
Banc of America Public Capital Corp	1/19/2021	5	2020 Fire Ford F-250 (1)	0.91%	21
Banc of America Public Capital Corp	2/19/2021	5	2021 Fire Squad Vehicle	0.92%	15
Banc of America Public Capital Corp	2/19/2021	5	2021 Fire Squad Vehicle	0.92%	15
Banc of America Public Capital Corp	3/25/2021	5	IPS Parking Meters	1.03%	413
Banc of America Public Capital Corp	6/9/2021	10	2021 Engines (2) & 2021 Truck (1)	1.73%	319
Banc of America Public Capital Corp	6/18/2021	5	2021 Fire Light Duty Vehicles (3)	1.06%	60
Banc of America Public Capital Corp	11/3/2021	5	Undercover Police Vehicles (5)	1.32%	42
Banc of America Public Capital Corp	2/8/2022	5	2022 Ford Fire Dept Vhcls (8)	1.66%	153
Banc of America Public Capital Corp	5/11/2022	5	2022 Ford Fire Vehicles (13)	2.76%	163
Banc of America Public Capital Corp	6/16/2022	5	2022 Dodge Durango's (33) BMW Motorcycle (7)	2.70%	622
Banc of America Public Capital Corp	12/3/2022	10	2023 Fire Engines (2) & Fire Truck (1)	3.75%	374
Banc of America Public Capital Corp	1/20/2023	5	2023 Police Vehicles (27) - Closed 05/09/2025	3.86%	336
Banc of America Public Capital Corp	4/20/2023	5	2023 Fire Ford F-250 (1)	3.66%	28
Banc of America Public Capital Corp	6/29/2023	5	2023 BMW Motorcycle's (26) - Closed 05/09/2025	3.86%	224
Banc of America Public Capital Corp	6/29/2023	5	2023 Ford Maverick (2) - Closed 05/09/2025	3.81%	17
Banc of America Public Capital Corp	6/29/2023	5	2023 Trolley's (3)	3.86%	192
Banc of America Public Capital Corp	7/5/2023	5	2023 Dodge Durango's (105) NorthStar Veh (1) - Closed 05/13/2025	3.93%	1,958
Banc of America Public Capital Corp	7/12/2023	5	2023 Toyota Camry (3)	4.04%	23
Banc of America Public Capital Corp	10/2/2023	5	2023 Toyota Prius (10) - Closed 05/13/2025	4.27%	67
Banc of America Public Capital Corp	10/5/2023	10	Self Contained Breathing Aparatus (SCBA)	4.36%	551
Banc of America Public Capital Corp	10/11/2023	5	2023 Isuzu Truck (1) - Closed 05/15/2025	4.36%	19
Banc of America Public Capital Corp	11/28/2023	10	2023 Smeal Ladder Truck (1)	4.43%	175
Banc of America Public Capital Corp	1/3/2024	5	2023 Undercover Vehicles (70) - Closed 05/09/2025	4.00%	668
Banc of America Public Capital Corp	1/8/2024	10	2023 Fire Engines (2) - Closed 05/15/2025	3.92%	216
Banc of America Public Capital Corp	1/8/2024	10	2023 Spartan Rescue (1)	4.12%	160
Banc of America Public Capital Corp	2/26/2024	5	2024 F350 (4) F250 (1) Maverick (1) Van (1)	3.82%	148
Banc of America Public Capital Corp	5/24/2024	5	2024 Durangos (50) BMW R 1250 RT-P (15)	4.41%	1,260
Banc of America Public Capital Corp	5/24/2024	10	2024 Bearcat (1)	4.52%	55
Banc of America Public Capital Corp	7/23/2024	10	Spartan ERV SVI Incident Support	4.24%	46
Banc of America Public Capital Corp	8/1/2024	4	Cisco SMARTNet	1.00%	675
Banc of America Public Capital Corp	8/26/2024	10	(2) Type 6 Firetruck Pumpers	3.92%	42
Banc of America Public Capital Corp	9/9/2024	5	(1) Kenworth Pump Hoist Truck and (2) CAT Loaders	3.92%	108
Banc of America Public Capital Corp	10/30/2024	10	Spartan-Hazmat Fire Truck Pumper ERV SVI	3.85%	89
Banc of America Public Capital Corp	12/20/2024	10	(1) 2025 Airbus Helicopters Model AS350B3	4.16%	428
Community First National Bank	7/13/2015	10	2015 Smeal Engines on Spartan Metrostar Chassis (4)	2.92%	210
Community First National Bank	9/22/2015	10	2015 Smeal Engines on Metrostar (4) & Aerial on Gladiator (1)	2.69%	340
Community First National Bank	2/22/2016	10	2015 Smeal Engine on Spartan & 2016 Water Tender on Kenworth	2.09%	157
				<b>Total</b>	<b>\$ 15,482</b>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 6 – Long-Term Liabilities (Continued)**

**G. Capital Financing Activities (Continued)**

Capital Financing Activities debt service requirements are presented below (in thousands). Interest rates range from 0.91% to 5.28%.

Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 10,941	\$2,091	\$ 764	\$1,226
2027	12,056	1,941	901	1,174
2028	10,325	1,504	670	1,134
2029	8,744	1,169	800	1,097
2030	4,845	913	942	1,053
2031-2035	20,528	2,200	7,864	4,247
2036-2040	2,868	95	11,359	1,602
<b>Subtotal</b>	<b>\$ 70,307</b>	<b>\$ 9,913</b>	<b>\$ 23,300</b>	<b>\$ 11,533</b>

**H. General Fund Short-Term Borrowing Obligations**

The City did not issue any short-term debt during fiscal year 2025 and did not have any short-term debt outstanding during the fiscal year.

**I. Unused Lines of Credit**

The following table lists the City's unused lines of credit as of June 30, 2025 (in thousands):

Line of Credit	Contract Amount	Used	Unused
<b>Banc of America Public Capital Corporation</b>			
Public Safety	\$ 22,477	\$ 13,659	\$ 8,818
Non-Public Safety	1,848	1,108	740
Information Service Department Leases	4,036	-	4,036
<b>Total</b>	<b>\$ 28,361</b>	<b>\$ 14,767</b>	<b>\$ 13,594</b>

**J. Debt Collateral**

The following table lists the City's assets that are pledged as collateral for various City debts:

Debt	Asset Pledged	Expiration Date
<b>JPFA Lease Revenue Bonds</b>		
1998 B Exhibit Hall Expansion Project	Fresno Convention Center, 848 M. Street	September 1, 2028
2001 A&B Stadium Project	Fire Station #19, 2187 W. Belmont Ave	June 1, 2031
	Saroyan Theater, 730 M. Street	June 1, 2031
2004 A,B,C Various Capital Projects	Convention Center Parking Garage, Inyo & O Streets	October 1, 2024
2017 A Various Refunding Bond	Fire Station #16, 2510 N. Polk Ave	April 1, 2039
	Fresno Memorial Auditorium, 2425 Fresno Street	April 1, 2039
	Fresno Municipal Center, 1325 El Dorado Street	April 1, 2039
	Parking Garage #4, 1919 Tulare Street	April 1, 2039
	Police Regional Training Center, 6375 W. Central Ave	April 1, 2039
	Chukchansi Park, 1800 Tulare Street	April 1, 2031
	Valdez Hall, 702 M Street	April 1, 2039
2020 A Animal Services Center	Fresno City Hall, 2600 Fresno St.	April 1, 2046

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 6 – Long-Term Liabilities (Continued)**

***K. Significant Events of Default, Termination and Subjective Acceleration Clauses***

The City's debt agreements contain the following terms regarding significant Events of Default, Termination and Subjective Acceleration Clauses:

**Bonds**

For all City bonds, an Event of Default is generally classified as one or more of the following (1) nonpayment or late payment of principal and/or interest due on the bonds, (2) failure to be in compliance with debt covenants and agreements, and (3) the City filing for bankruptcy. If an Event of Default occurs, the majority owners of the bonds (not less than 51%) may declare the principal amount of all bonds outstanding and the interest accrued on them to be due and payable immediately. This applies to all City bonds except for the Series 2003 Tax Allocation Bonds. Only 25% of bond owners are required to declare the bonds due and payable immediately.

The City's bond agreements do not contain Subjective Acceleration Clauses.

**Notes and Loans**

For City loans associated with the construction of Water Supply Disinfection Buildings, improvements to the Enterprise and Jefferson Canals, and the City's Water Meter Project, an Event of Default is generally classified as one or more of the following: (1) nonpayment of any installment when due, (2) failure to make any remittances required by the agreement, (3) substantial breach to the agreement, (4) making any false warranty, representation, or statement with respect to the agreement, and (5) loss, theft or damages to any collateral given as security under the agreement. In an Event of Default, the State of California may do any or all of the following: (1) declare the City's obligations due and payable immediately, (2) terminate any obligation to make further cash disbursements to the City, and (3) exercise all rights and remedies available to a secured creditor after default.

For City loans associated with the Southeast Surface Water Treatment Facility, the Regional Transmission Mains, the Enterprise Canal Raw Water Pipeline, the Kings River Pipeline, the Southwest Quadrant Recycled Water Distribution System, and the Tertiary Treatment Facility, the agreements can be terminated by the State Water Resources Control Board (SWRCB) if the City violates any material provision of the agreement. Some examples of violations would be if the City fails to notify the SWRCB of (1) principal and interest payment delinquencies, (2) unscheduled draws on debt service reserves, (3) bankruptcy or insolvency of the City. If a termination event occurs, the City can be demanded by the SWRCB to immediately repay an amount equal to the funds disbursed to them plus accrued interest and penalties.

The City's note and loan agreements do not contain Subjective Acceleration Clauses.

**Capital Financing Activities**

For all City's financed purchases associated with Banc of America Public Capital Corp (BAPCC), an Event of Default is classified as one or more of the following: (1) failure to pay in full the rental payment due, (2) failure to comply with any covenant or agreement of the lease, (3) filing for bankruptcy, (4) any warranty, representation or statement made by the City to be found materially incorrect, (5) any default occurring under any other debt agreement the City has, and (6) the City selling, leasing, or encumbering any of the equipment under the lease. In an Event of Default, BAPCC may do any or all of the following: (1) immediately terminate the lease and repossess the equipment and (2) exercise any other remedies available by law.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 6 – Long-Term Liabilities (Continued)**

**K. Significant Events of Default, Termination and Subjective Acceleration Clauses (Continued)**

**Capital Financing Activities**

For the City's financed purchases associated with Alliance Funding Solutions, Inc., an Event of Default is classified as one or more of the following: (1) failure to make rental payments when due, (2) failure to maintain insurance on leased property, (3) failure to perform or observe any obligations, covenants or conditions under the lease, (4) filing for bankruptcy by the City, and (5) any warranty, representation or statement made by the City to be found materially incorrect. In an Event of Default, lessor may do any or all of the following: (1) require the City to pay all amounts currently due and all payments remaining due during the fiscal year in which default occurs, (2) exercise any other remedies available under the law, (3) take possession of the equipment and sell or lease it to pay for past due lease payments owed by the City, (4) terminate the lease, and (5) terminate the escrow fund and apply any remaining amount to the balance owed by the City.

The City's capital finance agreements do not contain Subjective Acceleration Clauses.

**Note 7 – Defeasances**

**Current Year Defeasances**

In fiscal year 2025, the City did not engage in any defeasances or refundings of outstanding debt. A defeasance is typically used to set aside funds to pay off bonds early, while a refunding involves issuing new bonds to replace existing ones, often to take advantage of more favorable interest rates. However, for this particular fiscal year, the City did not pursue either of these strategies, maintaining its existing debt structure without making early redemptions or restructuring through new bond issuances. This decision reflects the City's approach to managing its financial obligations without altering the terms of its outstanding debt during this period.

**Note 8 – Interfund Activity**

**A. Due to/from Other Funds**

Due to/from Other Funds represents short-term borrowings resulting from a fund's temporary need for additional cash. These amounts have been recorded when timing differences between when services are provided and when they are paid for/reimbursed causes the funds to temporarily overdraw their share of pooled cash. These balances are generally expected to be repaid within the next few months and not longer than a 12-month fiscal operating cycle.

Due from and to other funds as of June 30, 2025, was as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Transit Enterprise Fund	\$ 93
	Risk Management Internal Service Fund	2,654
	<b>Total due to/from other funds</b>	<b>\$ 2,747</b>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 8 – Interfund Activity (Continued)**

***B. Advances To and From Other Funds***

***Fire Station No. 18***

On November 14, 2019, a loan was executed between the City's UGM Area Wide Oversized Sewer fund, the City's UGM Wellhead Treatment Area 101S Fund, and the City of Fresno's Fire Station 18 Construction Fund, whereby funds were loaned to the Fire Station 18 Construction Fund to cover building costs of Fire Station 18. An amount not to exceed \$2.4 million was borrowed from the UGM Area Wide Oversized Sewer Fund and \$1.46 million was borrowed from the UGM Wellhead Treatment Area 101S Fund. The term of the loan will be not more than five (5) years and shall be repaid in full by July 31, 2024. Interest will accrue at a rate equal to the City's Pooled Investment Rate, which was 2.325% as of the effective date of the Loan Agreement. Each year, Fire Station 18 Construction Fund shall pay at least 1/5th of the principal balance of the loan plus interest accrued to the payment date. To the UGM Area Wide Oversized Sewer Fund, the annual principal payment is \$480,000, while the annual payment to the UGM Wellhead Treatment Area 101S Fund is \$291,540. As of June 30, 2025, \$3.9 million of proceeds from this loan had been transferred to the Fire Station 18 Construction Fund, \$3.6 million had been repaid and \$0.3 million remains outstanding.

***DPU Facility***

On April 1, 2021, a loan was executed between the City's Water Division and the Solid Waste Division, whereby \$3.7 million was loaned to the Solid Waste Division for the joint purchase of a facility to bring all Utility services that can be merged, into one facility. The term of the loan will be 5 years from the effective date of the loan, or April 1, 2026, and will accrue interest at a rate equal to the City's pooled rate, which was 1.78% as of the effective date of the loan agreement. The Solid Waste Division shall make principal payments in the amount of 1/10th of the loan amount and interest payments twice per year on October 1st and April 1st of each fiscal year. As of June 30, 2025, all \$3.7 million of proceeds from this loan had been transferred to the Solid Waste Fund, \$3.0 million had been repaid and \$.7 million remains outstanding.

***Interfund Loan***

On June 30 2024, a loan was executed between the City of Fresno Sewer System Rate Stabilization Connection Fee (CIP Reserve) Fund, and the City of Fresno Solid Waste Management Division Solid Waste Operating Enterprise Fund, whereby funds were loaned to the Solid Waster Operating Enterprise Fund to cover operating costs necessary to continue services and to avoid depleting reserves. An amount not to exceed \$5 Million was borrowed from Sewer System Rate Stabilization Connection Fee Fund. The term of the loan will be 5 years from the effective date of the loan and will accrue interest at a rate equal to the City's pooled rate, which was 3.40% at the loan agreement effective date. The term of the loan will be 5 years from the effective date of the loan, or June 30, 2029. The Solid Waste Operating Enterprise Fund shall make payments in the amount of 1/10th of the loan amount and interest payments twice per year on January 1st and July 1st of each fiscal year. As of June 30, 2025, all \$5.0 million of proceeds from this loan had been transferred to the Solid Waste Operating Enterprise Fund, \$.5 million had been repaid and \$4.5 million remains outstanding.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 8 – Interfund Activity (Continued)**

**B. Advances To and From Other Funds (Continued)**

***Other Advances***

The Sewer System sold land to the General Fund for the purpose of constructing a regional public safety training facility. Interest for the advance is equal to two percent (2%) above the City's monthly Pooled Investment Rate. The first interest only payment was due July 31, 2008. Principal, at not less than 1/29th of the original principal, and interest payments are due annually thereafter. The remaining advances are interest free and payable on demand. The amounts are not expected to be repaid within the next twelve-month fiscal operating cycle. As of June 30, 2025, \$196 thousand remains outstanding.

Advances to and from other funds as of June 30, 2025, was as follows:

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>Amount</b>
Grants Special Revenue Fund	General Fund	\$ 420
Water System	Nonmajor Governmental Funds	263
	Solid Waste	742
		1,005
Sewer System	General Fund	196
	Solid Waste	4,500
		4,696
<b>Total Advances</b>		<b>\$ 6,121</b>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 8 – Interfund Activity (Continued)**

**C. Transfers**

Transfers represent subsidies by one fund to another in accordance with the budget and provide for various City programs and provide resources for the payment of debt service. Transfers in and out for the year ended June 30, 2025, was as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Grants Special Revenue Fund	\$ 1,869
	Nonmajor Governmental Funds	888
	Water System	26
	Sewer System	26
	Solid Waste Management	708
	Transit	605
	Internal Service Funds	1,800
		<u>5,922</u>
Grants Special Revenue Fund	General Fund	204
	Nonmajor Governmental Funds	2,518
	Sewer System	808
		<u>3,530</u>
Nonmajor Governmental Funds	General Fund	25,689
	Grants Special Revenue Fund	2,315
	Nonmajor Governmental Funds	3,803
	Water System	470
	Sewer System	268
	Solid Waste Management	243
	Transit	752
	Airports	296
	Nonmajor Enterprise Funds	83
	Internal Service Funds	543
		<u>34,462</u>
Water System	General Fund	18
	Grants Special Revenue Fund	168
	Sewer System	738
		<u>924</u>
Sewer System	General Fund	19
	Grants Special Revenue Fund	401
	Water System	756
		<u>1,176</u>
Solid Waste Management	General Fund	1,060
	Nonmajor Enterprise Funds	1,427
		<u>2,487</u>
Transit	General Fund	7
Fresno Convention Center	General Fund	3,940
Stadium	General Fund	3,669
Nonmajor Enterprise Funds	Solid Waste Management	220
	Internal Service Funds	4,227
		<u>4,447</u>
Internal Service Funds	General Fund	402
	Grants Special Revenue Fund	1
	Nonmajor Governmental Funds	1
	Water System	816
	Solid Waste Management	745
		<u>1,965</u>
	<b>Total transfers</b>	<u>\$ 62,529</u>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 8 – Interfund Activity (Continued)**

**C. Transfers (Continued)**

The General Fund transferred \$25.69 million to Nonmajor Governmental Funds to provide support for debt service payments and capital projects; \$3.94 million to the Convention Center for debt service as well as general operating support; \$0.40 million to Internal Service Funds for provided services; \$0.20 million to Grants Special Revenue Fund; \$1.06 million to Solid Waste; \$0.22 million to Nonmajor Enterprise Funds; and \$3.67 million to the Stadium Fund for debt service payments.

Nonmajor Governmental Funds transferred \$7.21 million for debt service and miscellaneous purposes. Internal Service Funds transferred \$0.54 million to Nonmajor Governmental Funds for debt service payments.

**Note 9 – Due from Fiduciary Fund**

Advances over the years between the City and the former Redevelopment Agency (RDA) were made to provide funds for the purpose of eliminating blight and developing, constructing, rehabilitating, and revitalizing Fresno's inner-city neighborhoods, downtown, and industrial areas. The advances had all been secured by and payable from the incremental property tax revenues of the redeveloped properties. Interest rates varied between 5% and 9%, with payments on the advances and related interest based upon budgetary priority as approved by the former RDA.

In June 2011, all California RDAs were required to dissolve effective February 1, 2012. The law dissolving the RDAs called for the creation of a Successor Agency (SA) to wind down RDA business.

The initial dissolution law provided that the SA would pay "enforceable obligations" of the former RDA. However, the law initially excluded debt a former agency owed to the city that created it from the definition of enforceable obligations, unless the debt was created in the first two years following the agency's creation or was debt that represented third party obligations. Subsequent legislation allowed limited, conditional repayment of loans by the SA to the community that created it.

When the RDA dissolution process began, City staff considered it to be premature to consider the debt owed by the former RDA to the City as being current. Thus, an allowance for doubtful accounts was created by the City, which at June 30, 2011, totaled \$80.1 million. This amount, which was equal to the calculated amount of the debt, was reflective primarily of principal and interest accrued over the years on the advances. As payments on the debt have been received and legal decisions have been rendered, which further defined an "enforceable obligation", staff revisited that initial allowance for doubtful accounts amount and refined it. At the end of fiscal year 2025, the allowance for doubtful accounts stood at \$6.8 million.

As the funds are received, 20% of any loan repayment received by the City must be deducted from the loan repayment amount and be transferred to the Low and Moderate Income Housing Fund. In fiscal year 2024, this amount totaled \$0.4 million. The repayment is reflected in the ACFR on the Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds, under the Special Revenue Low and Moderate Income Housing Fund.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 9 – Due from Fiduciary Fund (Continued)**

On June 23, 2016, the City Council approved a resolution requiring any amount of the annual repayments of RDA debt that are received and not related to Enterprise Fund related loans would go toward the rebuilding of the City’s Emergency Reserve Fund. Through June 30, 2025, the City had received \$38.1 million in loan repayments from the SA. With the adoption of the fiscal year 2019 budget and the corresponding achievement of a 10% reserve, these repayments became a General Fund revenue source. Due from Fiduciary as of June 30, 2025, was as follows:

	City of Fresno Advances to Former Redevelopment Agency (In Thousands)									
	Principal Cumulative			Interest Cumulative				Total		
	Beginning Balance	Receipts/ Payments	Ending Balance	Beginning Balance	Accruals/ Adjustments	Payments/ Write-offs	Ending Balance	Total Receivable	Allowance for Doubtful Accounts	Receivable (Net of Allowance)
<b>Receivable Fund</b>										
General Fund:										
General Fund	\$ 838	\$ -	\$ 838	\$ 696	\$ 25	\$ -	\$ 721	\$ 1,559	\$ (1,559)	\$ -
Parking Trust	150	-	150	125	5	-	130	280	(280)	-
Subtotal	988	-	988	821	30	-	851	1,839	(1,839)	-
Grants Special Revenue Fund	1,042	-	1,042	3,758	31	(1,251)	2,538	3,580	(2,265)	1,315
Gas Tax Special Revenue Fund	1,150	-	1,150	962	35	-	997	2,147	(2,147)	-
Fresno Convention Center	304	-	304	246	9	-	255	559	(559)	-
Total	<u>\$ 3,484</u>	<u>\$ -</u>	<u>\$ 3,484</u>	<u>\$ 5,787</u>	<u>\$ 105</u>	<u>\$ (1,251)</u>	<u>\$ 4,641</u>	<u>\$ 8,125</u>	<u>\$ (6,810)</u>	<u>\$ 1,315</u>

**Note 10 – Risk Management Fund**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions, automobile liability and accident claims; natural disasters; employee health benefit claim payments; and injuries to employees (workers’ compensation). With certain exceptions, it is policy of the City to use a combination of self-insurance and purchased commercial insurance against property, liability or workers’ compensation risks. The City believes it is more economical to manage its risks internally and set aside funds as needed for estimated current claim settlements and unfavorable judgments through annual appropriations and supplemental appropriations. The City maintains limited coverage for risks that cannot be eliminated. The Risk Management Division investigates and manages all liability claims and property losses, evaluates risk exposure and insurance needs, protects against contractual loss by reviewing/preparing insurance and indemnification portions of contractual documents, emphasizes ongoing operational loss control, and purchases all insurance coverage for the City.

For Fiscal Year 2024-25, the City maintains General Liability insurance, with limits of liability of \$25 million per occurrence and \$25 million aggregate in Excess Liability coverage. There is a \$5 million self-insured retention (“SIR”). Coverage is provided by the Safety National Insurance Company (\$5 million per occurrence /\$5 million aggregate), Allied World Insurance Company (\$10 million per occurrence /\$10 million aggregate), StarStone Specialty (\$5 million per occurrence /\$5 million aggregate), and Gemini Insurance (\$5 million per occurrence /\$5 million aggregate). The City has procured Automobile Physical Damage coverage through Hanover Insurance Company with a \$10 million limit. For this policy, the deductible is \$50,000 for vehicles valued at less than \$150,000, while the deductible is \$100,000 for vehicles valued at \$150,000 or more. The City carries Government Crime coverages with a \$5 million limit secured through Zurich Insurance Company with a \$50,000 deductible.

The City has Cyber liability coverage under AXA/Indian Harbor with a \$500,000 SIR and a \$5 million limit and excess Cyber liability coverage through Starr Surplus Lines Insurance Company (\$5 million per occurrence/\$5 million aggregate). The City also maintains Airport Owners and Operators General Liability insurance and Aviation (Aircraft Liability), with limits of liability of \$100 million. There is no deductible or SIR. Coverage is provided by Old Republic Insurance Company through Phoenix Aviation Managers (Texas), Inc.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 10 – Risk Management Fund (Continued)**

Furthermore, the City maintains Property insurance and Boiler and Machinery insurance, with Travelers Insurance, with total insured values of \$2,498,583,679 with aggregate coverage of \$500,000,000/\$50,000,000 per occurrence. There is a \$100,000 deductible for most losses. Flood losses have a \$250,000 deductible. Property insurance does not cover losses due to seismic events. Finally, the City maintains Aviation (Aircraft Hull) insurance for two helicopters, with limits of liability of \$50 million in aggregate. Each claim is subject to a deductible of 1.0% of the insured value of each helicopter, up to a maximum of \$15,000. This includes a rotors in-motion deductible of \$15,000 and a \$0 deductible for rotors not- in-motion. Coverage is provided by Old Republic Insurance Company through Old Republic.

The City’s Workers’ Compensation Program consists of \$2 million SIR, with purchased excess insurance layers up to the statutory limits. With the exception of one pending claim, settled claims have not exceeded the SIR in any of the last four Fiscal Years. The claims liabilities and workers’ compensation liabilities reported on the Statement of Net Position have been actuarially determined and include an estimate of incurred but not reported losses.

The estimated liabilities of the Risk Management ISF as of June 30, 2025, are determined by the City based on recommendations from an independent actuarial evaluation. The liabilities are based on estimates of the ultimate cost of claims (including future claim adjustments expenses) that have been reported but not settled, and claims that have been incurred but not reported (IBNR). The claims liability of \$283.6 million reported in the Risk Management Internal Service Fund at June 30, 2025 is based on the requirement that claims be reported if information prior to the issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated.

The recorded liabilities for each program at June 30, 2025 are as follows (in thousands):

Workers' compensation*	\$	186,174
Liability and property damage*		97,440
<b>Total</b>		<b>\$ 283,614</b>

\* The liabilities for workers' compensation and general liability are presented at present value, using a discount rate of 3%.

Changes in the funds claims liability amount for the last two fiscal years are as follows (in thousands):

Fiscal Year Ended June 30,	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End	Due Within One Year	Due in More than One Year
2025	\$ 260,274	\$ 70,406	\$ (47,066)	\$ 283,614	\$ 42,419	\$ 241,195
2024	230,160	78,526	(48,412)	260,274	39,736	220,538

See Note 11 Section G for changes in funds claims liability related to Employees Healthcare Plan.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 11 – Employee Benefit Programs**

**A. Retirement Plans**

The City sponsors two single-employer, contributory, defined benefit pension plans. The City of Fresno Employees Retirement System and the City of Fresno Fire and Police Retirement System (Systems) were established under Charter Section 910 and are governed by Article 5 Chapter 3 (Employees) and Articles 3 and 4 Chapter 3 (Fire and Police) of the City of Fresno Municipal Code, respectively. The Systems provide lifetime retirement, disability, and death benefits to its members.

The Systems are administered by their respective Retirement Boards (Boards) which operate in compliance with the City of Fresno Municipal Code, and also in accordance with the California Pension Protection Act of 1992. The Boards do not operate under the control of the City Council. Rather, the Boards have the sole and exclusive responsibility to administer the respective Systems in a manner that will assure prompt delivery of benefits and related services to the members and their beneficiaries.

**Membership and Benefit Eligibility**

All permanent full-time employees of the City, except sworn Fire and Police personnel, are eligible to participate in the Employees' plan. The Fire and Police is one System with two tiers. Effective August 28, 2008, the City of Fresno added the Fire and Police Tier 2 for all full-time sworn Fire, Police and Airport safety personnel hired on or after that date (and closed the Fire and Police Tier 1 to new entrants). Employees become eligible for membership on their first day of full-time regular employment, and become fully vested after earning 5 years of service credit. Employees working in limited, interim, provisional, temporary, seasonal or part-time positions are not eligible to participate in the Systems. Participation is mandatory if an employee is eligible, except in the case of the City Manager, City Attorney, City Clerk, Department Heads and Council Assistants who may negotiate other retirement benefits if such an agreement is established by resolution of the Council as provided for in the Fresno Municipal Code (FMC) Section 5-318.

Total participants in each System were comprised of the following, as of June 30, 2025:

	<u>Employees</u>	<u>Fire &amp; Police</u>	<u>Total</u>
<b>Active Members</b>			
Vested	1,461	834	2,295
Non-vested	1,591	385	1,976
Total active members	3,052	1,219	4,271
<b>Retirees and Beneficiaries of Deceased Retirees</b>			
Retirees, currently receiving benefits	2,344	1,246	3,590
Inactive vested members	253	65	318
Total retirees and inactive members	2,597	1,311	3,908
<b>Grand total</b>	<u>5,649</u>	<u>2,530</u>	<u>8,179</u>

**Benefit Provisions**

The retirement (pension) benefits that Employees members receive are based upon a combination of age at retirement, years of credited service, final average monthly salary, and the distribution option selected by the participant. For Fire and Police, the benefits are further based upon the tier and option selected by the participant. Members' contributions, including interest, are 100% vested at all times. Employer contributions do not become vested until completion of five years of credited service, and are not payable until the member attains the age of 55. Effective January 28, 2008, members may retire between ages 50-55 with an actuarial equivalent service retirement benefit.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Benefit Provisions (Continued)**

For Fire and Police, the employer contributions do not become vested until completion of ten years of credited service under Tier 1 and five years of credited service under Tier 2. Those benefits are not payable until the member attains the age of 50 under both tiers. Contributions are made by the members and the employer at rates recommended by the Systems' actuary and adopted by the Boards.

**Member Retirement Benefits**

Employee members are eligible for service retirement benefits upon completion of at least five years of service upon termination of service (if they have left their contributions and interest with the System) and are at least age 55. They are also eligible if their permanent termination from City service was caused by a layoff. In those cases, they can retire at age 50 at a reduced benefit. They may also be eligible for service retirement benefit if they have less than five years of service with the City, have established reciprocity with a prior employer, and are eligible to retire from that agency.

The service retirement monthly benefit calculated pursuant to the provisions of the Fresno Municipal Code is equal to 2% of final compensation times each of the first 25 years of accrued retirement service credit plus 1% of final compensation times any years of accrued retirement service credit in excess of 25 years, multiplied by the age factor at retirement age. Final average compensation consists of the highest average consecutive 36 months of earnable compensation calculated using the rate of pay in effect at the time of retirement.

Fire and Police members of Tier 1 are eligible to retire once they attain the age of 65 regardless of service, or at age 50 and have acquired ten or more years of retirement service credit. The Tier 1 monthly benefit for a member with at least 20 years of service who retires from active status is equal to 55% of final compensation plus 2% of final compensation for each year of service in excess of 20 years completed after age 50. For Tier 1, final average compensation consists of the final highest consecutive 36 months of compensation earnable calculated using the rate of pay actually earned by the member in effect at the time of retirement. Some members can elect to have their final compensation based on a rank average. Members of Tier 2 are eligible to retire once they attain the age of 65 regardless of service or at age 50 and have acquired 5 or more years of retirement service credit. The Tier 2 monthly benefit for a member who is age 55 or older is equal to 2.70% of final compensation times years of accrued retirement service credit. The maximum monthly retirement allowance is 75% of final compensation. Tier 2 final average compensation consists of the highest consecutive 36 months of compensation earnable before the date of retirement.

The members of each System may elect an unmodified retirement allowance, or choose one of four optional retirement allowances. Each of the optional retirement allowances require a reduction in the unmodified retirement allowance in order to allow the members the ability to provide certain benefits to a surviving spouse, domestic partner, or named beneficiary having an insurable interest in the life of the member. For Employee members, the unmodified retirement allowance provides the highest monthly benefit and 50% continuance to an eligible surviving spouse or domestic partner. For Fire and Police members, the unmodified retirement allowance also provides the highest monthly benefit and a 66 2/3% continuance to an eligible surviving spouse or domestic partner.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Member Retirement Benefits (Continued)**

The Municipal Code provides that the Retirement staff must research the percentage change in the Consumer Price Index (CPI) (US city-average for urban wage earners and clerical workers - all items) and propose that percentage to the appropriate Boards as the cost-of-living adjustments (COLA) to be adopted for the following year. This procedure must be completed by the end of April of each year for implementation in July (employees) or January (public safety). The COLA is limited to a 5% maximum change per year (employee) or 3% maximum change (public safety). Any excess over the maximum change is “banked” for use in a year where the percent of CPI change is less than the maximum.

The Fire and Police Tier 1 COLA depends on the type of method chosen by the member at retirement. If the member chose the Career Rank method, the COLA is a recalculation of his/her retirement based on the new salaries adopted for the current year. If the method chosen by the retiree is the final 3-year method, the COLA is based on the change in the weighted mean average compensation attached to all ranks in the department, with a cap of 5% per year. Any excess over the 5% is “banked” for use in years when the COLA calculated is less than 5%.

Each System also has a Deferred Retirement Option Program (DROP), which is an optional voluntary program that allows the member to have his or her retirement benefits deposited in a special account within the Systems while the member continues to work in his or her current position. It is a voluntary method of receiving a distribution of their retirement benefits; it is not an additional retirement benefit. Additional information on DROP may be found in the ACFR for each respective System.

**Terminated Member Benefits**

If a member terminates before earning five years of credited service, the member forfeits the right to receive his or her service retirement benefit and is entitled to withdraw refundable contributions made, together with accumulated interest. If the member enters a reciprocal retirement system within 180 days (6 months) of terminating employment with the City and elects to leave their accumulated contributions on deposit with the System, then the member will receive a deferred retirement allowance when eligible.

**Death and Disability Benefits**

Death benefits are based upon whether the death occurred before or after retirement. Disability benefits are based upon whether the member has at least ten years of credited service, over or under age 55 and whether the permanent incapacity is found to be service or non-service connected.

**Basis of Accounting**

The Systems’ financial statements are prepared using the accrual basis of accounting and in accordance with Generally Accepted Accounting Principles Generally Accepted in the United States of America (GAAP), under which revenues are recognized when earned and deductions are recorded when the liability is incurred. Securities lending transactions are accounted for in accordance with GASB Statement No. 28, *Accounting and Financial Reporting for Securities Lending Transactions*.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Valuation of Investments**

For financial reporting purposes, the Systems' investments are reported at fair value. Fair value for investments of publicly traded securities is based upon closing sales prices reported on recognized securities exchanges on the last business day of the period or for listed securities having no sales reported and for unlisted securities, based upon last reported bid prices. All purchases and sales of securities are accounted for on a trade date basis. Dividends declared but not received are accrued on the ex-dividend date. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Investments in both bonds and mortgage backed pass-through certificates are carried at fair value. Cost values are derived from Master Custodial Transaction Records. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

For asset/liability calculation purposes and for actuarial purposes, asset valuation is based on market value of assets less unrecognized returns from each of the last five years. Unrecognized returns are equal to the difference between the actual market return and the expected return on a market value basis and are recognized over a five-year period. The Actuarial Value of Assets is reduced by the value of the non-valuation reserves.

**Rate of Return**

For the fiscal year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of investment expense was 10.94%, for the Employees and Fire and Police. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Reporting**

The following data is for employer reporting as required by GASB Statement No. 68 as of June 30, 2025. The results used in preparing the GASB Statement No. 68 report are comparable to those used in preparing the GASB Statement No. 67 report for the plan based on a reporting date and measurement date as of June 30, 2024. The valuation is based upon:

- The benefit provisions of the Systems as administered by the Boards;
- The characteristics of covered active members, terminated vested members, and retired members and beneficiaries as of June 30, 2024;
- The assets of each Plan as of June 30, 2024;
- Economic assumptions regarding future salary increases and investment earnings; and
- Other actuarial assumptions, regarding employee termination, retirement, death, etc.

The Total Pension Liability (TPL) and the Plans' Fiduciary Net Positions include liabilities and assets held for DROP, Post-Retirement Supplemental Benefits (PRSB) and City Surplus reserves. The Net Pension Liability (NPL) is equal to the difference between the TPL and the each Plan's Net Position. Each Plan's Fiduciary Net Position is equal to the market value of assets and therefore, the NPL measure is very similar to an Unfunded/(Prefunded) Actuarial Accrued Liability calculated on a market value basis. The NPL was measured as of June 30, 2024 and determined from the actuarial valuations as of June 30, 2024. The Plans' Fiduciary Net Positions (Plan Assets) were valued as of the measurement dates. Consistent with the provisions of GASB Statement No. 68, the assets and liabilities measured as of June 30, 2024 were not adjusted or rolled forward to the June 30, 2025 reporting date. The discount rates used for each Plan to determine the TPL and NPL as of June 30, 2024 was 6.75%, following the same assumptions used by the Retirement Systems in the funding valuations as of the same dates.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Funding Policy**

See comments in section H of Note 13 – Commitments and Contingencies regarding the current status of the City of Fresno employer contributions to The Systems.

For the Employees System, the average employer contribution rate as of June 30, 2025, for 2024-2025 (based on the June 30, 2022 valuation) was 13.4% of compensation. The average employee member contribution rate as of June 30, 2025 for 2024-2025 (based on the June 30, 2022 valuation) was 8.9% of compensation.

For the Fire and Police System, the average employer contribution rate as of June 30, 2025, for 2024-2025 (based on the June 30, 2022 valuation) was 21.0% of compensation. The average employee member contribution rate as of June 30, 2025 for 2024-2025 (based on the June 30, 2022 valuation) was 9.0% of compensation.

All active Fire and Police members are required to make contributions to the System. Employee contribution rates vary in the First Tier according to entry age. The Tier 1 average member contribution rate as of June 30, 2025 for 2024-2025 (based on the June 30, 2022 valuation) was 0.0% of compensation. Employee contribution rates in the Second Tier are established at 9.0% of pensionable base pay.

The aggregate employer contribution rate for the Fire and Police System as of June 30, 2025 for 2024-2025 (based on the June 30, 2022 valuation) was 21.1% of compensation.

**Funding Status and Method**

The Employees System Board adopted a Comprehensive Actuarial Funding Policy on November 7, 2012. For the Employees Retirement System, this policy included a change in actuarial cost methodology from the Projected Unit Credit (PUC) method previously used for funding purposes to the Entry Age Normal (EAN) method.

On the same date, the Fire and Police Board adopted a Comprehensive Actuarial Funding Policy. For the Fire and Police Retirement System, this policy included a change in actuarial cost methodology from the aggregate EAN funding method to the individual EAN method. The Boards made the change due to the adoption of GASB Statement No. 67 in fiscal year 2014.

**Funding Requirements and Policy Components**

The Systems' annual funding requirements are comprised of a payment of the Normal Cost and a payment on the Unfunded Actuarial Accrued Liability (UAAL), if applicable. The Normal Cost and the amount of the payment on UAAL are determined by three components of the respective Board's funding policy: 1) Actuarial Cost Method - the techniques used to allocate the cost/liability of retirement benefits to a given period; 2) Asset Smoothing Method - the techniques that spread the recognition of investment gains or losses over a period of time for the purposes of determining the Actuarial Value of Assets used in the actuarial valuation process; and 3) Amortization Policy - the decisions on how, in terms of duration and pattern, to fund the difference between the UAAL and the Actuarial Value of Assets in a systematic manner.

As of June 30, 2025, the Systems did not have UAAL.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Funding Requirements and Policy Components (Continued)**

The Boards adopted an Amortization Policy, which sets forth the amortization procedures for funding any UAAL or amortization and allocation of any available Surplus in the Systems. A detailed description of the policy can be found in the Notes to the Financial Statements for the Retirement Systems, which are located at <http://www.cfrs-ca.org/Employee/Communications/Reports.asp> for the Employees System or at <http://www.cfrs-ca.org/Fire-Police/Communications/Reports.asp> for the Fire and Police System.

The Systems use a 5-year smoothing of market gains and losses above and below the assumed actuarial rate of return to derive the actuarial value of assets. As of the fiscal year end on June 30, 2025, the actuarial valuation value of the Employees' System assets was \$1.6 billion with a funded percentage of 109.8% on a valuation value of assets, whereas the actuarial value of Fire and Police assets was \$2.0 billion with a funded percentage of 114.9% on a valuation value of assets.

**Contributions Required and Contributions Made**

The employer's required normal contributions to the Systems have two components: basic and COLA. For fiscal year 2025, the City's required normal contributions (basic and COLA) to the Systems were as follows (in thousands):

	<b>Normal Cost Employees System FY 2025</b>
Employer contributions	\$ 31,558
Prior year contribution (surplus)/shortfall	-
Net employer contributions	\$ 31,558
Pensionable payroll	\$ 235,019
Member contributions	20,771
Employer contribution rate	14.09%

Employer and employee contributions represented 13.4% and 8.9% respectively, of the fiscal year 2025 covered payroll for the Employees System.

	<b>Normal Cost Fire and Police System FY 2025 Tier 2</b>
Employer contributions	\$ 37,048
Prior year contribution (surplus)/shortfall	(6,359)
Net employer contributions	\$ 30,689
Pensionable payroll	\$ 210
Member contributions	13
Employer contribution rate	30.25%

Employer and employee contributions represented 21.0% and 9.0%, respectively, of the fiscal year 2025 covered payroll for the Fire and Police System.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Net Pension Asset**

The net pension liability (asset) reported as of June 30, 2025 was measured as of June 30, 2024, and determined based upon the total pension liability (on GASB Statement No. 68 basis) from actuarial valuations as of June 30, 2024.

The City’s total pension liability, plan fiduciary net position, and net pension liability (asset) for each System as of June 30, 2025 were as follows (in thousands):

	<b>Employees System</b>	<b>Fire and Police System</b>	<b>Total</b>
Total pension liability	\$ 1,674,885	\$ 1,996,001	\$ 3,670,886
Plan fiduciary net position	(1,815,105)	(2,203,371)	(4,018,476)
Net pension liability (asset)	<u>\$ (140,220)</u>	<u>\$ (207,370)</u>	<u>\$ (347,590)</u>
Plan fiduciary net position as a percentage of the total pension liability	-108.37%	-110.39%	-109.47%

**Changes in Net Pension Liability (Asset)**

The components of the net pension liability (asset) for each System as of June 30, 2025 and a measurement date of June 30, 2024 were as follows (in thousands):

	<b>Employees System</b>	<b>Fire and Police System</b>	<b>Total</b>
<b>Total Pension Liability (Asset)</b>			
Beginning balance	\$ 1,566,984	\$ 1,865,740	\$ 3,432,724
Service cost	44,235	45,611	89,846
Interest	105,949	125,971	231,920
Differences between expected & actual experience	40,919	48,898	89,817
Benefit payments, including refunds	(83,202)	(90,219)	(173,421)
Net change in total pension liability	<u>107,901</u>	<u>130,261</u>	<u>238,162</u>
Ending balance	<u>\$ 1,674,885</u>	<u>\$ 1,996,001</u>	<u>\$ 3,670,886</u>
<b>Plan Fiduciary Net Position</b>			
Beginning balance	\$ 1,683,314	\$ 2,045,836	\$ 3,729,150
Contributions - employer	28,621	30,635	59,256
Contributions - employee	18,833	13,108	31,941
Net investment income	169,857	206,468	376,325
Benefit payments (including refunds, PRSB)	(83,202)	(90,219)	(173,421)
Administrative & professional expense	(2,318)	(2,457)	(4,775)
Net change in plan fiduciary net position	<u>131,791</u>	<u>157,535</u>	<u>289,326</u>
Ending balance	<u>1,815,105</u>	<u>2,203,371</u>	<u>4,018,476</u>
Net pension liability (asset)	<u>\$ (140,220)</u>	<u>\$ (207,370)</u>	<u>\$ (347,590)</u>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Discount Rate and Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The discount rate used to measure the TPL was 6.75% as of June 30, 2025 and June 30, 2024. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarial determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension Plan Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of both June 30, 2025 and June 30, 2024.

The following presents the NPL of the Employees and Fire and Police Retirement Systems as of June 30, 2025. The Systems use the current discount rate to measure the TPL for the measurement date of June 30, 2024, as well as what the NPL would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

**NPL of Employees and Fire and Police Retirement Systems**  
**As of June 30, 2025**  
**(In Thousands)**

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
	<b>5.75%</b>	<b>6.75%</b>	<b>7.75%</b>
Employees system	\$ 59,686	\$ (140,220)	\$ (303,754)
Fire and police system	69,861	(207,370)	(430,418)
<b>Total</b>	<b>\$ 129,547</b>	<b>\$ (347,590)</b>	<b>\$ (734,172)</b>

**Long-Term Expected Real Rate of Return**

The long-term expected rate of return on the Systems' investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and net of inflation) are developed for each major asset class. This information is combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and deducting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expense, used in the derivation of the long-term expected rate of return assumption are summarized in the following table:

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Long-Term Expected Real Rate of Return (Continued)**

Asset Class/Target Allocation/Long-Term Expected Rate Return Table As of June 30, 2025		
Asset Class	Target Asset Allocation	Weighted Average Long-Term Expected Rate of Return (Arithmetic)
Large Cap U.S. Equity	18.00%	5.59%
Small Cap U.S. Equity	3.00%	6.45%
Developed International Equity	13.00%	6.23%
Emerging Market Equity	5.00%	7.89%
Core Bonds	12.00%	2.47%
Private Equity	8.00%	9.31%
Private Debt/Direct Lending	14.00%	6.47%
Core Real Estate	6.00%	4.58%
Non-Core Real Estate	9.00%	8.19%
Absolute Return Fixed Income	1.00%	3.50%
Private Debt - Credit Opportunities	3.00%	7.09%
Private Real Estate - Infrastructure/Land	7.00%	4.63%
Cash	1.00%	0.98%
Total	100.00%	

**Mortality Rates**

For the Employees System, the mortality rates used in the latest actuarial valuation are based on Pub-2010 General Healthy Retiree Amount-Weighted Mortality Table (separate tables for males and females) times 105% for healthy members and beneficiaries, projected generationally with the two-dimensional mortality improvement scale MP-2018. For disabled members, the mortality rates used in the latest actuarial valuation are based on Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2018.

For the Fire and Police System the mortality rates used in the latest actuarial valuation are based on Pub-2010 Safety Healthy Retiree Amount-Weighted Mortality Table (separate tables for males and females) for healthy members, projected generationally with the two-dimensional mortality improvement scale MP-2018. For Beneficiaries, Pub-2010 General Healthy Retiree Amount Weighted Mortality Table (separate tables for males and females) times 105%, projected generationally with the two-dimensional mortality improvement scale MP-2018. For disabled members, Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2018. These mortality tables were adjusted to future years using the generational projection to reflect future mortality improvement between the measurement date and those years.

**Actuarial Assumptions**

The TPL as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2024. The actuarial assumptions used in the valuation were based on the results of an experience study for the period from July 1, 2018 through June 30, 2021.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Actuarial Assumptions (Continued)**

In particular, the following actuarial assumptions were applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.75% to 11.50%, varying by service, including inflation (Employees). 4.00% to 13.00%, varying by service, including inflation (Fire and Police).
Investment rate of return	6.75%, net of pension plan investment expense, including inflation.
Other assumptions	See Appendix A in the ACFR for the Employee's Plan and the Fire/Police Plan for the service retirement rates after they have been adjusted to treat DROP participation as service retirement.

**Net Position Restricted for Pension Benefits**

Net position restricted for pension benefits is segregated into Active Members Reserve (members' accumulated contributions) and reserves established by the Boards for various benefit payments. Reserves are established by the Systems from member and employer contributions and the accumulation of investment income after satisfying investment and administrative expenses.

**Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

For the fiscal year ending June 30, 2025, the City incurred pension expense of \$25.8 million for the Employees Plan and \$23.5 million for the Fire and Police Plan for a total pension expense of \$49.3 million.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

As of and for the year ended June 30, 2025, the City has pension expense and deferred outflows and deferred inflows of resources related to the pensions as follows:

<b>Pension Expense and Deferred Outflows and Inflows (in thousands)</b>	<b>Employees System</b>	<b>Fire and Police System</b>	<b>Total</b>
Components of Pension Expense			
Service cost	\$ 44,235	\$ 45,611	\$ 89,846
Interest on the total pension liability	105,949	125,971	231,920
Expensed portion of current-period difference between actual experience in the total pension liability	9,321	10,360	19,681
Actual member contributions	(18,833)	(13,108)	(31,941)
Projected earnings on plan investments	(112,339)	(136,442)	(248,781)
Expensed portion of current-period differences between projected earnings on plan investments	(11,504)	(14,005)	(25,509)
Administrative expense	2,318	2,458	4,776
Recognition of beginning of year deferred outflows of resources as pension expense	85,058	95,912	180,970
Recognition of beginning of year deferred inflows of resources as pension expense	(78,414)	(93,291)	(171,705)
<b>Pension expense</b>	<b>\$ 25,791</b>	<b>\$ 23,466</b>	<b>\$ 49,257</b>
<b>Deferred outflows of resources:</b>			
Contributions subsequent to measurement date	\$ 29,068	\$ 28,884	\$ 57,952
Changes of assumptions or other outputs	-	178	178
Difference between expected and actual experience in the total pension liability	58,006	73,205	131,211
<b>Deferred outflows of resources</b>	<b>87,074</b>	<b>102,267</b>	<b>189,341</b>
Deferred inflows of resources			
Net difference between projected and actual earnings on pension plan investments	43,781	53,230	97,011
Changes of assumptions	880	-	880
Difference between expected and actual experience in the total pension liability	-	403	403
<b>Deferred inflows of resources</b>	<b>\$ 44,661</b>	<b>\$ 53,633</b>	<b>\$ 98,294</b>

For the Employees Plan and Fire and Police Plan, \$29,068 and \$28,884, respectively, was reported as deferred outflows of resources related to pensions resulting from City's contributions subsequent to the measurement date and will be recognized as a increase in the net pension asset in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Fiscal Year</b>	<b>Deferred Outflows/(Inflows) of Resources</b>		
	<b>Employees System</b>	<b>Fire and Police System</b>	<b>Total</b>
2026	\$ (10,175)	\$ (16,415)	\$ (26,590)
2027	45,051	55,348	100,399
2028	(13,662)	(12,637)	(26,299)
2029	(7,869)	(6,546)	(14,415)
Totals	<b>\$ 13,345</b>	<b>\$ 19,750</b>	<b>\$ 33,095</b>

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

Any differences between projected and actual investment earnings on pension plan investments are recognized over a period of five years beginning with the year in which they occur. Differences between expected and actual experiences are recognized over the average of the expected remaining service lives of all employees that are provided with pensions through the Retirement Systems determined as of June 30, 2023 (the beginning of the measurement period ending June 30, 2024) and is 4.39 years for the Employees System and 4.72 years for the Fire & Police System.

**Administrative Expenses**

The Fresno Municipal Code (FMC) provides that all administrative costs of the Systems shall be a charge against the assets of the Systems. Per the FMC, the Administrative expenses are a component of the City's contribution calculation.

The Systems issue publicly available financial reports that include financial statements and required supplementary information for the Employees Retirement System and the Fire and Police Retirement System. The reports may be obtained by writing the City of Fresno Retirement Office, 2828 Fresno Street, Suite 201, Fresno, California 93721, or by visiting:

<https://www.cfrs-ca.org/employee-retirement-system/ers-financial/> for the Employee System, or  
<https://www.cfrs-ca.org/fire-and-police-retirement-system/financial/> for the Fire and Police System.

**Successor Agency Retirement Plan**

The Successor Agency participates in a public agency cost-sharing multiple-employer defined benefit pension plan (the Plan) administered by the California Public Employees' Retirement System (CalPERS). Employer contribution rates are determined on an annual basis by an actuary and are effective on the July 1 following notice of a change in the rate.

The Plan fiduciary net position disclosed in the Successor Agency's accounting valuation may differ from the Plan assets reported in the Successor Agency's funding actuarial valuation report due to CalPERS keeping various items included in its fiduciary net position which are excluded for rate setting purposes in the Successor Agency's funding actuarial valuation.

Differences may also result from timing of financial reporting by CalPERS and final reconciled reserves.

As of the beginning of the measurement period (July 1, 2024), the net pension liability for the Plan is \$733,631. For the measurement period ended June 30, 2025 (the measurement date), the net pension liability for the Plan is \$727,489 and the Successor Agency incurred pension expense of \$126,373 for the Plan.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 11 – Employee Benefit Programs (Continued)**

**A. Retirement Plans (Continued)**

**Successor Agency Retirement Plan (Continued)**

As of June 30, 2025, the Successor Agency reports other amounts for the Plan as deferred outflows and deferred inflows of resources related to pensions as follows (in thousands):

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Contribution made after the measurement date	\$ 70	\$ -
Difference between expected and actual experience	63	2
Changes of assumptions	18	-
Net difference between projected and actual earnings on pension plan investments	42	-
Employer contributions in excess/(under) proportionate share of contributions	-	32
Adjustments due to difference in proportions	4	6
Total	\$ 197	\$ 40

For more detailed information related to the Successor Agency’s retirement plan, refer to the Successor Agency’s separate audited financial statements which can be obtained by contacting the Successor Agency at 2344 Tulare Street, Suite 200, Fresno, CA 92721.

**B. Deferred Compensation Plan**

The City offers its employees a deferred compensation plan in accordance with Internal Revenue Code (IRC) Section 457. The deferred compensation plan (the Plan), available to all permanent full-time and part-time employees and Council Members, permits deferral of a portion of the employee’s salary into a tax-deferred program. The deferred compensation is not available to employees or other beneficiaries for withdrawal until termination, retirement, death, or unforeseeable emergency, or loan program. Upon separation from employment with the City, an individual may roll over their deferred account into another IRS Allowable Plan or, upon receipt, the distribution will become taxable.

The Deferred Compensation Board contracted with Fidelity Management Trust Company (Fidelity) as the trustee and plan administrator. The City’s Retirement System Administration assists Fidelity in the administration of the Plan. In addition to the Retirement Office, City staff in the Payroll section of the Finance Department, the City Attorney’s Office, and Information Services Department all assist in the administration of the Plan. The City has no fiduciary accountability for the Plan. Accordingly, the Plan assets and related liabilities to Plan participants are not included in the basic financial statements.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 11 – Employee Benefit Programs (Continued)**

**C. *Compensated Absences***

Vacation pay, which may be accumulated up to 600 hours depending on an employee's bargaining group and length of service, is payable upon termination. Sick leave, which may be accumulated up to 12 hours per month, has no maximum. If eligible, most bargaining units receive a portion of the value of their sick leave balance at termination in their Health Reimbursement Account (HRA). Otherwise, employees do not receive any value from their sick leave balances at termination.

Annual leave, which may be accumulated up to 1,200 hours, depending upon bargaining unit and length of service, is payable upon termination or retirement. Holiday leave may be accumulated indefinitely depending upon the bargaining groups and is payable for active employees as well as at termination or retirement. Annual leave allows for the cashing out of the higher of 10% of the accumulated balance or 48 hours, once per fiscal year. Supplemental sick leave is awarded to unrepresented management, professionals and to white collar employees at the rate of 40 hours at the beginning of each fiscal year. The balance can only be used after other leave balances are exhausted, or for other specific reasons outlined in the various Memoranda of Understanding (MOU's) or the current Salary Resolution. The balance is payable at termination/retirement or is accounted for as part of an HRA which is unfunded and expended on a pay-as-you-go basis.

Starting in fiscal year 2006, some bargaining units selected to account for some or all of their sick leave and supplemental sick leave balances as an HRA. The book value of these balances is accounted for (by employee) in off-line spreadsheets, administered by HealthComp, is given credit for calculated interest, and is used to pay health premiums for the employee, their spouse and dependents until their individual balance is exhausted. The HRA is not held in a trust, but is funded on a pay-as-you-go-basis.

The portion of the City's obligation relating to employees' rights to receive compensation for leave balances attributable to services already rendered is accrued when incurred in the Government-Wide, Proprietary, and Fiduciary Fund Financial Statements. Compensated absences upon termination are funded through a cost allocation formula which is based upon a citywide history of payouts (approximately \$2 million per year). Accruals are reviewed by bargaining unit and the \$2 million base is allocated in proportion to each unit's current liability for a contribution per unit cost. This unit cost is then converted to a cost per employee and becomes part of the budgeted employee service cost in each department's annual base budget.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 11 – Employee Benefit Programs (Continued)**

**C. Compensated Absences (Continued)**

Accrued Employee Leave balances as of June 30, 2025, are as follows (in thousands):

<b>Department/Activity</b>	<b>Total Accrued Sick Leave, and HRA</b>	<b>Current Portion</b>
<b>Governmental Activities:</b>		
General Fund	\$ 83,656	\$ 11,805
Grants Special Revenue Fund	3,549	262
Special Gas Tax	1,082	122
Measure C	1,446	216
Measure P	997	76
Community Services	525	44
Special Assessment	449	51
General Services	5,866	562
Risk Management	331	39
Total Governmental Activities	97,901	13,177
<b>Business-Type Activities:</b>		
Water System	2,520	471
Sewer System	2,403	375
Solid Waste Management	1,807	402
Transit	4,286	730
Airports	2,076	422
Community Sanitation	728	69
Parks and Recreation	9	3
Billing and Collection	1,667	330
Total Business-Type Activities	15,496	2,802
<b>Fiduciary Funds:</b>		
Private-Purpose Trust Fund	78	17
Total	\$ 113,475	\$ 15,996

Accrued employee leave balances related to governmental activities are recorded in the Government-Wide Financial Statements under Long-Term Liabilities.

**D. Termination Benefits**

During fiscal year 2025, there were no employees who received severance pay.

**E. Health Benefit Plan**

The City offers its employees participation in the Fresno City Employees Health and Welfare Trust Plan (Trust). The Trust offers a self-insured medical plan for full-time and permanent part-time employees and their dependents. The Trust also provides dental, vision, pharmacy, mental health, and chiropractic coverage.

There are two medical plan options available to employees. Employees have the opportunity, on an annual basis, to elect either a higher benefit level Preferred Provider Organization (PPO) option or a reduced benefit level PPO option. Employees electing to receive the higher benefit level option pay a percentage of the monthly premium through payroll deductions. Employees electing the lower benefit level pay nothing for their coverage.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 11 – Employee Benefit Programs (Continued)**

***E. Health Benefit Plan (Continued)***

The first option is a higher benefit level PPO plan which has a \$200 individual annual deductible and a \$600 family maximum annual deductible. Under this option, the plan pays 80% of covered charges and the employee is responsible for 20% of the covered charges. Once a covered member incurs \$15,000 in covered charges, the plan then pays 100% until the end of the plan year.

The second option is a reduced benefit level PPO plan which has a \$1,300 individual annual deductible with a \$2,600 family maximum annual deductible. The benefit reduction amount is set by the Board of Trustees for the plan and depends on the amount of contributions received by the Trust on behalf of the employee.

The percentage of the premium the employee is required to pay to receive the higher benefit level is negotiated by each bargaining unit.

During fiscal year 2014, a number of units negotiated a 75% - 25% contribution split. For these units, the City contributes 75% of the premium and the employees, if they wish to have the higher benefit level PPO, contribute 25% of the premium. If they choose not to make the contribution, the medical benefits are reduced by 30%. This reduction results in the plan paying 56% of covered charges and the employee is responsible for 44% of covered charges.

Only one bargaining unit continues to have a different contribution amount than the balance of the Unions. For Fresno City Employees Association, Inc. (FCEA) employees hired after July 11, 2011, the City contributes 70% of the premium and the employees, if they wish to have the higher benefit level PPO, contribute 30% of the premium. If they choose not to make the contribution, the medical benefits are reduced by 35%. This reduction results in the plan paying 52% of covered charges and the employee is responsible for 48% of covered charges. Employees in the FCEA hired before July 11, 2011, continue to have an 80% - 20% contribution split as described above.

City retirees are also eligible for participation in the plans by paying the full blended premium cost. The City continues to assess the impact of the federal healthcare reform legislation on the City's liabilities.

The Health and Welfare Trust Board approved the purchase of a \$500,000 stop-loss insurance policy on May 11, 2016. The policy was purchased in fiscal year 2017. The purpose of the policy was to protect the Trust from having to pay any claim or series of claims associated with one case that totaled more than \$500,000. In addition to the stop-loss insurance, the Health and Welfare Trust Board also approved a policy of setting aside a portion of the Health and Welfare Trust Fund's fund balance for the payment of catastrophic health claims.

***F. Other Post-Employment Benefits***

**Plan Description**

The City of Fresno Retirees Healthcare Plan is a single-employer defined benefit medical plan administered by HealthComp and funded through the City of Fresno Health and Welfare Trust. It is reported as an Internal Service Fund of the City and provides Other Post-Employment Benefits (OPEB) to eligible retirees and his/her dependents, spouse or domestic partner. The City does not accumulate assets in a dedicated trust, or equivalent arrangement, for the purpose of funding its retirement healthcare obligation. Therefore, the actuarial value of plan assets are zero. The trust does not issue separate publicly available financial statements.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 11 – Employee Benefit Programs (Continued)**

**F. Other Post-Employment Benefits (Continued)**

**Plan Description (Continued)**

GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions*, requires governments to account for OPEB on an accrual basis of accounting, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense on the Statement of Activities when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefits. The post-employment benefit liability is recognized on the Statement of Net Position over time.

**Contributions**

The City provides post-employment healthcare benefits for certain eligible retirees. OPEB includes the authorization for retirees to purchase health insurance through the plan at current employee rates. The establishment and amendment of benefit provisions are negotiated between the employee bargaining units and the City, and are recommended by the City Manager subject to the approval of the Mayor and the City Council. While participant retirees pay 100% of their premium costs, they are allowed to purchase insurance at blended premium rates. Thus, the City's contribution is deemed to be that portion of retiree claims costs over premiums required to be contributed by retirees. Currently, the City does not pre-fund retiree health benefits and instead provides for benefits on a pay-as-you-go basis.

**Employees Covered**

As of June 30, 2023, valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	401
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	3,873
Total participants covered by OPEB Plan	4,274

**Total OPEB Liability**

The City's net OPEB liability of \$94.1 million was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2023 to determine the June 30, 2025 total OPEB liability.

**Actuarial Assumptions and Other Inputs**

The net OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	June 30, 2024
Valuation date	June 30, 2023
Discount rate	5.20%
Healthcare cost trend rates:	
Current year trend	8.00% / 5.00%
Decrement	N/A
Ultimate trend	4.54%
Year ultimate trend is reached	2090
Salary increases	3.50%
Actuarial cost method	Entry Age Normal (Percent of Salary)

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 11 – Employee Benefit Programs (Continued)**

**F. Other Post-Employment Benefits (Continued)**

**Actuarial Assumptions and Other Inputs**

The discount rate was based on the index provided by Bond Buyer 20-Year General Obligation Index based on the 20 year AA municipal bond rate as of June 30, 2023 (valuation date).

Mortality rates were based on the SOA RP-2014 Total Dataset Mortality with Scale MP-2019 (Base Year 2006).

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The June 30, 2023 valuation was prepared using a discount rate of 5.20%. If the discount rate were 1% higher than what was used in this valuation, the Total OPEB Liability would decrease to \$81.1 million or by 13.8%. If the discount rate were 1% lower than was used in this valuation, the Total OPEB Liability would increase to \$109.9 million, or by 12.7%.

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	4.20%	5.20%	6.20%
Net OPEB liability (in thousands)	\$ 109,853 0.167%	\$ 94,118 0.160%	\$ 81,140 -0.138%

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The June 30, 2023 valuation was prepared using an initial trend rate of 5.04% / 4.82%. If the trend rate were 1% higher than what was used in this valuation, the Total OPEB Liability would increase to \$110.0 million or by 17.0%. If the trend rate were 1% lower than was used in this valuation, the Total OPEB Liability would decrease to \$81.2 million or by 16.7%.

	<u>1% Decrease</u>	<u>Healthcare Cost</u>	<u>1% Increase</u>
	-1%	Trend Rates	1%
		8.00% / 5.00%	
Net OPEB liability (in thousands)	\$ 81,187 -0.137%	\$ 94,118	\$ 110,094 0.170%

**Changes in the Total OPEB Liability**

The changes in the Total OPEB Liability for the City OPEB Plan are as follows:

	<u>Increase/(Decrease)</u>
	<u>(in thousands)</u>
OPEB liability as of June 30, 2023	\$ 109,448
Changes for the year:	
Service cost	5,506
Interest	4,725
Assumption changes	(22,624)
Benefit payments	(2,937)
Net changes	(15,330)
OPEB liability as of June 30, 2024 (measurement date)	\$ 94,118

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 11 – Employee Benefit Programs (Continued)**

**F. Other Post-Employment Benefits (Continued)**

**OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources**

For the year ended June 30, 2025, the City recognized an OPEB expense of \$5.0 million. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
OPEB contributions subsequent to the measurement date	\$ 3,587	\$ -
Changes of assumptions	17,045	57,872
Difference between actual and expected experience	1,350	13,090
<b>Total</b>	<b>\$ 21,982</b>	<b>\$ 70,962</b>

The \$3.6 million reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability during the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

<b>Fiscal Year</b>	<b>Deferred Outflows/(Inflows) of Resources</b>
2026	\$ (10,074)
2027	(8,614)
2028	(8,530)
2029	(8,878)
2030	(7,049)
Thereafter	(9,422)
<b>Total</b>	<b>\$ (52,567)</b>

**G. Healthcare Plan Claims Liability**

The recorded liability for the Employees Healthcare Plan at June 30, 2025 for employee health benefit claim payments for direct provider care is \$8.3 million.

Changes in the funds claims liability amount for the last two fiscal years are as follows (in thousands):

<b>Fiscal Year Ended June 30</b>	<b>Beginning of Fiscal Year Liability</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Claims Claims Payments</b>	<b>End of Fiscal Year Liability</b>
2025	\$ 6,400	\$ 75,434	\$ (73,534)	\$ 8,300
2024	7,900	69,512	(71,012)	6,400

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 12 – No-Commitment Debt**

The City is not liable for repayment of any of the following bonds, and accordingly, they are not reflected in the accompanying basic financial statements.

**Special District Debt**

The City is not obligated in any manner for the Special District debt, but is acting as an agent for property owners in collecting the taxes/assessments, forwarding the collections to the trustee/paying agent, and initiating foreclosure proceedings, if appropriate. Special District debt payable to bond holders was \$1.8 million at June 30, 2025, as compared to \$2.1 million at June 30, 2024.

**Note 13 – Commitments and Contingencies**

***A. Closure and Post-Closure Care Cost***

The City continues to monitor a former landfill site as part of the Environmental Protection Agency's (EPA) Superfund program. Management estimates the remaining monitoring costs as of June 30, 2025 to be \$7.0 million. A liability in this amount has been recorded in the Solid Waste Management Fund. It is anticipated that approximately \$0.9 million in monitoring costs and landfill site closure costs will be paid in fiscal year 2026. The Fresno sanitary landfill has not received solid waste since 1987. It was redesigned as part of a 350-acre "green" facility to integrate the Fresno sanitary landfill site into a championship caliber sports complex/regional park. The estimated total remaining post-closure care costs are based on the equipment, facilities, and services required to monitor/maintain the closed landfill. The liability for post-closure care costs is an estimate and subject to change resulting from inflation, deflation, technology or changes in applicable laws.

Fees paid by utility users will be used to cover the remaining monitoring costs. A receivable totaling \$5.9 million has been recorded in the Solid Waste Management Fund.

***B. CVP Water Contract***

The City's 60,000 acre-foot water supply entitlement from the United States Bureau of Reclamation (USBR, or the Bureau) is equivalent to approximately 40% of the City's annual water demand. This supply, derived from the Friant Dam on the San Joaquin River, is the primary resource for the operation of the City's current and future surface water treatment facilities.

The City and the Bureau have what is known as a Repayment Contract. While most traditional federal Reclamation Law provisions continue to apply, the City receives some important benefits by utilizing the Repayment Contract, including:

**Permanent water supply** - The Repayment Contract provides for an ongoing, permanent annual supply of up to 60,000 acre-feet of water from the Friant Division of the CVP. No further periodic renewal negotiations are required.

**Pricing benefits** - Certain components of the Bureau water rate structure, such as tiered pricing, are eliminated.

**Financing cost savings** - Under the previous Bureau rate structure, the City paid certain financing costs and interest on the outstanding capital and operation and maintenance obligations that the Bureau attributed to the City. Under a Repayment Contract, those costs are not passed on to the City.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 13 – Commitments and Contingencies (Continued)**

***B. CVP Water Contract (Continued)***

Because repayment contracts do not require periodic renewal, compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) need not be repeated. This obligation is amortized and included in the volumetric water rates the City pays the USBR. The present value of the City's debt obligation to the Bureau has been fully capitalized in the Water Fund under the caption "Unamortized CVP Water Settlement", and is being amortized against expected future revenues generated through water rates. The "Unamortized CVP Water Settlement" totaled \$0.6 million on June 30, 2025.

***C. Other Litigation***

There are various other lawsuits and claims pending against the City. Although the outcome of these claims and lawsuits is not presently determinable, management, after consultation with legal counsel, is of the opinion that a majority of these matters will not have a material adverse effect on the financial condition of the City at June 30, 2025.

***D. Toxics Mitigation***

**Old Hammer Field**

Contamination, primarily from the common solvent trichloroethylene (TCE), was discovered and identified in 1989 in soils and groundwater beneath property currently owned by the City. The site known as Old Hammer Field (OHF), a prior Army military base in the 1940's, was the subject of investigation and cleanup efforts which had previously been jointly funded by the Boeing Company (Boeing), the U.S. Army Corps of Engineers and the City of Fresno. The area had been used for the repair, overhaul, maintenance, refurbishing and construction of aircraft during and after World War II. The California Department of Toxic Substances Control (DTSC) was the lead regulatory agency overseeing site cleanup.

After years of legal negotiations, a settlement agreement between the U.S. Army Corps of Engineers, the Boeing Company, and the City was reached. The settlement called for the Airports Department to be responsible, going forward, for 10% of the cleanup costs. The settlement also called for the U.S. Army Corps of Engineers and Boeing to make a joint one-time payment of \$1,350,000 for past costs. This payment was made in fiscal year 2011.

The Court approved the settlement agreement which included the one-time payment noted above, covenants not to sue and an operating agreement for purposes of coordinating further efforts to implement the State-Approved Remedial Action Plan to obtain Site Closure. All parties agreed to bear their own costs and expenses, including attorney's fees in the case.

A liability for future cleanup costs on the Old Hammer Field site is recorded on the fiscal year 2025 ACFR in the amount of \$220,000. Total costs have been estimated to range between \$10 and \$20 million, with the City's share of cleanup costs to be 10%. The cleanup time frame has also been estimated and is expected to continue for 20 to 40 years. Cleanup costs totaled \$57,000 in fiscal year 2025.

The City will re-evaluate this accrual annually and make adjustments as necessary.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 13 – Commitments and Contingencies (Continued)**

***D. Toxics Mitigation (Continued)***

**DBCP Groundwater Contamination**

The occurrence of DBCP, an agricultural pesticide, in certain groundwater has been identified throughout the Fresno Metropolitan Area. At various City well sites, DBCP exceeds drinking water limits and is removed by Granular Activated Carbon (GAC) treatment. The City fronted the costs of clean up with respect to the known wells and reimbursed itself from a litigation settlement in an original amount of approximately \$21 million. \$10 million was stipulated to be used toward past costs, and \$11 million was to be applied toward the installation of additional GAC treatment units, all of which have been completed. Subject to numerical limits, the settlement arrangement also provides for the City to be reimbursed for the capital costs of the installation of GAC treatments at wells exceeding maximum contaminant levels, with reimbursements ranging from \$337,500 to \$540,000 depending on the well site. Funding also is provided for the ongoing operation and maintenance cleanup costs of approximately \$27,900 to \$31,000 per contaminated well (depending on type), adjusted for inflation, with such payment obligations ending on June 26, 2035. The City is not responsible for “cleanup” in the context common to hazardous material remediation.

The City can elect to treat wells or simply shut them down. Future costs to clean up and monitor new discoveries of contamination at existing sites or additional sites that may be identified are eligible for reimbursement under the settlement agreement through June 26, 2035.

An obligating event as defined by GASB Statement No. 49 has not occurred during the fiscal year; therefore, no liability exists.

**Pollution Remediation**

Although the Successor Agency is generally not involved with operations that pose a high risk for environmental liabilities, properties acquired for redevelopment purposes could be contaminated or may contain hazardous substances, such as petroleum products, lead, and/or asbestos. The former RDA’s due diligence property acquisition policies required that the RDA obtain a Phase I Environmental Site Assessment (ESA) report on all properties to be acquired by the RDA to minimize or avoid potential environmental liabilities. If the Phase I ESA findings and conclusions indicate the need for further environmental investigation, a Phase II ESA is commissioned. In the event of an acquisition leading to demolition, the former RDA obtained a Phase I and/or Phase II report and, if necessary, remediated the property according to state and federal laws prior to demolition. In instances where hazardous substances or petroleum products were detected by the Phase II ESA, environmental remediation (cleanup) is subsequently planned and executed. The Phase II ESA and cleanup work are normally supervised and sanctioned by local environmental agencies such as the California Regional Water Quality Control Board (RWQCB). This agency accepts the completion of the cleanup work by issuing a “Case Closure” letter that officially declares the property free of hazardous substances or petroleum products.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 13 – Commitments and Contingencies (Continued)**

***D. Toxics Mitigation (Continued)***

**Pollution Remediation (Continued)**

During fiscal year 2016, the Successor Agency held one parcel subject to environmental investigation at 655 “G” Street - Chinatown. In February 2009, the City transferred title to four parcels in the Chinatown project area to the RDA. In October 1995, a Phase II ESA was completed for the four parcels. The parcel at 718 “F” Street and two parcels at 705 “G” Street were free of hazardous substances or petroleum products. The fourth parcel at 655 “G” Street was found to be in need of further assessment (Phase II ESA) because suspected leaking gasoline tanks had been removed from the site. The RWQCB advised the City that additional assessment was necessary to further evaluate impacted soils and groundwater and required a work plan outlining the assessment. Recently, the Successor Agency obtained an EPA grant to assess 655 “G” Street, as required by the RWQCB. The work plan and field work have been completed and test results have been received. Monitoring wells have been installed at the site and water samples are to be tested quarterly. RWQCB will review the results and advise if further action is needed. At this time, any potential costs cannot be estimated with any degree of certainty. Until such time as the costs can be estimated with more certainty, no liability will be accrued.

***E. Measure Z, Zoo Accreditation, Fresno Chaffee Zoo Corporation***

In accordance with an agreement between the City and the Fresno Chaffee Zoo Corporation (FCZC), a California benefit corporation, a non-profit board operates the Chaffee Zoo (Zoo). The City and the FCZC also negotiated a lease and a financing arrangement.

The lease agreement, dated January 1, 2006, was negotiated for a 30-year period. There is also a 25-year renewal of the term if the Zoo Tax was reinstated after its initial 10-year term, or two additional 10-year renewal options if the tax was not renewed. On November 4, 2014, a new incarnation of Measure Z which extends the tax for another 10 years was passed triggering the 25-year lease renewal. The lease rate is at \$1.00 per year.

The lease agreement sets forth the terms and conditions between the City and FCZC, with respect to the Zoo premises and any expansion that might occur in a designated expansion area. The City is responsible for all maintenance and operation costs in the expansion area, until such time as the FCZC takes possession of the expansion area by exercising its rights in accordance with lease provisions.

The City retained ownership of the land, buildings, structures, permanent fixtures, and improvements in existence at the commencement date of the lease, while the FCZC is the owner of all buildings, structures, and improvements constructed thereafter until the end of the lease term.

The Financing Agreement conveyed the Zoo animals and Zoo personal property to the FCZC, along with all obligations the City had with respect to the animals exhibited, housed or otherwise kept or cared for at the Zoo during the term of the lease. At the termination of the lease or the end of the lease term, should the City decide not to continue operations of the Zoo, the FCZC has the right to sell or dispose of the Zoo animals and keep the proceeds of any sale or disposition at its sole cost or expense. The FCZC also has the authority to acquire, sell or dispose of Zoo animals in the course of the lease so long as the compliment of animals at all times is similar in type and proportion to the Zoo animals on hand upon commencement of the lease.

The FCZC must maintain Association of Zoo & Aquariums (AZA) accreditation of the Chaffee Zoo.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 13 – Commitments and Contingencies (Continued)**

**F. Construction and Other Significant Commitments**

On June 30, 2025, the City had commitments for the following major construction projects (in thousands):

Project Title	Remaining Construction Committed
<b>Governmental:</b>	
Citywide Senior Center	\$ 27,104
Milburn & Dakota Park	7,011
Peach Property-Phase 1	6,566
MLK Cnt Active Trans Infrastr	4,165
Peach Ave Widening	2,863
Blackstone AC Overlay-Minarets	2,733
DPU O&M Building Fleet Paving	2,585
Sewer Rehab-Downtown Infrastructure Grant	2,461
<b>Total governmental - major projects</b>	<b>55,488</b>
<b>Other governmental projects</b>	<b>32,277</b>
<b>Total governmental projects</b>	<b>\$ 87,765</b>
<b>Proprietary:</b>	
Terminal/FIS Expansion	\$ 48,329
Fire Station #12 Relocation	14,300
North Trunk Rehab- North Maple	13,750
911 Call Center	12,936
Sewer Main-Orange	10,829
WMR Clinton/Univ/West/Teilman	5,525
MLK Magnet Park	4,855
Maint Facility H2 Detection	3,464
Milburn & Dakota Park	2,939
Citywide Senior Center	2,412
Olive Ave Emergency Sewer Repair	2,400
Merced Office Renovation	2,346
<b>Total proprietary - major projects</b>	<b>124,085</b>
<b>Other proprietary projects</b>	<b>24,961</b>
<b>Total proprietary projects</b>	<b>\$ 149,046</b>
<b>Total committed construction projects</b>	<b>\$ 236,811</b>

**G. Discolored Water**

In February 2016, the City undertook a broad investigation into reports of discolored water and the presence of lead in drinking water in certain homes located in Northeast Fresno. The City conducted the investigation with oversight from the State Water Resources Control Board - Division of Drinking Water (DDW), Fresno County Department of Public Health, and the U.S. Environmental Protection Agency (EPA). The investigation has included, for example, water quality sampling, soil sampling, pipe testing, field investigations and home inspections, consultations with national corrosion experts, multiple community meetings and presentations, and public distribution of information and education materials.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 13 – Commitments and Contingencies (Continued)**

**G. Discolored Water (Continued)**

In early 2017, the EPA conducted a comprehensive review of the City and the State of California's oversight of the City's drinking water treatment and testing program. The EPA concluded that the City has historically complied with the regulatory action level for lead, and that the City's water system has been optimized for corrosion control since 1996.

In September 2016 and May 2017, groups of residents filed two lawsuits against the City and other parties seeking damages for harm allegedly caused by the City's water supply. Litigation is currently ongoing. The City will continue to vigorously defend itself in these matters.

In September 2016 and May 2017, groups of residents filed two lawsuits against the City and other parties seeking damages for harm allegedly caused by the City's water supply. Litigation is currently ongoing. The City will continue to vigorously defend itself in these matters.

The City continues to work with residents by regularly monitoring their water.

The City has spent \$5.1 million cumulatively through the year ended June 30, 2025 to investigate and address the discolored water complaints. All of these costs have been and will continue to be recorded in the Water Fund.

**H. City of Fresno Fire and Police Retirement System – Contribution Rate and Related Litigation**

The City of Fresno participates as the plan sponsor of the City of Fresno Fire and Police Retirement System (the "System"). Under the City's municipal code, the City is responsible for remitting employer and employee contributions to the System based on rates adopted by the System's Board of Retirement (the "Board"). These rates are established in accordance with the System's funding policy and are based on an independent actuarial valuation.

The System has initiated litigation seeking to compel the City to remit employer contributions in accordance with the actuarially determined rate adopted by the Board. As of June 30, 2025, this litigation remains pending and the ultimate outcome cannot presently be determined. The City does not agree that the Retirement Systems are "subject to a constraint related to the inflow of resources from its plan sponsor" or that there was a "shortfall in contributions received during fiscal year 2024-25" as presented in the System's Annual Comprehensive Finance Report (ACFR).

**Note 14 – Securities Lending**

The City does not engage in securities lending with any investment instruments that it holds. The City's Retirement Systems are permitted under the City's Municipal Code and Retirement Boards' policies to enter into securities lending transactions. For a detailed description of the Retirement Systems' security lending policies and the financial effect of such lending, please see the Retirement Systems' ACFRS, which can be found at <https://www.cfrs-ca.org/fire-and-police-retirement-system/financial/> for the Fire and Police Retirement System and <https://www.cfrs-ca.org/employee-retirement-system/ers-financial/> for the Employees Retirement System.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

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**Note 15 – Other Information**

**Construction Retainage Escrow Accounts**

The City enters into construction contracts with various outside third-party contractors with respect to major capital projects. As the construction progresses, progress payments are made to the contractors. Portions of the payments, called retention payments, are paid into an escrow account. While these funds are earned by the contractors, generally 5% to 10% of the contract amount, they are not released out of the escrow account to the contractor until some agreed upon date, usually the completion of the job. These amounts are retained for a variety of reasons, as an incentive to complete the job in a timely manner, or as a fund for the benefit of suppliers and subcontractors. The City may not convert the funds in these escrow accounts for its use unless a breach of contract occurs.

**COVID-Related Funding**

The City has received a substantial amount of funding from the Federal and State government since the beginning of the COVID-19 pandemic to offset the pandemic's health and economic impacts. The following are the major COVID-19 mitigation funding sources that have been awarded to/received and expended by the City as of June 30, 2024.

American Rescue Plan Act (ARPA) funding the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) – In March 2021, the City was awarded \$170.8 million of SLFRF funding and has allocated all funding to various City led and Community Based Organization led projects. As of June 30, 2025, the City has expended \$149.9 million in SLFRF funding and continues to implement identified projects throughout the City of Fresno.

American Rescue Plan Act (ARPA) funding the HOME Investment Partnerships – American Rescue Plan (HOME-ARP) – In September 2021, the City was awarded \$11.9 million of HOME-ARP funding. Funding is anticipated to be used for supportive services, acquisition and development of non-congregate shelter, development of affordable rental housing, and administration and planning. As of June 30, 2025, the City has expended \$403 thousand in HOME-ARP funding and continues to implement identified projects throughout the City of Fresno.

Coronavirus Aid, Relief and Economic Security Act (CARES Act) funding the Community Development Block Grant-Coronavirus (CDBG-CV) – In April 2021, the City was awarded \$7.9 million of CDBG-CV in two tranches. Funding is anticipated to be used for emergency shelter operations and supportive services, a mobile medical clinic, tenant and landlord counseling, homeless facility acquisition and rehabilitation, and program administration and compliance. As of June 30, 2025, the City has expended \$5.6 million in CDBG-CV funding and continues to implement projects throughout the City of Fresno.

**Note 16 – Deficit Fund Equity**

The Risk Management Internal Service Fund had a deficit net position as of June 30, 2025.

The deficit net position in the Risk Management Fund at June 30, 2025 was \$288.7 million, an increase of \$25.6 million. The increase was due to the City reflecting a Liability for Self-Insurance on its Combining Statement of Net Position in the amount of \$283.6 million. This liability grew by \$ 23.3 million between fiscal years 2024 and 2025.

City management continues to carefully monitor this fund and evaluate strategies for reducing and eliminating this deficit net position balance.

**City of Fresno**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2025**

**Note 17 – Net Investment in Capital Assets**

Net Investment in Capital Assets at June 30, 2025 consisted of the following:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Net investment in capital assets:		
Capital assets, nondepreciable	\$ 658,786	\$ 333,591
Capital assets, depreciable/amortizable, net	782,915	1,364,528
Unspent bond proceeds on capital-related debt	13,944	19,247
Capital-related liabilities:		
Retention payable	(6,281)	(37,907)
Bonds from public borrowings, of premium/(discount)	(90,284)	(285,797)
Bonds from direct placements	-	30,974
Accreted interest	-	(2,010)
Notes payable from direct borrowings	-	(376,580)
Lease and subscription liability	(15,152)	(1,360)
Finance purchase agreements	(70,307)	(23,300)
Total net investment in capital assets	\$ 1,273,621	\$ 1,021,386

**Note 18 – Subsequent Events**

**Fresno Joint Powers Financing Authority, Lease Revenue Bonds, Series 2025A&B (Public Safety Projects)**

On August 28, 2025, the Authority issuing \$53,230,000 principal amount of Fresno Joint Powers Financing Authority Lease Revenue Bonds (Public Safety Projects), Series 2025A (the “Series 2025A Bonds”) and \$1,750,000 principal amount of Fresno Joint Powers Financing Authority Lease Revenue Bonds (Public Safety Projects), Series 2025B (Federally Taxable) (the “Series 2025B Bonds”) and, together with the Series 2025A Bonds, the “Series 2025 Bonds”) to: (i) pay the costs of constructing a new Fire Station No. 12 and a new 911 Emergency Call Center, and constructing and installing certain improvements to the Police Department Headquarters Building (collectively, the “Series 2025 Projects”) located in the City of Fresno (the “City”); (ii) capitalize interest on the Series 2025 Bonds through April 1, 2029; and (iii) pay certain costs associated with the issuance of the Series 2025 Bonds, including premiums.

The Series 2019A Bonds are scheduled to mature on each April 1 from 2030 to 2055 with serial bonds from 2030 to 2045 with principal amounts ranging from \$200,000 to \$2,230,000 and term bonds maturing in 2050 in the amount of \$12,985,000 and 2055 in the amount of \$16,645,000. The Series 2019A Bonds interest is paid semi-annually with interest rates ranging from 4.63% to 5.25%. The Series 2019B Bonds are serial bonds scheduled to mature on each April 1 from 2030 to 2031 with principal amounts ranging from \$860,000 to \$890,000. The Series 2019B Bonds included interest is paid semi-annually with interest rates ranging from 4.18% to 4.41%.

The Series 2025A bonds were sold with a net original issue premium of \$2,282,334 and costs of issuance of \$1,072,204 (including the underwriter’s discount, the fee for bond insurance and a surety fee for the reserve fund). The Series 2025A bonds were sold with costs of issuance of \$34,644 (including the underwriter’s discount, the fee for bond insurance and a surety fee for the reserve fund). The Series 2025A and 2025B bonds are secured by a pledge of lease revenues pursuant to Master Facilities Sublease, dated September 1, 2025.

**REQUIRED SUPPLEMENTARY INFORMATION**

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**City of Fresno**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Information**  
**For the Year Ended June 30, 2025**

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**Budgetary Control and Budgetary Accounting**

Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for all governmental fund types. The budget is prepared in accordance with accounting principles generally accepted in the United States of America. From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various City departments.

The City has five-year business plan development procedure. The five-year business plan process requires that each department submit their five-year expenditure plans and revenue estimates to be provided to the City Council for approval. Only the first year of the five-year business plan will be adopted. The remaining years represent a projected plan which is expected to be appropriated by resolution in the following years. As a part of the five-year business plan, the focus in year one is on the operating budget, while the focus on years two through five is the City's CIP.

The City controls its budget at the fund and department level. The City Council is the sole budget authority. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Proprietary Funds, and Capital Funds are included in the annual budget. The City does not adopt budgets for the Fresno Revitalization Corporation and Fresno E.I.F.D. Special Revenue Funds.

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**City of Fresno**  
**Required Supplementary Information (Unaudited) (Continued)**  
**Schedule of Revenues, Expenditures, and Change in Fund Balance**  
**Budget and Actual – General Fund**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable/ (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ 189,806	\$ 189,806	\$ 190,137	\$ 331
Sales taxes	151,746	151,746	146,400	(5,346)
Other taxes	41,566	41,566	46,460	4,894
Franchise taxes	22,064	22,064	23,391	1,327
Licenses and permits	9,610	9,796	9,699	(97)
Intergovernmental:				
Federal grants	13	13	129	116
State grants	-	-	3	3
State motor vehicle in-lieu	-	-	1,699	1,699
Local support	35	535	500	(35)
Other state revenue	536	536	742	206
Other intergovernmental	48	48	-	(48)
Charges for services	43,572	43,572	37,933	(5,639)
Fines, forfeitures and penalties	2,995	2,995	3,997	1,002
Use of money and property	2,640	2,640	7,261	4,621
Miscellaneous	57,951	58,293	1,835	(56,458)
<b>Total revenues</b>	<u>522,582</u>	<u>523,610</u>	<u>470,186</u>	<u>(53,424)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	67,668	73,384	51,416	21,968
Public protection:				
Police Department	72,463	73,755	66,264	7,491
Fire Department	251,015	251,119	232,018	19,101
Public ways and facilities	37,966	39,816	13,511	26,305
Culture and recreation	24,018	24,437	20,167	4,270
Community development	74,127	77,851	47,742	30,109
Capital outlay	10,160	14,577	18,398	(3,821)
Debt service:				
Principal	-	-	8,538	(8,538)
Interest	-	-	1,502	(1,502)
<b>Total expenditures</b>	<u>537,417</u>	<u>554,939</u>	<u>459,556</u>	<u>95,383</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(14,835)</u>	<u>(31,329)</u>	<u>10,630</u>	<u>41,959</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Capital financing activity	-	-	19,574	19,574
Transfers in	7,197	7,197	5,922	(1,275)
Transfers out	(24,091)	(24,091)	(35,008)	(10,917)
<b>Total other financing sources (uses)</b>	<u>(16,894)</u>	<u>(16,894)</u>	<u>(9,512)</u>	<u>7,382</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (31,729)</u>	<u>\$ (48,223)</u>	<u>1,118</u>	<u>\$ 7,382</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>109,039</u>	
End of year			<u>\$ 110,157</u>	

**City of Fresno**  
**Required Supplementary Information (Unaudited) (Continued)**  
**Schedule of Revenues, Expenditures, and Change in Fund Balance**  
**Budget and Actual – Grants Fund**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental:				
Federal grants	\$ 86,584	\$ 92,331	\$ 90,094	\$ (2,237)
State grants	199,133	204,651	94,572	(110,079)
Local support	117	170	137	(33)
Other state revenue	24,078	25,384	145	(25,239)
Other intergovernmental	-	-	(475)	(475)
Charges for services	2,025	2,025	-	(2,025)
Use of money and property	1,887	1,887	25	(1,862)
Miscellaneous	1,008	1,008	364	(644)
<b>Total revenues</b>	<b>314,832</b>	<b>327,456</b>	<b>184,862</b>	<b>(142,594)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	5,865	5,865	5,881	(16)
Public protection	44,268	44,268	44,268	-
Public ways and facilities	35,879	50,762	11,341	39,421
Culture and recreation	7,075	6,919	1,714	5,205
Community development	196,610	220,763	28,154	192,609
Capital outlay	113,365	177,737	69,073	108,664
Debt service:				
Principal	-	-	631	(631)
Interest	-	-	40	(40)
<b>Total expenditures</b>	<b>403,062</b>	<b>506,314</b>	<b>161,102</b>	<b>345,212</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(88,230)</b>	<b>(178,858)</b>	<b>23,760</b>	<b>202,618</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	216	216	3,530	3,314
Transfers out	(175)	(175)	(4,754)	(4,579)
<b>Total other financing sources (uses)</b>	<b>41</b>	<b>41</b>	<b>(1,224)</b>	<b>(1,265)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (88,189)</b>	<b>\$ (178,817)</b>	<b>22,536</b>	<b>\$ 201,353</b>
<b>FUND BALANCE:</b>				
Beginning of year			42,609	
End of year			<b>\$ 65,145</b>	

**City of Fresno**  
**Required Supplementary Information (Unaudited) (Continued)**  
**Schedule of Investment Returns**  
**Last Ten Fiscal Years**

**Pension Trust Funds**

**All Retirement Systems (Combined)**

**Last Ten Fiscal Years**

<b>Fiscal Year Ending June 30</b>	<b>Annual Money-Weighted Rate of Return Gross of Investment Expenses</b>	<b>Annual Money-Weighted Rate of Return Net of Investment Expense</b>
2025	11.07%	10.92%
2024	10.56%	10.38%
2023	9.74%	9.52%
2022	-7.12%	-7.28%
2021	30.85%	30.43%
2020	1.61%	1.26%
2019	5.54%	5.20%
2018	8.93%	8.57%
2017	14.73%	14.35%
2016	0.82%	0.53%

The Schedule of Investment Returns above shows the annual money-weighted rate of return on the assets of the Systems, both gross and net of investment expense for ten fiscal years (2015-2024). The money-weighted rate of return expresses investment performance adjusted for timing of cash flows and the changing amounts actually invested. These returns differ slightly from the time-weighted rate of returns calculated and reported by the Systems' custodian, Northern Trust, and as independently reported by the Systems' investment consulting firm, NEPC, LLC. The Systems' custodian and investment consulting firm must use time-weighted returns as opposed to money-weighted returns in order to meet Global Investment Performance Standards for the purposes of effectively evaluating and reporting the performance of the Systems' investment managers.

The time-weighted return method is a measure of the compound rate of return of a portfolio over a stated period of time. It requires a set of subperiod returns to be calculated whenever there is an external cash flow, such as a deposit or withdrawal from the portfolio. In essence, it calculates the geometric total and mean return as opposed to the arithmetic total and mean return. This method does not include or have any distortions created when money is deposited or withdrawn from a portfolio. This is in contrast to money-weighted returns.

**City of Fresno**  
**Required Supplementary Information (Unaudited) (Continued)**  
**Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios**  
**Last Ten Fiscal Years**  
**(amounts in thousands)**

**Pension Trust Funds**

**Fire and Police Retirement System**

**(Last Ten Fiscal Years)**

**Change in Net Pension Liability (Asset) (in thousands)**

For the Fiscal Year Ended:	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Reporting Date:	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Measurement Date:	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020
<b>Total Pension Liability:</b>					
Service Cost	\$45,611	\$ 41,190	\$ 38,322	\$ 37,563	\$ 37,619
Interest	125,971	117,304	114,608	109,740	105,570
Differences between expected & actual experience	48,898	51,061	22,226	(5,449)	260
Changes of assumptions	-	-	624	-	(14,745)
Benefit payments, including refunds	(90,219)	(80,937)	(75,178)	(70,963)	(67,202)
<b>Net changes in Total Pension Liability</b>	<b>130,261</b>	<b>128,618</b>	<b>100,602</b>	<b>70,891</b>	<b>61,502</b>
<b>Beginning of Year</b>	<b>1,865,741</b>	<b>1,737,123</b>	<b>1,636,521</b>	<b>1,565,630</b>	<b>1,504,128</b>
<b>End of Year</b>	<b>\$ 1,996,002</b>	<b>\$ 1,865,741</b>	<b>\$ 1,737,123</b>	<b>\$ 1,636,521</b>	<b>\$ 1,565,630</b>
<b>Plan Fiduciary Net Position:</b>					
Contributions - employer	\$ 30,635	\$ 27,068	\$ 27,556	\$ 26,315	\$ 22,324
Contributions - employee	13,108	12,054	10,973	10,256	10,012
Net Investment Income	206,468	198,976	(160,517)	491,744	24,206
Benefit Payments including Refunds, PRSB	(90,219)	(80,937)	(75,178)	(70,963)	(67,202)
Administrative & Professional Expense	(2,459)	(2,401)	(2,126)	(2,282)	(1,839)
<b>Net changes in Plan Fiduciary Net Position</b>	<b>157,533</b>	<b>154,760</b>	<b>(199,292)</b>	<b>455,070</b>	<b>(12,499)</b>
<b>Beginning of Year</b>	<b>2,045,839</b>	<b>1,891,079</b>	<b>2,090,371</b>	<b>1,635,301</b>	<b>1,647,800</b>
<b>End of Year</b>	<b>\$ 2,203,372</b>	<b>\$ 2,045,839</b>	<b>\$ 1,891,079</b>	<b>\$ 2,090,371</b>	<b>\$ 1,635,301</b>
<b>Net Pension Liability (Asset)</b>	<b>\$ (207,370)</b>	<b>\$ (180,098)</b>	<b>\$ (153,956)</b>	<b>\$ (453,850)</b>	<b>\$ (69,671)</b>
<b>Fiduciary Net Position as a percentage of Total Pension Liability</b>	<b>110.39%</b>	<b>109.65%</b>	<b>108.86%</b>	<b>127.73%</b>	<b>104.45%</b>
<b>Covered Payroll</b>	<b>\$ 145,669</b>	<b>\$ 134,252</b>	<b>\$ 122,634</b>	<b>\$ 115,341</b>	<b>\$ 113,843</b>
<b>Net Pension Liability (Asset) as a % of Payroll</b>	<b>-142.36%</b>	<b>-134.15%</b>	<b>-125.54%</b>	<b>-393.49%</b>	<b>-61.20%</b>

\* Data above is provided in accordance with provisions of GASB Statement No. 68 for determining Total Pension Liability which for financial reporting purposes uses a version of the Entry Age method whereby the Actuarial Accrued Liability is fully accrued when a member either enters DROP or is expected to elect DROP.

(1) Covered payroll represents payroll in which contributions to the Systems are based.

**City of Fresno**  
**Required Supplementary Information (Unaudited) (Continued)**  
**Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios (Continued)**  
**Last Ten Fiscal Years**  
**(amounts in thousands)**

**Pension Trust Funds**

**Fire and Police Retirement System**

**(Last Ten Fiscal Years)**

**Change in Net Pension Liability (Asset) (in thousands)**

For the Fiscal Year Ended:	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Reporting Date:	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Measurement Date:	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
<b>Total Pension Liability:</b>					
Service Cost	\$33,211	\$30,298	\$28,838	\$26,569	\$26,518
Interest	100,609	95,274	90,184	88,363	86,772
Differences between expected & actual experience	(7,067)	6,722	10,896	(42,953)	(36,528)
Changes of assumptions	55,856	2,891	-	49,427	-
Benefit payments, including refunds	(65,962)	(63,071)	(59,273)	(56,581)	(54,612)
<b>Net changes in Total Pension Liability</b>	<b>116,647</b>	<b>72,114</b>	<b>70,645</b>	<b>64,825</b>	<b>22,150</b>
<b>Beginning of Year</b>	<b>1,387,481</b>	<b>1,315,367</b>	<b>1,244,722</b>	<b>1,179,897</b>	<b>1,157,747</b>
<b>End of Year</b>	<b>\$ 1,504,128</b>	<b>\$ 1,387,481</b>	<b>\$ 1,315,367</b>	<b>\$ 1,244,722</b>	<b>\$ 1,179,897</b>
<b>Plan Fiduciary Net Position:</b>					
Contributions - employer	\$20,604	\$19,697	\$18,543	\$18,738	\$18,967
Contributions - employee	9,597	8,964	8,169	7,748	7,385
Net Investment Income	82,872	129,163	192,315	6,063	39,164
Benefit Payments including Refunds, PRSB	(65,962)	(63,071)	(59,273)	(56,581)	(54,612)
Administrative & Professional Expense	(1,897)	(1,710)	(1,500)	(1,397)	(1,108)
<b>Net changes in Plan Fiduciary Net Position</b>	<b>45,214</b>	<b>93,043</b>	<b>158,254</b>	<b>(25,429)</b>	<b>9,796</b>
<b>Beginning of Year</b>	<b>1,602,586</b>	<b>1,509,543</b>	<b>1,351,289</b>	<b>1,376,718</b>	<b>1,366,922</b>
<b>End of Year</b>	<b>\$ 1,647,800</b>	<b>\$ 1,602,586</b>	<b>\$ 1,509,543</b>	<b>\$ 1,351,289</b>	<b>\$ 1,376,718</b>
<b>Net Pension Liability (Asset)</b>	<b>\$ (143,672)</b>	<b>\$ (215,105)</b>	<b>\$ (194,176)</b>	<b>\$ (106,567)</b>	<b>\$ (196,821)</b>
<b>Fiduciary Net Position as a percentage of Total Pension Liability</b>	<b>109.55%</b>	<b>115.50%</b>	<b>51.17%</b>	<b>108.56%</b>	<b>116.68%</b>
<b>Covered Payroll</b>	<b>\$ 109,803</b>	<b>\$ 103,934</b>	<b>\$ 97,369</b>	<b>\$ 94,266</b>	<b>\$ 91,075</b>
<b>Net Pension Liability (Asset) as a % of Payroll</b>	<b>-130.85%</b>	<b>-206.96%</b>	<b>-199.42%</b>	<b>-113.05%</b>	<b>-216.11%</b>

**City of Fresno**  
**Required Supplementary Information (Unaudited) (Continued)**  
**Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios**  
**Last Ten Fiscal Years**  
**(amounts in thousands)**

<b>Pension Trust Funds</b>					
<b>Employees Retirement System</b>					
<b>(Last Ten Fiscal Years)</b>					
<b>Change in Net Pension Liability (Asset) (in thousands)</b>					
For the Fiscal Year Ended:	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Reporting Date:	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Measurement Date:	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020
Total Pension Liability:					
Service Cost	\$ 44,235	\$ 37,299	\$ 32,382	\$ 30,993	\$ 28,762
Interest	105,949	99,304	96,311	93,357	89,222
Differences between expected & actual experience	40,919	35,440	40,833	(12,980)	5,748
Changes of assumptions	-	-	(4,262)	-	-
Benefit payments, including refunds	(83,202)	(77,873)	(71,884)	(69,246)	(64,519)
<b>Net changes in Total Pension Liability</b>	<b>107,901</b>	<b>94,170</b>	<b>93,380</b>	<b>42,124</b>	<b>59,213</b>
<b>Beginning of Year</b>	<b>1,566,983</b>	<b>1,472,813</b>	<b>1,379,433</b>	<b>1,337,309</b>	<b>1,278,096</b>
<b>End of Year</b>	<b>\$ 1,674,884</b>	<b>\$ 1,566,983</b>	<b>\$ 1,472,813</b>	<b>\$ 1,379,433</b>	<b>\$ 1,337,309</b>
<b>Plan Fiduciary Net Position:</b>					
Contributions - employer	\$ 28,621	\$ 22,236	\$ 22,017	\$ 20,144	\$ 16,554
Contributions - employee	18,833	14,894	15,493	13,750	11,028
Net Investment Income	169,858	164,014	(132,625)	407,811	20,109
Benefit Payments including Refunds, PRSB	(83,202)	(77,873)	(71,884)	(69,246)	(64,519)
Administrative & Professional Expense	(2,319)	(2,146)	(2,050)	(2,058)	(1,749)
<b>Net changes in Plan Fiduciary Net Position</b>	<b>131,791</b>	<b>121,125</b>	<b>(169,049)</b>	<b>370,401</b>	<b>(18,577)</b>
<b>Beginning of Year</b>	<b>1,683,313</b>	<b>1,562,188</b>	<b>1,731,237</b>	<b>1,360,836</b>	<b>1,379,413</b>
<b>End of Year</b>	<b>\$ 1,815,104</b>	<b>\$ 1,683,313</b>	<b>\$ 1,562,188</b>	<b>\$ 1,731,237</b>	<b>\$ 1,360,836</b>
<b>Net Pension Liability (Asset)</b>	<b>\$ (140,220)</b>	<b>\$ (116,330)</b>	<b>\$ (89,375)</b>	<b>\$ (351,804)</b>	<b>\$ (23,527)</b>
<b>Fiduciary Net Position as a percentage of Total Pension Liability</b>	<b>108.37%</b>	<b>107.42%</b>	<b>106.07%</b>	<b>125.50%</b>	<b>101.76%</b>
<b>Covered Payroll</b>	<b>\$ 213,088</b>	<b>\$ 186,219</b>	<b>\$ 164,642</b>	<b>\$ 154,031</b>	<b>\$ 149,403</b>
<b>Net Pension Liability (Asset) as a % of Payroll</b>	<b>-65.80%</b>	<b>-62.47%</b>	<b>-54.28%</b>	<b>-228.40%</b>	<b>-15.75%</b>

\* Data above is provided in accordance with provisions of GASB Statement No. 68 for determining Total Pension Liability which for financial reporting purposes uses a version of the Entry Age method whereby the Actuarial Accrued Liability is fully accrued when a member either enters DROP or is expected to elect DROP.

(1) Covered payroll represents payroll in which contributions to the Systems are based.

**City of Fresno**  
**Required Supplementary Information (Unaudited) (Continued)**  
**Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios (Continued)**  
**Last Ten Fiscal Years**  
**(amounts in thousands)**

<b>Pension Trust Funds</b>					
<b>Employees Retirement System</b>					
<b>(Last Ten Fiscal Years)</b>					
<b>Change in Net Pension Liability (Asset) (in thousands)</b>					
For the Fiscal Year Ended:	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Reporting Date:	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Measurement Date:	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
<b>Total Pension Liability:</b>					
Service Cost	\$ 23,509	\$ 21,275	\$ 18,885	\$ 18,687	\$ 18,476
Interest	86,110	82,833	79,266	79,762	78,212
Differences between expected & actual experience	(446)	(4,164)	5,264	(24,394)	(24,691)
Changes of assumptions	35,773	2,939	-	9,612	-
Benefit payments, including refunds	(62,144)	(57,666)	(55,550)	(52,529)	(50,546)
<b>Net changes in Total Pension Liability</b>	<b>82,802</b>	<b>45,217</b>	<b>47,865</b>	<b>31,138</b>	<b>21,451</b>
<b>Beginning of Year</b>	<b>1,195,294</b>	<b>1,150,077</b>	<b>1,102,212</b>	<b>1,071,074</b>	<b>1,049,623</b>
<b>End of Year</b>	<b>\$ 1,278,096</b>	<b>\$ 1,195,294</b>	<b>\$ 1,150,077</b>	<b>\$ 1,102,212</b>	<b>\$ 1,071,074</b>
<b>Plan Fiduciary Net Position:</b>					
Contributions - employer	\$ 14,627	\$ 14,609	\$ 15,205	\$ 13,060	\$ 12,327
Contributions - employee	10,516	10,329	10,181	9,098	8,750
Net Investment Income	69,389	108,915	162,373	5,089	33,309
Benefit Payments including Refunds, PRSB	(62,144)	(57,666)	(55,550)	(52,529)	(50,546)
Administrative & Professional Expense	(1,663)	(1,619)	(1,387)	(1,346)	(1,071)
<b>Net changes in Plan Fiduciary Net Position</b>	<b>30,725</b>	<b>74,568</b>	<b>130,822</b>	<b>(26,628)</b>	<b>2,769</b>
<b>Beginning of Year</b>	<b>1,348,688</b>	<b>1,274,120</b>	<b>1,143,298</b>	<b>1,169,926</b>	<b>1,167,157</b>
<b>End of Year</b>	<b>\$ 1,379,413</b>	<b>\$ 1,348,688</b>	<b>\$ 1,274,120</b>	<b>\$ 1,143,298</b>	<b>\$ 1,169,926</b>
<b>Net Pension Liability (Asset)</b>	<b>\$ (101,317)</b>	<b>\$ (153,394)</b>	<b>\$ (124,043)</b>	<b>\$ (41,086)</b>	<b>\$ (98,852)</b>
<b>Fiduciary Net Position as a percentage of Total Pension Liability</b>	<b>107.93%</b>	<b>112.83%</b>	<b>110.79%</b>	<b>103.73%</b>	<b>109.23%</b>
<b>Covered Payroll</b>	<b>\$ 138,396</b>	<b>\$ 128,461</b>	<b>\$ 119,007</b>	<b>\$ 108,541</b>	<b>\$ 105,820</b>
<b>Net Pension Liability (Asset) as a % of Payroll</b>	<b>-73.21%</b>	<b>-119.41%</b>	<b>-104.23%</b>	<b>-37.85%</b>	<b>-93.42%</b>

**City of Fresno**  
**Required Supplementary Information (Unaudited) (Continued)**  
**Schedule of Employer Contribution - Pension Trust Funds**  
**Last Ten Fiscal Years**  
**(amounts in thousands)**

**Fire and Police Retirement System**

Fiscal Year Ending June 30	Actuarially Determined Contribution (ADC) <sup>1</sup>	Contributions in Relation to the ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 28,884	\$ 28,884	-	\$ 150,039	19.25%
2024	30,635	30,635	-	145,669	21.03%
2023	27,068	27,068	-	134,252	20.16%
2022	27,556	27,556	-	122,634	22.47%
2021	26,315	26,315	-	115,341	22.81%
2020	22,324	22,324	-	113,843	19.61%
2019	20,604	20,604	-	109,803	18.76%
2018	19,697	19,697	-	103,934	18.95%
2017	18,543	18,543	-	97,369	19.04%
2016	18,738	18,738	-	94,266	19.88%

**Employee Retirement System**

Fiscal Year Ending June 30	Actuarially Determined Contribution (ADC) <sup>1</sup>	Contributions in Relation to the ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 29,068	\$ 29,068	-	\$ 219,481	13.24%
2024	28,621	28,621	-	213,088	13.43%
2023	22,236	22,236	-	186,219	11.94%
2022	22,017	22,017	-	164,642	13.37%
2021	20,144	20,144	-	154,031	13.08%
2020	16,554	16,554	-	149,403	11.08%
2019	14,627	14,627	-	138,396	10.57%
2018	14,609	14,609	-	128,461	11.37%
2017	15,205	15,205	-	119,007	12.78%
2016	13,060	13,060	-	108,541	12.03%

<sup>1</sup> Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported. As such, the actuarial valuation dated June 30, 2023, will impact the contribution rate for the fiscal year ended June 30, 2025.

**City of Fresno**  
**Required Supplementary Information (Unaudited) (Continued)**  
**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**Last Ten Fiscal Years**  
**(amounts in thousands)**

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>For the Measurement Period:</b>	<u>2023-2024</u>	<u>2022-2023</u>	<u>2021-2022</u>	<u>2020-2021</u>	<u>2019-2020</u>	<u>2018-2019</u>	<u>2017-2018</u>	<u>2016-2017<sup>2</sup></u>
<b>Total OPEB Liability:</b>								
Service cost	\$ 5,506	\$ 8,243	\$ 6,908	\$ 6,603	\$ 10,052	\$ 10,885	\$ 5,777	\$ 4,769
Interest on the total OPEB liability	4,725	4,179	3,946	3,221	3,045	3,012	3,688	2,996
Difference between expected and actual experience	-	1,645	-	(19,028)	-	(7,800)	-	416
Changes in assumptions	(22,624)	(13,448)	2,444	(40,728)	(6,622)	30,936	13,406	-
Benefit payments	(2,937)	(2,153)	(2,077)	(2,912)	(2,542)	(2,061)	(1,991)	-
<b>Net changes in Total OPEB Liability</b>	<u>(15,330)</u>	<u>(1,534)</u>	<u>11,221</u>	<u>(52,844)</u>	<u>3,933</u>	<u>34,972</u>	<u>20,880</u>	<u>8,181</u>
<b>Beginning of year</b>	<u>109,448</u>	<u>110,982</u>	<u>99,761</u>	<u>152,605</u>	<u>148,672</u>	<u>113,700</u>	<u>92,820</u>	<u>84,639</u>
<b>End of year</b>	<u>\$ 94,118</u>	<u>\$ 109,448</u>	<u>\$ 110,982</u>	<u>\$ 99,761</u>	<u>\$ 152,605</u>	<u>\$ 148,672</u>	<u>\$ 113,700</u>	<u>\$ 92,820</u>
<b>Covered-employee payroll as of December 31<sup>1</sup></b>	<u>\$ 372,439</u>	<u>\$ 359,844</u>	<u>\$ 304,801</u>	<u>\$ 294,493</u>	<u>\$ 257,132</u>	<u>\$ 250,860</u>	<u>\$ 236,134</u>	<u>\$ 223,664</u>
<b>Total OPEB liability as a % of payroll</b>	25.27%	30.42%	36.41%	33.88%	59.35%	59.26%	48.15%	41.50%

**Notes to Schedule**

Historical information is required only for measurement periods for which GASB Statement No. 75 is applicable.

Future years information will be displayed up to 10 years as information becomes available.

The City does not accumulate assets in a dedicated trust, or equivalent arrangement, for the purpose of funding its retiree healthcare obligation. Therefore, the actuarial value of plan assets is zero.

<sup>1</sup>Covered-employee payroll used in the most recent valuation was calculated based on mid-year, as it was considered representative of the payroll during the fiscal year.

<sup>2</sup>Information only presented from the implementation year.

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**SUPPLEMENTARY INFORMATION**

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**NON-MAJOR GOVERNMENTAL FUNDS**

**City of Fresno**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Special Revenue Funds				
	High Speed	Fresno	Special	Measure C	Measure P
	Rail Fund	Revitalization Corporation Fund	Gas Tax Fund	Fund	Fund
<b>ASSETS</b>					
Cash and investments	\$ 5,011	\$ -	\$ 22,227	\$ 22,754	\$ 61,829
Restricted cash and investments	-	155	-	-	-
Accounts receivables, net	-	-	-	-	-
Interest receivable	40	-	195	140	531
Lease receivable	-	-	-	-	-
Grants receivable	12	-	-	6,646	-
Intergovernmental receivable	-	-	3,909	3,215	8,349
Loan, note, and other receivables, net	-	-	-	-	-
Inventories and prepaid items	-	-	-	70	-
Property held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 5,063</b>	<b>\$ 155</b>	<b>\$ 26,331</b>	<b>\$ 32,825</b>	<b>\$ 70,709</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 75	\$ -	\$ 1,597	\$ 2,059	\$ 2,152
Salaries payable	28	112	306	241	707
Retention payable	-	-	845	668	339
Deposits from others	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>103</b>	<b>112</b>	<b>2,748</b>	<b>2,968</b>	<b>3,198</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	-	-	-	1,196	-
Related to leases	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,196</b>	<b>-</b>
<b>Fund Balances:</b>					
Nonspendable	-	-	-	70	-
Restricted	4,960	43	23,583	28,591	67,511
Assigned	-	-	-	-	-
<b>Total fund balances</b>	<b>4,960</b>	<b>43</b>	<b>23,583</b>	<b>28,661</b>	<b>67,511</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 5,063</b>	<b>\$ 155</b>	<b>\$ 26,331</b>	<b>\$ 32,825</b>	<b>\$ 70,709</b>

(Continued)

**City of Fresno**  
**Combining Balance Sheet (Continued)**  
**Non-Major Governmental Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Special Revenue Funds				
	Community Services Fund	UGM Impact Fees Fund	Fresno E.I.F.D. Fund	Low and Moderate Income Housing Fund	Special Assessments Fund
<b>ASSETS</b>					
Cash and investments	\$ 10,827	\$ 84,328	\$ 1,389	\$ -	\$ 17,199
Restricted cash and investments	-	-	-	6,856	-
Accounts receivables, net	501	-	-	-	-
Interest receivable	75	720	3	-	134
Lease receivable	288	-	-	-	-
Grants receivable	1,201	-	-	-	-
Intergovernmental receivable	4	-	-	-	164
Loan, note, and other receivables, net	-	-	-	24,024	-
Inventories and prepaid items	-	-	-	-	-
Property held for resale	-	-	-	3,126	-
<b>Total assets</b>	<b>\$ 12,896</b>	<b>\$ 85,048</b>	<b>\$ 1,392</b>	<b>\$ 34,006</b>	<b>\$ 17,497</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 2,982	\$ 504	\$ -	\$ -	\$ 213
Salaries payable	94	19	-	-	125
Retention payable	44	408	-	-	-
Deposits from others	31	-	-	-	-
Unearned revenue	432	-	-	-	-
Advances from other funds	-	263	-	-	-
<b>Total liabilities</b>	<b>3,583</b>	<b>1,194</b>	<b>-</b>	<b>-</b>	<b>338</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	1,169	-	-	-	-
Related to leases	155	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>1,324</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Nonspendable	-	-	-	3,126	-
Restricted	7,989	83,854	1,392	30,880	17,159
Assigned	-	-	-	-	-
<b>Total fund balances</b>	<b>7,989</b>	<b>83,854</b>	<b>1,392</b>	<b>34,006</b>	<b>17,159</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 12,896</b>	<b>\$ 85,048</b>	<b>\$ 1,392</b>	<b>\$ 34,006</b>	<b>\$ 17,497</b>

(Continued)

**City of Fresno**  
**Combining Balance Sheet (Continued)**  
**Non-Major Governmental Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Debt Service Funds		Capital Projects Funds	Total Non-Major Governmental Funds
	City Debt Fund	Financing Authorities and Corporations Fund	City Combined Fund	
<b>ASSETS</b>				
Cash and investments	\$ 42	\$ 2,152	\$ 33,900	\$ 261,658
Restricted cash and investments	43	195	-	7,249
Accounts receivables, net	-	-	-	501
Interest receivable	10	-	272	2,120
Lease receivable	-	-	-	288
Grants receivable	-	-	-	7,859
Intergovernmental receivable	-	-	-	15,641
Loan, note, and other receivables, net	-	-	-	24,024
Inventories and prepaid items	-	-	-	70
Property held for resale	-	-	-	3,126
<b>Total assets</b>	<b>\$ 95</b>	<b>\$ 2,347</b>	<b>\$ 34,172</b>	<b>\$ 322,536</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 30	\$ 931	\$ 10,543
Salaries payable	-	-	19	1,651
Retention payable	-	-	363	2,667
Deposits from others	-	-	-	31
Unearned revenue	-	-	-	432
Advances from other funds	-	-	-	263
<b>Total liabilities</b>	<b>-</b>	<b>30</b>	<b>1,313</b>	<b>15,587</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	-	-	-	2,365
Related to leases	-	-	-	155
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,520</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	3,196
Restricted	95	2,317	-	268,374
Assigned	-	-	32,859	32,859
<b>Total fund balances</b>	<b>95</b>	<b>2,317</b>	<b>32,859</b>	<b>304,429</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 95</b>	<b>\$ 2,347</b>	<b>\$ 34,172</b>	<b>\$ 322,536</b>

(Concluded)

**City of Fresno**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Special Revenue Funds				
	High Speed Rail Fund	Fresno Revitalization Corporation Fund	Special Gas Tax Fund	Measure C Fund	Measure P Fund
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ 57,841	\$ 46,117
Licenses and permits	-	-	-	-	-
Intergovernmental	44	-	29,864	8	-
Charges for services	1,429	204	-	-	17
Fines, forfeitures and penalties	-	-	-	-	-
Use of money and property	231	-	1,298	803	1,955
Miscellaneous	-	-	321	182	1
<b>Total revenues</b>	<b>1,704</b>	<b>204</b>	<b>31,483</b>	<b>58,834</b>	<b>48,090</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Public protection	-	-	-	-	-
Public ways and facilities	418	-	19,837	15,807	2,184
Culture and recreation	-	-	-	-	24,047
Community development	-	215	-	-	929
Capital outlay	959	-	9,084	40,577	13,677
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total expenditures</b>	<b>1,377</b>	<b>215</b>	<b>28,921</b>	<b>56,384</b>	<b>40,837</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>327</b>	<b>(11)</b>	<b>2,562</b>	<b>2,450</b>	<b>7,253</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from sale of property	-	-	-	1,311	-
Transfers in	1,280	-	367	702	22
Transfers out	(186)	-	(852)	(1,516)	(338)
<b>Total other financing sources (uses)</b>	<b>1,094</b>	<b>-</b>	<b>(485)</b>	<b>497</b>	<b>(316)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,421</b>	<b>(11)</b>	<b>2,077</b>	<b>2,947</b>	<b>6,937</b>
<b>FUND BALANCES:</b>					
Beginning of year	3,539	54	21,506	25,714	60,574
End of year	<u>\$ 4,960</u>	<u>\$ 43</u>	<u>\$ 23,583</u>	<u>\$ 28,661</u>	<u>\$ 67,511</u>

(Continued)

**City of Fresno**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Non-Major Governmental Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Special Revenue Funds				
	Community Services Fund	UGM Impact Fees Fund	Fresno E.I.F.D. Fund	Low and Moderate Income Housing Fund	Special Assessments Fund
<b>REVENUES:</b>					
Taxes	\$ 2,152	\$ -	\$ 1,060	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	3,078	-	-	-	-
Charges for services	3,992	21,970	-	1	12,200
Fines, forfeitures and penalties	346	-	-	-	-
Use of money and property	826	4,562	20	16	884
Miscellaneous	10	19	-	-	8
<b>Total revenues</b>	<b>10,404</b>	<b>26,551</b>	<b>1,080</b>	<b>17</b>	<b>13,092</b>
<b>EXPENDITURES:</b>					
Current:					
General government	552	-	-	-	-
Public protection	2,793	291	-	-	-
Public ways and facilities	835	9,375	25	-	10,637
Culture and recreation	1,105	207	-	-	-
Community development	2,810	-	-	1,319	-
Capital outlay	1,736	4,860	-	-	132
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total expenditures</b>	<b>9,831</b>	<b>14,733</b>	<b>25</b>	<b>1,319</b>	<b>10,769</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>573</b>	<b>11,818</b>	<b>1,055</b>	<b>(1,302)</b>	<b>2,323</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from sale of property	-	-	-	-	-
Transfers in	1,213	1,252	-	250	4
Transfers out	(1,112)	(2,961)	-	-	(177)
<b>Total other financing sources (uses)</b>	<b>101</b>	<b>(1,709)</b>	<b>-</b>	<b>250</b>	<b>(173)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>674</b>	<b>10,109</b>	<b>1,055</b>	<b>(1,052)</b>	<b>2,150</b>
<b>FUND BALANCES:</b>					
Beginning of year	7,315	73,745	337	35,058	15,009
End of year	<u>\$ 7,989</u>	<u>\$ 83,854</u>	<u>\$ 1,392</u>	<u>\$ 34,006</u>	<u>\$ 17,159</u>

(Continued)

**City of Fresno**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Non-Major Governmental Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Debt Service Funds		Capital Projects Funds	Total Non-Major Governmental Funds
	City Debt Fund	Financing Authorities and Corporations Fund	City Combined Fund	
		Fund	Fund	
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ -	\$ 107,170
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	32,994
Charges for services	-	-	1,712	41,525
Fines, forfeitures and penalties	-	-	-	346
Use of money and property	83	(24)	2,488	13,142
Miscellaneous	-	-	9	550
<b>Total revenues</b>	<b>83</b>	<b>(24)</b>	<b>4,209</b>	<b>195,727</b>
<b>EXPENDITURES:</b>				
Current:				
General government	1	6	-	559
Public protection	-	-	1,599	4,683
Public ways and facilities	-	-	229	59,347
Culture and recreation	-	-	158	25,517
Community development	-	-	27	5,300
Capital outlay	-	-	2,622	73,647
Debt service:				
Principal	11,790	6,150	-	17,940
Interest	4,402	4,209	-	8,611
<b>Total expenditures</b>	<b>16,193</b>	<b>10,365</b>	<b>4,635</b>	<b>195,604</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(16,110)</b>	<b>(10,389)</b>	<b>(426)</b>	<b>123</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from sale of property	-	-	-	1,311
Transfers in	16,147	10,336	2,889	34,462
Transfers out	-	-	(68)	(7,210)
<b>Total other financing sources (uses)</b>	<b>16,147</b>	<b>10,336</b>	<b>2,821</b>	<b>28,563</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>37</b>	<b>(53)</b>	<b>2,395</b>	<b>28,686</b>
<b>FUND BALANCES:</b>				
Beginning of year	58	2,370	30,464	275,743
End of year	<u>\$ 95</u>	<u>\$ 2,317</u>	<u>\$ 32,859</u>	<u>\$ 304,429</u>

(Concluded)

**City of Fresno**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**High Speed Rail Special Revenue Fund**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,001	\$ 1,001	\$ 44	\$ (957)
Charges for services	950	1,160	1,429	269
Use of money and property	78	78	231	153
<b>Total revenues</b>	<u>2,029</u>	<u>2,239</u>	<u>1,704</u>	<u>(535)</u>
<b>EXPENDITURES:</b>				
Current:				
Public ways and facilities	1,788	2,004	418	1,586
Capital outlay	481	481	959	(478)
<b>Total expenditures</b>	<u>2,269</u>	<u>2,485</u>	<u>1,377</u>	<u>1,108</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(240)</u>	<u>(246)</u>	<u>327</u>	<u>573</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	23	23	1,280	1,257
Transfers out	-	-	(186)	(186)
<b>Total other financing sources (uses)</b>	<u>23</u>	<u>23</u>	<u>1,094</u>	<u>1,071</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (217)</u>	<u>\$ (223)</u>	<u>1,421</u>	<u>\$ 1,644</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>3,539</u>	
End of year			<u>\$ 4,960</u>	

**City of Fresno**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Special Gas Tax Special Revenue Fund**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 27,448	\$ 27,448	\$ 29,864	\$ 2,416
Use of money and property	164	164	1,298	1,134
Miscellaneous	355	355	321	(34)
<b>Total revenues</b>	<u>27,967</u>	<u>27,967</u>	<u>31,483</u>	<u>3,516</u>
<b>EXPENDITURES:</b>				
Current:				
Public ways and facilities	26,494	28,877	19,837	9,040
Capital outlay	7,651	14,977	9,084	5,893
<b>Total expenditures</b>	<u>34,145</u>	<u>43,854</u>	<u>28,921</u>	<u>14,933</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(6,178)</u>	<u>(15,887)</u>	<u>2,562</u>	<u>18,449</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	367	367
Transfers out	-	-	(852)	(852)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(485)</u>	<u>(485)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (6,178)</u>	<u>\$ (15,887)</u>	2,077	<u>\$ 17,964</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>21,506</u>	
End of year			<u>\$ 23,583</u>	

**City of Fresno**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Measure C Special Revenue Fund**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 57,841	\$ 57,841
Intergovernmental	1,650	1,650	8	
Use of money and property	144	144	803	659
Miscellaneous	205	205	182	(23)
<b>Total revenues</b>	<u>1,999</u>	<u>1,999</u>	<u>58,834</u>	<u>58,477</u>
<b>EXPENDITURES:</b>				
Current:				
Public ways and facilities	24,748	32,352	15,807	16,545
Community development	400	423	-	423
Capital outlay	61,345	83,759	40,577	43,182
<b>Total expenditures</b>	<u>86,493</u>	<u>116,534</u>	<u>56,384</u>	<u>60,150</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(84,494)</u>	<u>(114,535)</u>	<u>2,450</u>	<u>116,985</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from sale of property	-	-	1,311	1,311
Transfers in	35	35	702	667
Transfers out	(375)	(375)	(1,516)	(1,141)
<b>Total other financing sources (uses)</b>	<u>(340)</u>	<u>(340)</u>	<u>497</u>	<u>837</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (84,834)</u>	<u>\$ (114,875)</u>	<u>2,947</u>	<u>\$ 117,822</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>25,714</u>	
End of year			<u>\$ 28,661</u>	

**City of Fresno**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Measure P Special Revenue Fund**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 46,117	\$ 46,117
Charges for services	9	9	17	8
Use of money and property	652	652	1,955	1,303
Miscellaneous	-	-	1	1
<b>Total revenues</b>	<u>661</u>	<u>661</u>	<u>48,090</u>	<u>47,429</u>
<b>EXPENDITURES:</b>				
Current:				
Public ways and facilities	2,608	2,806	2,184	622
Culture and recreation	45,102	47,342	24,047	23,295
Community development	1,344	1,344	929	415
Capital outlay	38,441	43,813	13,677	30,136
<b>Total expenditures</b>	<u>87,495</u>	<u>95,305</u>	<u>40,837</u>	<u>54,468</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(86,834)</u>	<u>(94,644)</u>	<u>7,253</u>	<u>101,897</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	22	22
Transfers out	-	-	(338)	(338)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(316)</u>	<u>(316)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (86,834)</u>	<u>\$ (94,644)</u>	<u>6,937</u>	<u>\$ 101,581</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>60,574</u>	
End of year			<u>\$ 67,511</u>	

**City of Fresno**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Community Services Special Revenue Fund**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 529	\$ 529	\$ 2,152	\$ 1,623
Intergovernmental	3,599	3,599	3,078	(521)
Charges for services	8,560	10,155	3,992	(6,163)
Fines, forfeitures and penalties	75	75	346	271
Use of money and property	169	169	826	657
Miscellaneous	-	10	10	-
<b>Total revenues</b>	<u>12,932</u>	<u>14,537</u>	<u>10,404</u>	<u>(4,133)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	552	552	552	-
Public protection	2,794	2,794	2,793	1
Public ways and facilities	5,096	6,360	835	5,525
Culture and recreation	1,827	1,987	1,105	882
Community development	2,550	2,550	2,810	(260)
Capital outlay	2,270	4,390	1,736	2,654
<b>Total expenditures</b>	<u>15,089</u>	<u>18,633</u>	<u>9,831</u>	<u>8,802</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(2,157)</u>	<u>(4,096)</u>	<u>573</u>	<u>4,669</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	616	616	1,213	597
Transfers out	(701)	(701)	(1,112)	(411)
<b>Total other financing sources (uses)</b>	<u>(85)</u>	<u>(85)</u>	<u>101</u>	<u>186</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (2,242)</u>	<u>\$ (4,181)</u>	<u>674</u>	<u>\$ 4,855</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>7,315</u>	
End of year			<u>\$ 7,989</u>	

**City of Fresno**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**UGM Impact Fees Special Revenue Fund**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 13,786	\$ 13,786	\$ 21,970	\$ 8,184
Use of money and property	661	661	4,562	3,901
Miscellaneous	-	-	19	19
<b>Total revenues</b>	<b>14,447</b>	<b>14,447</b>	<b>26,551</b>	<b>12,104</b>
<b>EXPENDITURES:</b>				
Current:				
Public protection	291	291	291	-
Public ways and facilities	9,871	19,079	9,375	9,704
Culture and recreation	465	489	207	282
Capital outlay	30,981	38,745	4,860	33,885
<b>Total expenditures</b>	<b>41,608</b>	<b>58,604</b>	<b>14,733</b>	<b>43,871</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(27,161)</b>	<b>(44,157)</b>	<b>11,818</b>	<b>55,975</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	1,252	1,252
Transfers out	(4,437)	(4,437)	(2,961)	1,476
<b>Total other financing sources (uses)</b>	<b>(4,437)</b>	<b>(4,437)</b>	<b>(1,709)</b>	<b>2,728</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (31,598)</b>	<b>\$ (48,594)</b>	<b>10,109</b>	<b>\$ 58,703</b>
<b>FUND BALANCES:</b>				
Beginning of year			73,745	
End of year			<b>\$ 83,854</b>	

**City of Fresno**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Low and Moderate Income Housing Special Revenue Fund**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ -	\$ -	\$ 1	\$ 1
Use of money and property	-	-	16	16
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>17</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	1,319	(1,319)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>1,319</b>	<b>(1,319)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(1,302)</b>	<b>(1,302)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	250	250
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>250</b>	<b>250</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(1,052)</b>	<b>\$ (1,052)</b>
<b>FUND BALANCES:</b>				
Beginning of year			35,058	
End of year			<u>\$ 34,006</u>	

**City of Fresno**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Special Assessments Special Revenue Fund**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 8,673	\$ 8,673	\$ 12,200	\$ 3,527
Use of money and property	173	173	884	711
Miscellaneous	11	11	8	(3)
<b>Total revenues</b>	<b>8,857</b>	<b>8,857</b>	<b>13,092</b>	<b>4,235</b>
<b>EXPENDITURES:</b>				
Current:				
Public ways and facilities	12,254	14,662	10,637	4,025
Capital outlay	1,316	1,316	132	1,184
<b>Total expenditures</b>	<b>13,570</b>	<b>15,978</b>	<b>10,769</b>	<b>5,209</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(4,713)</b>	<b>(7,121)</b>	<b>2,323</b>	<b>9,444</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	406	406	4	(402)
Transfers out	(240)	(240)	(177)	63
<b>Total other financing sources (uses)</b>	<b>166</b>	<b>166</b>	<b>(173)</b>	<b>(339)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (4,547)</b>	<b>\$ (6,955)</b>	<b>2,150</b>	<b>\$ 9,105</b>
<b>FUND BALANCES:</b>				
Beginning of year			15,009	
End of year			<b>\$ 17,159</b>	

**City of Fresno**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**City Combined Capital Projects Fund**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 2,648	\$ 2,648	\$ 1,712	\$ (936)
Use of money and property	37	37	2,488	2,451
Miscellaneous	16	16	9	(7)
<b>Total revenues</b>	<u>2,701</u>	<u>2,701</u>	<u>4,209</u>	<u>1,508</u>
<b>EXPENDITURES:</b>				
Current:				
Public protection	1,599	1,599	1,599	-
Public ways and facilities	128	151	229	(78)
Culture and recreation	230	236	158	78
Community development	2,677	2,677	27	2,650
Capital outlay	27,782	51,291	2,622	48,669
<b>Total expenditures</b>	<u>32,416</u>	<u>55,954</u>	<u>4,635</u>	<u>51,319</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(29,715)</u>	<u>(53,253)</u>	<u>(426)</u>	<u>52,827</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Capital financing activity	12,206	34,171	-	(34,171)
Transfers in	1,188	1,188	2,889	1,701
Transfers out	-	-	(68)	(68)
<b>Total other financing sources (uses)</b>	<u>13,394</u>	<u>35,359</u>	<u>2,821</u>	<u>(32,538)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (16,321)</u>	<u>\$ (17,894)</u>	2,395	<u>\$ 20,289</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>30,464</u>	
End of year			<u>\$ 32,859</u>	

**NON-MAJOR ENTERPRISE FUNDS**

**City of Fresno**  
**Combining Statement of Net Position**  
**Non-Major Enterprise Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Community Sanitation Fund	Parks and Recreation Fund	Total Non-major Enterprise Funds
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 7,057	\$ -	\$ 7,057
Accounts receivables, net	2,093	-	2,093
Interest receivable	24	16	40
Lease receivable	-	239	239
Total current assets	9,174	255	9,429
Noncurrent assets:			
Restricted cash and investments	-	1,864	1,864
Lease receivable - non-current	-	507	507
Net pension asset	3,812	-	3,812
Other assets	-	11	11
Capital assets:			
Land and intangibles	-	12	12
Buildings, systems and improvements	-	3,743	3,743
Machinery and equipment	67	-	67
Infrastructure	-	122	122
Less: accumulated depreciation and amortization	(67)	(2,795)	(2,862)
Total capital assets	-	1,082	1,082
Total noncurrent assets	3,812	3,464	7,276
<b>Total assets</b>	12,986	3,719	16,705
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension contributions	892	-	892
Related to pensions	466	-	466
Related to OPEB	280	-	280
<b>Total deferred outflow of resources</b>	1,638	-	1,638

**City of Fresno**  
**Combining Statement of Net Position (Continued)**  
**Non-Major Enterprise Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Community Sanitation Fund	Parks and Recreation Fund	Total Non-major Enterprise Funds
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 96	\$ -	\$ 96
Salaries payable	192	10	202
Interest payable	-	15	15
Compensated absences and HRA	69	3	72
Bonds payable	-	70	70
Total OPEB liability	30	-	30
<b>Total current liabilities</b>	<b>387</b>	<b>98</b>	<b>485</b>
Noncurrent liabilities:			
Compensated absences and HRA	659	6	665
Bonds payable	-	1,238	1,238
Total OPEB liability	1,090	-	1,090
<b>Total noncurrent liabilities</b>	<b>1,749</b>	<b>1,244</b>	<b>2,993</b>
<b>Total liabilities</b>	<b>2,136</b>	<b>1,342</b>	<b>3,478</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Related to leases	1,002	-	1,002
Related to pensions	-	876	876
Related to OPEB	878	-	878
<b>Total deferred inflows of resources</b>	<b>1,880</b>	<b>876</b>	<b>2,756</b>
<b>NET POSITION</b>			
Net investment in capital assets	-	(226)	(226)
Restricted for net pension asset	3,812	-	3,812
Unrestricted	6,796	1,727	8,523
<b>Total net position</b>	<b>\$ 10,608</b>	<b>\$ 1,501</b>	<b>\$ 12,109</b>

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**City of Fresno**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Non-Major Enterprise Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Community Sanitation Fund	Parks and Recreation Fund	Total Non-major Enterprise Funds
<b>OPERATING REVENUES:</b>			
Charges for services	\$ 9,431	\$ 486	\$ 9,917
<b>Total operating revenues</b>	<b>9,431</b>	<b>486</b>	<b>9,917</b>
<b>OPERATING EXPENSES:</b>			
Personnel services	5,123	228	5,351
Contractual services	(211)	-	(211)
Materials and supplies	512	-	512
Interdepartmental charges	2,936	7	2,943
Depreciation	-	189	189
<b>Total operating expenses</b>	<b>8,360</b>	<b>424</b>	<b>8,784</b>
<b>OPERATING INCOME</b>	<b>1,071</b>	<b>62</b>	<b>1,133</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Interest income	85	63	148
Net increase (decrease) in cash fair value	83	-	83
Interest expense	-	(48)	(48)
<b>Total nonoperating revenues (expenses)</b>	<b>168</b>	<b>15</b>	<b>183</b>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	<b>1,239</b>	<b>77</b>	<b>1,316</b>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>			
Transfers in	4,447	-	4,447
Transfers out	(1,510)	-	(1,510)
<b>Total capital contributions and transfers</b>	<b>2,937</b>	<b>-</b>	<b>2,937</b>
<b>Changes in net position</b>	<b>4,176</b>	<b>77</b>	<b>4,253</b>
<b>NET POSITION:</b>			
Beginning of year	6,432	1,424	7,856
End of year	<b>\$ 10,608</b>	<b>\$ 1,501</b>	<b>\$ 12,109</b>

**City of Fresno**  
**Combining Statement of Cash Flows**  
**Non-Major Enterprise Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Community Sanitation Fund	Parks and Recreation Fund	Total Non-major Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 10,074	\$ 952	\$ 11,026
Cash payments to suppliers for goods and services	(3,502)	(18)	(3,520)
Cash payments to employees for services	(5,770)	(466)	(6,236)
<b>Net cash provided by operating activities</b>	<b>802</b>	<b>468</b>	<b>1,270</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Interest payments on capital-related debt	-	(62)	(62)
Principal payments on capital-related debt	-	(70)	(70)
<b>Net cash (used in) capital and related financing activities</b>	<b>-</b>	<b>(132)</b>	<b>(132)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Repayment of interfund borrowing (lending)	(140)	-	(140)
Transfers in	4,447	-	4,447
Transfers out	(1,510)	-	(1,510)
<b>Net cash provided by noncapital financing activities</b>	<b>2,797</b>	<b>-</b>	<b>2,797</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest from investments	171	59	230
<b>Net cash provided by investing activities</b>	<b>171</b>	<b>59</b>	<b>230</b>
<b>Net change in cash and cash equivalents</b>	<b>3,770</b>	<b>395</b>	<b>4,165</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	3,287	1,469	4,756
End of year	<u>\$ 7,057</u>	<u>\$ 1,864</u>	<u>\$ 8,921</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:</b>			
Cash and cash investments	\$ 7,057	\$ -	\$ 7,057
Restricted cash and investments	-	1,864	1,864
<b>Total cash and cash equivalents</b>	<u>\$ 7,057</u>	<u>\$ 1,864</u>	<u>\$ 8,921</u>

**City of Fresno**  
**Combining Statement of Cash Flows (Continued)**  
**Non-Major Enterprise Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Community Sanitation Fund	Parks and Recreation Fund	Total Non-Major Enterprise Funds
<b>RECONCILIATION OF OPERATING INCOME TO NET</b>			
<b>CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating income	\$ 1,071	\$ 62	\$ 1,133
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	-	189	189
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:			
Accounts receivables, net	281	-	281
Lease receivable	-	465	465
Net pension asset	(384)	-	(384)
Other assets	-	1	1
Deferred outflows - pension related	(302)	-	(302)
Deferred outflows - OPEB related	60	-	60
Accounts payable	(265)	(11)	(276)
Salaries payable	(3)	-	(3)
Compensated absences and HRA	93	9	102
Total OPEB liability	(168)	-	(168)
Deferred inflows - lease related	362	-	362
Deferred inflows - pension related	-	(247)	(247)
Deferred inflows - OPEB related	57	-	57
Total adjustments	(269)	406	137
<b>Net cash provided by operating activities</b>	<b>\$ 802</b>	<b>\$ 468</b>	<b>\$ 1,270</b>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Amortization of bond premium and discount	\$ (14)	\$ -	\$ (14)
<b>Total noncash capital and related financing activities</b>	<b>\$ (14)</b>	<b>\$ -</b>	<b>\$ (14)</b>

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## **INTERNAL SERVICE FUNDS**

**City of Fresno**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Billing and Collection Fund	General Services Fund	Risk Management Fund	Employees Healthcare Plan Fund	Retirees Healthcare Plan Fund	Total Internal Service Funds
<b>ASSETS</b>						
Current assets:						
Cash and investments	\$ 10,849	\$ 45,604	\$ -	\$ 29,230	\$ -	\$ 85,683
Accounts receivables, net	1,239	20	242	30	-	1,531
Interest receivable	189	533	40	284	-	1,046
Lease receivable	-	9	-	-	-	9
Inventories and prepaid items	-	2,375	123	-	-	2,498
<b>Total current assets</b>	<b>12,277</b>	<b>48,541</b>	<b>405</b>	<b>29,544</b>	<b>-</b>	<b>90,767</b>
Noncurrent assets:						
Restricted cash and investments	2,277	-	-	-	-	2,277
Lease receivable - non-current	-	317	-	-	-	317
Other receivable	-	23	-	-	-	23
Net pension asset	3,754	9,908	-	-	-	13,662
Capital assets:						
Buildings, systems and improvements	125	24,286	-	-	-	24,411
Machinery and equipment	121	217,641	-	-	-	217,762
Intangible assets, being amortized	-	19,543	-	-	-	19,543
Construction in progress	179	30,102	-	-	-	30,281
Less: accumulated depreciation and amortization	(139)	(140,152)	-	-	-	(140,291)
<b>Total capital assets</b>	<b>286</b>	<b>151,420</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>151,706</b>
<b>Total noncurrent assets</b>	<b>6,317</b>	<b>161,668</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>167,985</b>
<b>Total assets</b>	<b>18,594</b>	<b>210,209</b>	<b>405</b>	<b>29,544</b>	<b>-</b>	<b>258,752</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension contributions	1,683	5,600	-	-	-	7,283
Related to pensions	831	3,099	-	-	-	3,930
Related to OPEB	537	1,031	107	-	-	1,675
<b>Total deferred outflow of resources</b>	<b>\$ 3,051</b>	<b>\$ 9,730</b>	<b>\$ 107</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,888</b>

**City of Fresno**  
**Combining Statement of Net Position (Continued)**  
**Internal Service Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Billing and Collection Fund	General Services Fund	Risk Management Fund	Employees Healthcare Plan Fund	Retirees Healthcare Plan Fund	Total Internal Service Funds
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	\$ 379	\$ 7,220	\$ 979	\$ -	\$ -	\$ 8,578
Salaries payable	310	1,216	1,295	-	-	2,821
Interest payable	-	420	-	-	-	420
Retention payable	-	195	-	-	-	195
Unearned revenue	-	5,846	-	14	-	5,860
Due to other funds	-	-	2,654	-	-	2,654
Compensated absences and HRA	330	562	39	-	-	931
Lease and subscription liability	-	1,366	-	-	-	1,366
Finance purchase agreement	-	6,021	-	-	-	6,021
Liability for self-insurance	-	-	42,419	8,300	-	50,719
Total OPEB liability	59	62	(16)	-	-	105
Total current liabilities	1,078	22,908	47,370	8,314	-	79,670
Noncurrent liabilities:						
Deposits held for others	4,998	-	-	-	-	4,998
Compensated absences and HRA	1,337	5,304	292	-	-	6,933
Lease and subscription liability	-	1,505	-	-	-	1,505
Finance purchase agreement	-	36,896	-	-	-	36,896
Liability for self-insurance	-	-	241,195	-	-	241,195
Total OPEB liability	2,097	2,199	(563)	-	-	3,733
Total noncurrent liabilities	8,432	45,904	240,924	-	-	295,260
<b>Total liabilities</b>	<b>9,510</b>	<b>68,812</b>	<b>288,294</b>	<b>8,314</b>	<b>-</b>	<b>374,930</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Related to leases	-	306	-	-	-	306
Related to pensions	1,361	4,205	-	-	-	5,566
Related to OPEB	1,845	4,427	875	-	-	7,147
<b>Total deferred inflows of resources</b>	<b>3,206</b>	<b>8,938</b>	<b>875</b>	<b>-</b>	<b>-</b>	<b>13,019</b>
<b>NET POSITION</b>						
Net investment in capital assets	286	112,219	-	-	-	112,505
Restricted for net pension asset	6,031	9,908	-	-	-	15,939
Unrestricted (deficit)	2,612	20,062	(288,657)	21,230	-	(244,753)
<b>Total net position (deficit)</b>	<b>\$ 8,929</b>	<b>\$ 142,189</b>	<b>\$ (288,657)</b>	<b>\$ 21,230</b>	<b>\$ -</b>	<b>\$ (116,309)</b>

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**City of Fresno**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Billing and Collection Fund	General Services Fund	Risk Management Fund	Employees Healthcare Plan Fund	Retirees Healthcare Plan Fund	Total Internal Service Funds
<b>OPERATING REVENUES:</b>						
Charges for services	\$ 12,967	\$ 117,914	\$ 65,607	\$ 70,863	\$ 9,419	\$ 276,770
<b>Total operating revenues</b>	<b>12,967</b>	<b>117,914</b>	<b>65,607</b>	<b>70,863</b>	<b>9,419</b>	<b>276,770</b>
<b>OPERATING EXPENSES:</b>						
Personnel services	7,608	30,966	6,175	-	-	44,749
Contractual services	(323)	17,534	11,893	9,187	648	38,939
Materials and supplies	1,209	17,676	57	-	-	18,942
Interdepartmental charges	4,049	8,834	826	-	-	13,709
Claims	-	-	70,406	64,763	8,771	143,940
Amortization	-	5,201	-	-	-	5,201
Depreciation	6	18,983	-	-	-	18,989
<b>Total operating expenses</b>	<b>12,549</b>	<b>99,194</b>	<b>89,357</b>	<b>73,950</b>	<b>9,419</b>	<b>284,469</b>
<b>OPERATING INCOME</b>	<b>418</b>	<b>18,720</b>	<b>(23,750)</b>	<b>(3,087)</b>	<b>-</b>	<b>(7,699)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>						
Operating grants	-	165	-	-	-	165
Interest income	685	2,159	(17)	1,106	-	3,933
Net increase (decrease) in cash fair value	228	1,342	-	-	-	1,570
Interest expense	-	(1,969)	-	-	-	(1,969)
Gain (loss) on sale of capital assets	-	52	-	-	-	52
<b>Total nonoperating revenues (expenses)</b>	<b>913</b>	<b>1,749</b>	<b>(17)</b>	<b>1,106</b>	<b>-</b>	<b>3,751</b>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>						
<b>CONTRIBUTIONS AND TRANSFERS</b>	<b>1,331</b>	<b>20,469</b>	<b>(23,767)</b>	<b>(1,981)</b>	<b>-</b>	<b>(3,948)</b>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>						
Transfers in	1,573	392	-	-	-	1,965
Transfers out	(161)	(4,583)	(1,826)	-	-	(6,570)
<b>Total capital contributions and transfers</b>	<b>1,412</b>	<b>(4,191)</b>	<b>(1,826)</b>	<b>-</b>	<b>-</b>	<b>(4,605)</b>
<b>Changes in net position</b>	<b>2,743</b>	<b>16,278</b>	<b>(25,593)</b>	<b>(1,981)</b>	<b>-</b>	<b>(8,553)</b>
<b>NET POSITION (DEFICIT):</b>						
Beginning of year	6,186	125,911	(263,064)	23,211	-	(107,756)
End of year	\$ 8,929	\$ 142,189	\$ (288,657)	\$ 21,230	\$ -	\$ (116,309)

**City of Fresno**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Billing and Collection Fund	General Services Fund	Risk Management Fund	Employees Healthcare Plan Fund	Retirees Healthcare Plan Fund	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Cash received from customers	\$ 14,248	\$ 104,787	\$ 65,612	\$ 70,863	\$ 9,419	\$264,929
Cash payments to suppliers for goods and services	(4,774)	(42,942)	(12,591)	(9,187)	(648)	(70,142)
Cash payments to employees for services	(7,612)	(31,222)	(6,153)	-	-	(44,987)
Cash payments for claims and refunds	-	-	(47,066)	(62,863)	(8,771)	(118,700)
<b>Net cash provided by (used in) operating activities</b>	<b>1,862</b>	<b>30,623</b>	<b>(198)</b>	<b>(1,187)</b>	<b>-</b>	<b>31,100</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>						
Interest payments on capital-related debt	-	(1,419)	-	-	-	(1,419)
Proceeds from issuance of capital-related debt	-	14,245	-	-	-	14,245
Principal payments on capital-related debt	-	(20,291)	-	-	-	(20,291)
Proceeds from sale of capital assets	-	3,790	-	-	-	3,790
Acquisition and construction of capital assets	(180)	(31,258)	-	-	-	(31,438)
<b>Net cash (used in) capital and related financing activities</b>	<b>(180)</b>	<b>(34,933)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(35,113)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>						
Operating grants received	-	497	-	-	-	497
Interfund borrowing (lending)	-	3,833	-	-	-	3,833
Repayment of interfund borrowing (lending)	(13)	(12,904)	2,054	-	-	(10,863)
Transfers in	1,573	392	-	-	-	1,965
Transfers out	(161)	(4,583)	(1,826)	-	-	(6,570)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>1,399</b>	<b>(12,765)</b>	<b>228</b>	<b>-</b>	<b>-</b>	<b>(11,138)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Interest from investments	922	3,413	(30)	1,075	-	5,380
<b>Net cash provided by (used in) investing activities</b>	<b>922</b>	<b>3,413</b>	<b>(30)</b>	<b>1,075</b>	<b>-</b>	<b>5,380</b>
<b>Net change in cash and cash equivalents</b>	<b>4,003</b>	<b>(13,662)</b>	<b>-</b>	<b>(112)</b>	<b>-</b>	<b>(9,771)</b>
<b>CASH AND CASH EQUIVALENTS:</b>						
Beginning of year	9,123	59,266	-	29,342	-	97,731
End of year	\$ 13,126	\$ 45,604	\$ -	\$ 29,230	\$ -	\$ 87,960
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:</b>						
Cash and cash investments	\$ 10,849	\$ 45,604	\$ -	\$ 29,230	\$ -	\$ 85,683
Restricted cash and investments	2,277	-	-	-	-	2,277
<b>Total cash and cash equivalents</b>	<b>\$ 13,126</b>	<b>\$ 45,604</b>	<b>\$ -</b>	<b>\$ 29,230</b>	<b>\$ -</b>	<b>\$ 87,960</b>

See accompanying Notes to the Basic Financial Statements.

**City of Fresno**  
**Combining Statement of Cash Flows (Continued)**  
**Internal Service Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Billing and Collection Fund	General Services Fund	Risk Management Fund	Employees Healthcare Plan Fund	Retirees Healthcare Plan Fund	Total Internal Service Funds
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET</b>						
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>						
Operating income (loss)	\$ 418	\$ 18,720	\$ (23,750)	\$ (3,087)	\$ -	\$ (7,699)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation and amortization	6	24,184	-	-	-	24,190
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:						
Accounts receivables, net	1,755	(7)	5	(14)	-	1,739
Lease receivable	-	6	-	-	-	6
Inventories and prepaid items	-	565	(101)	-	-	464
Net pension asset	(683)	(2,548)	-	-	-	(3,231)
Deferred outflows - pension related	(390)	(2,630)	-	-	-	(3,020)
Deferred outflows - OPEB related	114	195	21	-	-	330
Accounts payable	161	537	286	-	-	984
Salaries payable	21	343	157	-	-	521
Unearned revenue	(75)	(13,311)	-	14	-	(13,372)
Compensated absences and HRA	(181)	1,046	5	-	-	870
Liability for self-insurance	-	-	23,340	1,900	-	25,240
Total OPEB liability	(332)	(805)	(61)	-	-	(1,198)
Deferred inflows - lease related	(399)	185	-	-	-	(214)
Deferred inflows - pension related	1,361	3,888	-	-	-	5,249
Deferred inflows - OPEB related	86	255	(100)	-	-	241
Total adjustments	1,444	11,903	23,552	1,900	-	38,799
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 1,862</b>	<b>\$ 30,623</b>	<b>\$ (198)</b>	<b>\$ (1,187)</b>	<b>\$ -</b>	<b>\$ 31,100</b>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>						
Borrowing under capital financing	\$ -	\$ 14,245	\$ -	\$ -	\$ -	\$ 14,245
<b>Total noncash capital and related financing activities</b>	<b>\$ -</b>	<b>\$ 14,245</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,245</b>

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**FIDUCIARY FUNDS - PENSION TRUST FUNDS**

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**City of Fresno**  
**Combining Statement of Fiduciary Net Position**  
**Fiduciary Funds - Pension Trust Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	Employees Retirement System	Fire and Police Retirement System	Total
<b>ASSETS</b>			
Cash and investments	\$ 629	\$ 796	\$ 1,425
Total cash and investments	629	796	1,425
Receivables:			
Receivables for investments sold	8,490	9,482	17,972
Interest and dividends receivable	1,863	2,262	4,125
Other receivables	980	1,190	2,170
Total receivables	11,333	12,934	24,267
Investments, at fair value:			
Short-term investments	8,833	10,724	19,557
Domestic equities	488,147	592,741	1,080,888
International equities	384,295	466,637	850,932
Private equity	154,514	187,621	342,135
Fixed income	245,703	298,350	544,053
Private debt/credit	236,605	287,302	523,907
Real estate	413,795	501,673	915,468
Multi-assets	40,164	48,770	88,934
Total investments	1,972,056	2,393,818	4,365,874
Collateral held for securities lent	21,744	26,404	48,148
Capital assets, net	76	76	152
Other assets	51	51	102
<b>Total assets</b>	<b>2,005,889</b>	<b>2,434,079</b>	<b>4,439,968</b>
<b>LIABILITIES</b>			
Accounts payable	8,891	10,796	19,687
Collateral held for securities lent	21,744	26,404	48,148
Other liabilities	1,042	1,273	2,315
<b>Total liabilities</b>	<b>31,677</b>	<b>38,473</b>	<b>70,150</b>
<b>NET POSITION</b>			
Restricted for pension benefits	1,974,212	2,395,606	4,369,818
<b>Total net position</b>	<b>\$ 1,974,212</b>	<b>\$ 2,395,606</b>	<b>\$ 4,369,818</b>

**City of Fresno**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds - Pension Trust Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	Employees Retirement System	Fire and Police Retirement System	Total
<b>ADDITIONS:</b>			
Contributions:			
Employer	\$ 31,558	\$ 31,779	\$ 63,337
System members	20,771	13,580	34,351
<b>Total contributions</b>	<b>52,329</b>	<b>45,359</b>	<b>97,688</b>
Investments income:			
Net appreciation in fair value of investments	215,446	261,613	477,059
Interest	9,227	11,174	20,401
Dividends	6,060	7,360	13,420
Other investment related	83	83	166
<b>Total investment income</b>	<b>230,816</b>	<b>280,230</b>	<b>511,046</b>
Less: investment expense	(32,115)	(38,935)	(71,050)
<b>Total net investment income</b>	<b>198,701</b>	<b>241,295</b>	<b>439,996</b>
Securities lending income:			
Securities lending earnings	1,575	1,913	3,488
Less: securities lending expense	(1,472)	(1,787)	(3,259)
<b>Total net securities lending income</b>	<b>103</b>	<b>126</b>	<b>229</b>
<b>Total additions</b>	<b>251,133</b>	<b>286,780</b>	<b>537,913</b>
<b>DEDUCTIONS:</b>			
Benefit payments (including post-retirement supplemental benefits)	87,217	90,830	178,047
Refunds of contributions	2,192	941	3,133
General and administrative expenses	2,617	2,774	5,391
<b>Total deductions</b>	<b>92,026</b>	<b>94,545</b>	<b>186,571</b>
<b>Changes in net position</b>	<b>159,107</b>	<b>192,235</b>	<b>351,342</b>
<b>NET POSITION:</b>			
Beginning of year	1,815,105	2,203,371	4,018,476
End of year	<b>\$ 1,974,212</b>	<b>\$ 2,395,606</b>	<b>\$ 4,369,818</b>

**FIDUCIARY FUNDS - CUSTODIAL FUNDS**

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**City of Fresno**  
**Combining Statement of Fiduciary Net Position**  
**Fiduciary Funds - Private Purpose Trust Funds**  
**June 30, 2025**  
**(amounts in thousands)**

	City Departmental	Special Assessment District	Total
<b>ASSETS</b>			
Cash and investments	\$ 3,282	\$ 122	\$ 3,404
Restricted cash and investments	-	637	637
Interest receivable	24	1	25
Other receivable	5	-	5
Due from other governments	234	595	829
<b>Total assets</b>	<b>3,545</b>	<b>1,355</b>	<b>4,900</b>
<b>LIABILITIES</b>			
Salaries payable	\$ 62	\$ -	\$ 62
Due to other governments	3	480	483
<b>Total liabilities</b>	<b>65</b>	<b>480</b>	<b>545</b>
<b>NET POSITION</b>			
Restricted for individuals, organizations, and other governments	3,480	875	4,355
<b>Total net position</b>	<b>\$ 3,480</b>	<b>\$ 875</b>	<b>\$ 4,355</b>

**City of Fresno**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds - Private Purpose Trust Funds**  
**For the Year Ended June 30, 2025**  
**(amounts in thousands)**

	City Departmental	Special Assessment District	Total
<b>ADDITIONS:</b>			
Fees collected for organizations and other governments	\$ 5,300	\$ -	\$ 5,300
Taxes collected for organizations and other governments	200	-	200
Special assessments for organizations and other governments	-	632	632
Investment income	87	2	89
<b>Total additions</b>	<b>5,587</b>	<b>634</b>	<b>6,221</b>
<b>DEDUCTIONS:</b>			
Payments to individuals, organizations, and other governments	4,672	1,050	5,722
<b>Total deductions</b>	<b>4,672</b>	<b>1,050</b>	<b>5,722</b>
<b>Changes in net position</b>	<b>915</b>	<b>(416)</b>	<b>499</b>
<b>NET POSITION:</b>			
Beginning of year	2,565	1,291	3,856
End of year	<b>\$ 3,480</b>	<b>\$ 875</b>	<b>\$ 4,355</b>

## **STATISTICAL SECTION**

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# STATISTICAL SECTION (Unaudited)

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This part of the City of Fresno's Annual Comprehensive Financial Reports presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial condition.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b>	206
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	217
These schedules contain information to help the reader assess the City's most significant local revenues source: property tax.	
<b>Debt Capacity</b>	221
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	234
These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.	
<b>Operating Information</b>	237
These schedules contain service and infrastructure data to help the reader to understand how the information in the City's financial reports relates to the services the city provides and the activities it performs.	

**City of Fresno**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(dollars in thousands)**

	Fiscal Year				
	2016	2017	2018	2019	2020
Governmental Activities					
Net investment in capital assets	\$ 795,884	\$ 787,522	\$ 796,242	\$ 793,963	\$ 787,395
Restricted	151,345	168,927	171,473	178,858	239,898
Unrestricted (deficit)	(22,058)	28,252	43,380	105,676	27,932
Total Governmental Activities Net Position	<u>\$ 925,171</u>	<u>\$ 984,701</u>	<u>\$ 1,011,095</u>	<u>\$ 1,078,497</u>	<u>\$ 1,055,225</u>
Business-Type Activities					
Net investment in capital assets	\$ 896,818	\$ 955,128	\$ 958,169	\$ 1,054,185	\$ 1,090,352
Restricted	-	-	-	-	-
Unrestricted (deficit)	307,315	353,436	440,872	414,184	472,210
Total Business-Type Activities Net Position	<u>\$ 1,204,133</u>	<u>\$ 1,308,564</u>	<u>\$ 1,399,041</u>	<u>\$ 1,468,369</u>	<u>\$ 1,562,562</u>
Primary Government					
Net investment in capital assets	\$ 1,742,650	\$ 1,754,411	\$ 1,848,148	\$ 1,877,747	\$ 1,915,635
Restricted	168,927	171,473	178,858	239,898	304,925
Unrestricted (deficit)	381,688	484,252	519,860	500,142	384,177
Total Primary Government Net Position	<u>\$ 2,129,304</u>	<u>\$ 2,293,265</u>	<u>\$ 2,410,136</u>	<u>\$ 2,546,866</u>	<u>\$ 2,617,787</u>

Source: City of Fresno, Finance Department

**City of Fresno**  
**Net Position by Component (Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	2021	2022	2023	2024	2025
Governmental Activities					
Net investment in capital assets	\$ 794,759	\$ 836,439	\$ 930,489	\$ 881,764	\$ 1,273,621
Restricted	304,925	308,444	605,023	454,508	634,897
Unrestricted (deficit)	(76,811)	56,963	(155,348)	34,872	(334,482)
Total Governmental Activities Net Position	<u>\$ 1,022,873</u>	<u>\$ 1,201,846</u>	<u>\$ 1,380,164</u>	<u>\$ 1,371,144</u>	<u>\$ 1,574,036</u>
Business-Type Activities					
Net investment in capital assets	\$ 1,120,876	\$ 1,094,088	\$ 1,015,061	\$ 987,193	\$ 1,021,386
Restricted	-	-	51,010	62,015	71,252
Unrestricted (deficit)	460,988	526,841	595,300	845,548	873,037
Total Business-Type Activities Net Position	<u>\$ 1,581,864</u>	<u>\$ 1,620,929</u>	<u>\$ 1,661,371</u>	<u>\$ 1,894,756</u>	<u>\$ 1,965,675</u>
Primary Government					
Net investment in capital assets	\$ 1,930,527	\$ 1,930,527	\$ 1,945,550	\$ 1,868,957	\$ 2,295,007
Restricted	308,444	308,444	656,033	516,523	706,149
Unrestricted (deficit)	583,804	583,804	439,952	880,420	538,555
Total Primary Government Net Position	<u>\$ 2,604,737</u>	<u>\$ 2,822,775</u>	<u>\$ 3,041,535</u>	<u>\$ 3,265,900</u>	<u>\$ 3,539,711</u>

Source: City of Fresno, Finance Department

**City of Fresno**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	2016	2017	2018	2019	2020
<b>Expenses</b>					
Governmental activities:					
General government	\$ 32,206	\$ 44,157	\$ 31,319	\$ 42,785	\$ 46,114
Public Protection	187,733	196,006	206,163	214,903	271,085
Public Ways and Facilities	60,875	72,984	76,289	80,369	93,243
Culture and Recreation	20,223	23,500	19,771	23,809	26,039
Community Development	28,789	28,913	30,412	29,188	31,102
Interest on Long-Term Debt	18,787	18,658	14,413	14,101	13,652
<b>Total governmental activities expenses</b>	<b>\$ 348,613</b>	<b>\$ 384,218</b>	<b>\$ 378,367</b>	<b>\$ 405,155</b>	<b>\$ 481,235</b>
Business-type activities:					
Water System	\$ 64,454	\$ 63,753	\$ 73,677	\$ 94,066	\$ 101,406
Sewer System	63,980	64,124	65,991	71,793	65,166
Solid Waste Management	26,650	26,605	30,353	31,702	36,915
Transit	44,191	47,958	53,937	57,864	62,016
Airports	28,509	29,938	31,192	33,262	35,984
Fresno Convention Center	9,750	10,798	8,856	8,701	7,108
Community Sanitation	6,904	8,978	10,077	10,093	9,147
Parks and Recreation	316	410	283	502	586
Stadium	3,191	3,539	2,710	2,600	2,702
<b>Total Business-Type Activities</b>	<b>247,945</b>	<b>256,103</b>	<b>277,076</b>	<b>310,583</b>	<b>321,030</b>
<b>Total Primary Government Expenses</b>	<b>\$ 596,558</b>	<b>\$ 640,321</b>	<b>\$ 655,443</b>	<b>\$ 715,738</b>	<b>\$ 802,265</b>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services:					
General Government	\$ 22,580	\$ 46,742	\$ 17,171	\$ 19,075	\$ 14,805
Public Protection	44,037	22,382	32,275	40,945	15,599
Public Ways and Facilities	20,468	21,911	21,009	20,461	22,219
Culture and Recreation	4,949	3,645	3,935	3,711	1,742
Community Development	25,239	23,496	23,033	20,347	19,400
Operating Grants and Contributions	34,015	25,016	26,488	40,278	39,037
Capital Grants and Contributions	57,955	44,586	38,584	37,525	49,161
<b>Total governmental activities program revenues</b>	<b>\$ 209,243</b>	<b>\$ 187,778</b>	<b>\$ 162,495</b>	<b>\$ 182,342</b>	<b>\$ 161,963</b>
Business-Type Activities:					
Charges for Services:					
Water System	\$ 77,959	\$ 101,895	\$ 107,377	\$ 119,029	\$ 120,252
Sewer System	78,186	83,635	81,651	81,085	77,249
Solid Waste Management	31,975	31,170	30,100	31,804	29,546
Transit	12,479	11,452	10,746	9,348	2,516
Airports	27,646	27,835	29,634	32,011	29,192
Fresno Convention Center	3,634	3,752	3,318	3,796	2,415
Community Sanitation	9,733	9,613	9,422	9,841	8,982
Parks and Recreation	325	340	323	410	278
Stadium	677	1,082	238	406	344
Operating Grants and Contributions	29,190	37,187	22,939	37,910	80,766
Capital Grants and Contributions	18,015	47,576	69,570	33,249	38,027
<b>Total business-type activities program revenues</b>	<b>289,819</b>	<b>355,537</b>	<b>365,318</b>	<b>358,889</b>	<b>389,567</b>
<b>Total primary government program revenues</b>	<b>\$ 499,062</b>	<b>\$ 543,315</b>	<b>\$ 527,813</b>	<b>\$ 541,231</b>	<b>\$ 551,530</b>

Source: City of Fresno Annual Comprehensive Financial Reports

**City of Fresno**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	2021	2022	2023	2024	2025
<b>Expenses</b>					
Governmental activities:					
General government	\$ 90,218	\$ 90,035	\$ 80,926	\$ 92,381	\$ 58,969
Public Protection	305,172	270,465	283,947	367,609	344,765
Public Ways and Facilities	123,068	101,306	118,362	173,153	114,445
Culture and Recreation	30,882	30,324	52,570	68,735	52,346
Community Development	41,053	57,123	130,194	109,567	81,272
Interest on Long-Term Debt	12,552	12,683	13,738	13,423	11,399
<b>Total governmental activities expenses</b>	<b>\$ 602,945</b>	<b>\$ 561,936</b>	<b>\$ 679,737</b>	<b>\$ 824,868</b>	<b>\$ 663,196</b>
Business-type activities:					
Water System	\$ 100,181	\$ 112,301	\$ 123,770	\$ 140,858	\$ 127,689
Sewer System	74,428	78,646	83,232	86,052	81,819
Solid Waste Management	41,713	41,818	40,907	43,020	36,034
Transit	66,135	71,038	96,519	83,681	90,131
Airports	41,090	40,413	44,097	45,359	47,953
Fresno Convention Center	5,096	9,235	7,418	8,750	9,088
Community Sanitation	8,698	8,743	8,450	10,445	8,509
Parks and Recreation	572	416	513	385	472
Stadium	2,739	2,925	3,264	2,862	3,142
<b>Total Business-Type Activities</b>	<b>340,652</b>	<b>365,535</b>	<b>408,170</b>	<b>421,412</b>	<b>404,837</b>
<b>Total Primary Government Expenses</b>	<b>\$ 943,597</b>	<b>\$ 927,471</b>	<b>\$ 1,087,907</b>	<b>\$ 1,246,280</b>	<b>\$ 1,068,033</b>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services:					
General Government	\$ 15,315	\$ 22,040	\$ 23,448	\$ 27,237	\$ 27,581
Public Protection	16,544	62,152	9,092	22,105	25,107
Public Ways and Facilities	27,060	37,839	42,770	40,793	34,315
Culture and Recreation	1,364	4,840	412	2,819	2,096
Community Development	13,050	32,305	14,492	23,417	15,284
Operating Grants and Contributions	40,393	74,245	106,441	132,944	101,077
Capital Grants and Contributions	135,064	128,553	220,903	101,289	185,283
<b>Total governmental activities program revenues</b>	<b>\$ 248,790</b>	<b>\$ 361,974</b>	<b>\$ 417,558</b>	<b>\$ 350,604</b>	<b>\$ 390,743</b>
Business-Type Activities:					
Charges for Services:					
Water System	\$ 127,651	\$ 138,492	\$ 124,858	\$ 125,514	\$ 131,153
Sewer System	77,940	87,795	84,086	89,248	78,806
Solid Waste Management	29,132	35,423	32,517	30,969	40,333
Transit	(2,328)	11,242	3,678	3,589	2,517
Airports	25,991	40,884	37,835	47,882	48,295
Fresno Convention Center	(2)	5,744	4,307	5,354	5,288
Community Sanitation	8,786	10,706	9,559	9,551	9,431
Parks and Recreation	411	630	687	685	486
Stadium	580	279	102	585	100
Operating Grants and Contributions	56,334	71,273	112,764	52,958	50,395
Capital Grants and Contributions	29,884	17,893	31,550	242,831	48,267
<b>Total business-type activities program revenues</b>	<b>354,379</b>	<b>420,361</b>	<b>441,943</b>	<b>609,166</b>	<b>415,071</b>
<b>Total primary government program revenues</b>	<b>\$ 603,169</b>	<b>\$ 782,335</b>	<b>\$ 59,501</b>	<b>\$ 959,770</b>	<b>\$ 805,814</b>

Source: City of Fresno Annual Comprehensive Financial Reports

**City of Fresno**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	2016	2017	2018	2019	2020
<b>Net (Expense)/Revenue</b>					
Governmental Activities	\$ (139,370)	\$ (196,440)	\$ (215,872)	\$ (222,813)	\$ (319,272)
Business-Type Activities	41,874	99,434	88,242	48,306	68,537
Total Primary Government Net Expen	<u>(97,496)</u>	<u>(97,006)</u>	<u>(127,630)</u>	<u>(174,507)</u>	<u>(250,735)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Property Taxes	\$ 117,048	\$ 123,858	\$ 130,109	\$ 138,201	\$ 142,250
Sales Taxes - Shared Revenues	74,010	86,128	85,512	96,939	98,531
In-Lieu Sales Tax	10,559	-	-	-	-
Franchise Taxes	13,722	14,335	14,811	14,493	16,101
Business Tax	16,879	19,101	20,982	18,162	20,868
Room Tax	12,045	13,127	13,936	13,998	12,453
Other Taxes	2,521	2,348	2,304	2,855	2,241
Investment Earnings	1,652	1,215	1,348	8,413	11,863
Gain on Sale of Capital Assets	218	214	223	2,517	2
Special Item - Loss on Receivable/ Transfer of Assets	-	-	(8,152)	-	-
Transfers:	<u>(15,061)</u>	<u>(4,356)</u>	<u>(4,820)</u>	<u>(5,363)</u>	<u>(8,309)</u>
Total Governmental Activities	<u>233,593</u>	<u>255,970</u>	<u>256,253</u>	<u>290,215</u>	<u>296,000</u>
Business-Type Activities:					
Investment Earnings	5,129	641	2,614	15,624	17,316
Other Financing Source- Leases	-	-	-	-	-
Gain on Sale of Capital Assets	-	-	36	35	31
Transfers:	<u>15,061</u>	<u>4,356</u>	<u>4,820</u>	<u>5,363</u>	<u>8,309</u>
Total Business-Type Activities	<u>20,190</u>	<u>4,997</u>	<u>7,470</u>	<u>21,022</u>	<u>25,656</u>
Total primary government net expense	<u>\$ 253,783</u>	<u>\$ 260,967</u>	<u>\$ 263,723</u>	<u>\$ 311,237</u>	<u>\$ 321,656</u>
<b>Change in Net Position</b>					
Governmental activities	\$ 94,223	\$ 59,530	\$ 40,381	\$ 67,402	\$ (23,272)
Business-type activities	<u>62,064</u>	<u>104,431</u>	<u>95,712</u>	<u>69,328</u>	<u>94,193</u>
Total primary government	<u>\$ 156,287</u>	<u>\$ 163,961</u>	<u>\$ 136,093</u>	<u>\$ 136,730</u>	<u>\$ 70,921</u>

Source(s): City of Fresno, Finance Department

**City of Fresno**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	2021	2022	2023	2024	2025
<b>Net (Expense)/Revenue</b>					
Governmental Activities	\$ (354,155)	\$ (199,962)	\$ (262,179)	\$ (474,264)	\$ (272,453)
Business-Type Activities	13,727	54,826	33,773	187,754	10,234
Total Primary Government Net Expen	<u>(340,428)</u>	<u>(145,136)</u>	<u>(228,406)</u>	<u>(286,510)</u>	<u>(262,219)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Property Taxes	\$ 149,822	\$ 154,130	\$ 167,088	\$ 180,976	\$ 192,854
Sales Taxes - Shared Revenues	125,279	192,874	197,563	197,924	193,373
In-Lieu Sales Tax	-	-	-	-	-
Franchise Taxes	17,729	18,271	20,180	23,872	23,657
Business Tax	20,577	21,764	26,107	23,197	30,653
Room Tax	12,566	15,205	16,454	15,604	15,415
Other Taxes	1,825	3,528	2,221	3,151	3,040
Investment Earnings	1,786	(10,409)	8,245	26,928	24,098
Gain on Sale of Capital Assets	-	-	1,732	172	1,330
Special Item - Loss on Receivable/					-
Transfer of Assets	-	-	-	-	-
Transfers:	(7,781)	(7,899)	(8,154)	(6,580)	(9,075)
Total Governmental Activities	<u>321,803</u>	<u>387,464</u>	<u>431,436</u>	<u>465,244</u>	<u>475,345</u>
Business-Type Activities:					
Investment Earnings	(2,206)	(24,697)	(1,299)	39,051	51,591
Other Financing Source- Leases	-	-	(188)	-	19
Gain on Sale of Capital Assets	-	-	2	-	-
Transfers:	7,781	7,899	8,154	6,580	9,075
Total Business-Type Activities	<u>5,575</u>	<u>(16,798)</u>	<u>6,669</u>	<u>45,631</u>	<u>60,685</u>
Total primary government net expense	<u>\$ 327,378</u>	<u>\$ 370,666</u>	<u>\$ 438,105</u>	<u>\$ 510,875</u>	<u>\$ 536,030</u>
<b>Change in Net Position</b>					
Governmental activities	\$ (32,352)	\$ 187,502	\$ 169,257	\$ (9,020)	\$ 202,892
Business-type activities	19,302	37,804	40,442	233,385	70,919
Total primary government	<u>\$ (13,050)</u>	<u>\$ 225,306</u>	<u>\$ 209,699</u>	<u>\$ 224,365</u>	<u>\$ 273,811</u>

Source(s): City of Fresno, Finance Department

**City of Fresno**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year				
	2016	2017	2018	2019	2020
General Fund					
Nonspendable	\$ 12,691	\$ 18,417	\$ 3,919	\$ 2,071	\$ -
Restricted	11	37	16	10	6
Committed	1,610	22,104	25,565	37,004	37,718
Assigned	2,811	3,890	2,845	4,562	5,158
Unassigned	31,808	26,749	19,533	25,312	33,046
Total General Fund	<u>\$ 48,931</u>	<u>\$ 71,197</u>	<u>\$ 51,878</u>	<u>\$ 68,959</u>	<u>\$ 75,928</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	151,726	163,802	166,207	172,587	197,325
Assigned	15,847	12,177	16,115	16,137	11,194
Unassigned (deficit)	(6,284)	(788)	(809)	(1,950)	(5,590)
Total all other governmental funds	<u>\$ 161,289</u>	<u>\$ 175,191</u>	<u>\$ 181,513</u>	<u>\$ 186,774</u>	<u>\$ 202,929</u>

Source(s): City of Fresno, Finance Department

**City of Fresno**  
**Fund Balances of Governmental Funds (Continued)**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year				
	2021	2022	2023	2024	2025
General Fund					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 384
Restricted	-	-	-	-	-
Committed	40,655	48,360	54,466	58,980	54,224
Assigned	19,249	19,215	18,633	11,025	21,902
Unassigned	43,039	37,116	54,284	39,034	33,647
Total General Fund	<u>\$ 102,943</u>	<u>\$ 104,691</u>	<u>\$ 127,383</u>	<u>\$ 109,039</u>	<u>\$ 110,157</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 3,210
Restricted	255,324	216,922	275,090	287,888	333,505
Assigned	12,843	37,622	31,061	30,464	32,859
Unassigned (deficit)	(56,750)	(2,678)	(2,587)	-	-
Total all other governmental funds	<u>\$ 211,417</u>	<u>\$ 251,866</u>	<u>\$ 303,564</u>	<u>\$ 318,352</u>	<u>\$ 369,574</u>

Source(s): City of Fresno, Finance Department

**City of Fresno**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year				
	2016	2017	2018	2019	2020
<b>Revenues:</b>					
Taxes	\$ 266,521	\$ 298,425	\$ 289,140	\$ 315,903	\$ 330,423
Licenses and Permits	7,102	7,291	7,829	7,337	7,915
Intergovernmental	39,036	38,770	39,318	41,706	55,879
Charges for Services	46,398	49,538	51,294	57,413	53,493
Fines	4,271	3,487	3,872	3,643	3,315
Use of Money and Property	2,105	1,285	1,305	6,542	9,538
Miscellaneous	8,156	36,448	4,504	3,640	2,017
<b>Total revenues</b>	<b>\$ 373,589</b>	<b>\$ 435,244</b>	<b>\$ 397,262</b>	<b>\$ 436,184</b>	<b>\$ 462,580</b>
<b>Expenditures:</b>					
General Government	17,490	26,257	21,285	28,077	29,286
Public Protection	201,656	212,828	221,043	226,108	243,099
Public Ways and Facilities	38,293	42,430	41,682	50,561	53,686
Culture and Recreation	17,735	16,928	18,257	18,140	20,911
Community Development	29,511	29,360	31,483	30,961	32,970
Capital Outlay	23,145	29,990	31,401	26,168	27,605
Debt Service:					
Principal	17,435	19,196	17,568	18,956	19,911
Interest	18,629	17,779	14,752	14,515	13,692
<b>Total expenditures</b>	<b>363,894</b>	<b>394,768</b>	<b>397,471</b>	<b>413,486</b>	<b>441,160</b>
Excess of revenues over (under) expenditures	9,695	40,476	(209)	22,698	21,420
<b>Other Financing Sources (Uses):</b>					
Transfers In	45,251	55,930	49,397	41,142	51,823
Transfers Out	(49,446)	(59,055)	(57,418)	(46,110)	(59,145)
Discount on Debt Issued	-	835	-	-	-
Issuance of Refunding Bonds	-	108,903	-	-	-
Refunded Bond Redeemed	-	(128,621)	-	-	-
Long-Term Debt Issued	-	-	-	-	-
Premium on Debt Issued	-	11,528	-	-	-
Finance Capital Purchase	7,331	4,126	3,162	2,228	9,026
Sale of Capital Assets	609	2,046	223	2,382	-
<b>Total Other Financing Sources (Uses)</b>	<b>3,745</b>	<b>(4,308)</b>	<b>(4,636)</b>	<b>(358)</b>	<b>1,704</b>
<b>Net change in fund balances</b>	<b>\$ 13,440</b>	<b>\$ 36,168</b>	<b>\$ (4,845)</b>	<b>\$ 22,340</b>	<b>\$ 23,124</b>
Debt Service as a percentage of noncapital	11%	10%	9%	883%	8%

Notes:

To properly calculate the ratio of total debt service expenditures to non-capital expenditures, only governmental fund expenditures for the acquisition and construction of assets that are classified as capital assets for reporting in the Government-Wide Financial Statements have been subtracted from the total governmental fund expenditures. These figures by fiscal year are as follows: (2016) \$35,295,704; (2017) \$35,500,989; (2018) \$42,738,629; (2019) \$34,667,433; (2020) \$29,289,000; (2021) \$29,973,000; (2022) \$89,808,000; (2023) \$103,059,000, (2024) \$72,431,000, and (2025) \$188,316,000.

Source(s): City of Fresno, Finance Department

**City of Fresno**  
**Changes in Fund Balances of Governmental Funds (Continued)**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year				
	2021	2022	2023	2024	2025
<b>Revenues:</b>					
Taxes	\$ 366,645	\$ 452,241	\$ 456,443	\$ 463,566	\$ 513,558
Licenses and Permits	9,276	8,332	9,064	9,746	9,699
Intergovernmental	126,391	138,674	249,990	192,542	220,540
Charges for Services	64,462	66,961	81,966	79,069	79,458
Fines	1,792	2,726	2,482	3,122	4,343
Use of Money and Property	1,684	(7,050)	10,557	21,883	20,428
Miscellaneous	3,125	8,436	9,162	1,560	2,749
<b>Total revenues</b>	<b>\$ 573,375</b>	<b>\$ 670,320</b>	<b>\$ 819,664</b>	<b>\$ 771,488</b>	<b>\$ 850,775</b>
<b>Expenditures:</b>					
General Government	71,211	65,503	75,016	66,065	57,856
Public Protection	256,635	287,640	300,972	339,161	347,233
Public Ways and Facilities	63,186	73,443	89,085	97,898	84,199
Culture and Recreation	26,131	25,623	42,220	58,842	47,398
Community Development	39,983	57,344	126,480	103,851	81,196
Capital Outlay	54,776	75,441	67,506	78,008	161,118
Debt Service:					
Principal	21,191	20,782	23,683	22,459	27,109
Interest	12,602	12,357	11,494	10,329	10,153
<b>Total expenditures</b>	<b>545,715</b>	<b>618,133</b>	<b>736,456</b>	<b>776,613</b>	<b>816,262</b>
Excess of revenues over (under) expenditures	27,660	52,187	83,208	(5,125)	34,513
<b>Other Financing Sources (Uses):</b>					
Transfers In	116,697	64,700	62,188	38,620	43,914
Transfers Out	(128,855)	(74,690)	(71,643)	(45,954)	(46,972)
Discount on Debt Issued	-	-	-	-	-
Issuance of Refunding Bonds	-	-	-	-	-
Refunded Bond Redeemed	-	-	-	-	-
Long-Term Debt Issued	17,145	-	-	-	-
Premium on Debt Issued	2,773	-	-	-	-
Finance Capital Purchase	83	-	-	8,903	19,574
Sale of Capital Assets	-	-	-	-	1,311
<b>Total Other Financing Sources (Uses)</b>	<b>7,843</b>	<b>(9,990)</b>	<b>(9,455)</b>	<b>1,569</b>	<b>17,827</b>
<b>Net change in fund balances</b>	<b>\$ 35,503</b>	<b>\$ 42,197</b>	<b>\$ 73,753</b>	<b>\$ (3,556)</b>	<b>\$ 52,340</b>
Debt Service as a percentage of noncapital	7%	6%	6%	5%	6%

Notes:

To properly calculate the ratio of total debt service expenditures to non-capital expenditures, only governmental fund expenditures for the acquisition and construction of assets that are classified as capital assets for reporting in the Government-Wide Financial Statements have been subtracted from the total governmental fund expenditures. These figures by fiscal year are as follows: (2016) \$35,295,704; (2017) \$35,500,989; (2018) \$42,738,629; (2019) \$34,667,433; (2020) \$29,289,000; (2021) \$29,973,000; (2022) \$89,808,000; (2023) \$103,059,000, (2024) \$72,431,000, and (2025) \$188,316,000.

Source(s): City of Fresno, Finance Department

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**City of Fresno**  
**Gross Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Secured Estimated Actual</b>	<b>Unsecured Estimated Actual</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Assessed Value as a Percent of Estimated Actual Value</b>
2016	\$ 30,026,361,027	\$ 1,500,061,596	\$ 31,526,422,623	1.229362	100%
2017	31,344,820,623	1,596,315,117	32,941,135,740	1.229782	100%
2018	32,837,504,668	1,616,397,886	34,453,902,554	1.247236	100%
2019	34,713,392,408	1,899,808,202	36,613,200,610	1.244268	100%
2020	36,659,070,484	1,899,510,831	38,558,581,315	1.236236	100%
2021	38,644,667,812	2,225,286,118	40,869,953,930	1.247088	100%
2022	40,198,896,767	2,181,351,026	42,380,247,793	1.264390	100%
2023	43,203,054,898	2,540,898,809	45,743,953,707	1.264390	100%
2024	46,333,291,258	2,956,701,021	49,289,992,279	1.223544	100%
2025	49,007,545,913	3,137,898,756	52,145,444,669	1.286768	100%

Source(s): County of Fresno

Note(s):

Fresno County does not collect Actual Value (Market Value) information on taxable properties or on tax exempt properties. The estimated actual value of taxable property is the same as the gross assessed value.

**City of Fresno**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
**(Percentage per \$100 of Assessed Value)**

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Fresno Pension</b>	<b>Total Direct Rate Tax Rate</b>	<b>Fresno Unified School District</b>	<b>State Center Community College District</b>	<b>Total Direct and Overlapping Property Tax Rate</b>
2016	1	0.032438	1.032438	0.18886	0.008064	1.229362
2017	1	0.032438	1.032438	0.188864	0.00848	1.229782
2018	1	0.032438	1.032438	0.188864	0.025934	1.247236
2019	1	0.032438	1.032438	0.188864	0.022966	1.244268
2020	1	0.032438	1.032438	0.178012	0.025786	1.236236
2021	1	0.032438	1.032438	0.188864	0.025786	1.247088
2022	1	0.032438	1.032438	0.213864	0.018088	1.264390
2023	1	0.032438	1.032438	0.213864	0.018088	1.264390
2024	1	0.032438	1.032438	0.170186	0.02092	1.223544
2025	1	0.032438	1.032438	0.233924	0.020406	1.286768

Notes:

On June 6, 1978, California voters approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, which limits the taxing power of California public agencies. Legislation enacted by the California Legislature to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) provides that, notwithstanding any other law, local agencies may not levy any property tax except to pay debt service on indebtedness approved by voters prior to July 1, 1978, and that each county will levy the maximum tax permitted by Article XIII A of \$1.00 per \$100.00 of full cash value. Assessed value is equal to full cash value, pursuant to Senate Bill 1656, Statutes of 1978.

Source(s): County of Fresno

**City of Fresno**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

Taxpayer	Type of Business	2025			2016		
		Taxable Assessed Value	Rank	% of Total County Assessed Value	Taxable Assessed Value	Rank	% of Total County Assessed Value
Gap Inc.	Commercial, Unsecured	\$ 227,540,300	1	0.44%	\$ 110,293,700	10	0.35%
Amazon.com Services LLC	Miscellaneous, Unsecured	204,080,460	2	0.39%	-	-	-
River Park Properties	Commercial	197,550,270	3	0.38%	-	-	-
Macerich Fresno Limited Partnership	Commercial	155,169,778	4	0.30%	142,747,808	7	0.45%
Gallo E & J Winery	Commercial, Unsecured	149,043,064	5	0.29%	136,687,298	8	0.43%
Meganova LP	Apartments	132,571,166	6	0.25%	-	-	-
DPML Orange LLC	Commercial	129,540,000	7	0.25%	-	-	-
Comcast of Fresno Inc.	No Secured Property	117,081,700	8	0.22%	-	-	-
RPI Fig Garden LP	Commercial	104,121,470	9	0.20%	-	-	-
Lyons Magnus Inc.	Industrial, Unsecured	101,083,623	10	0.19%	-	-	-
PG&E	-	-	-	-	2,260,336,584	1	7.17%
So. California Edison Co.	-	-	-	-	561,473,628	2	1.78%
Chevron USA, Inc.	-	-	-	-	400,776,592	3	1.27%
Panoche Energy Center, LLC	-	-	-	-	296,059,000	4	0.94%
AERA Energy, LLC	-	-	-	-	180,746,063	5	0.57%
AT&T California (Pacific Bell)	-	-	-	-	179,225,697	6	0.57%
Donahue Schriber Realty Group LP	-	-	-	-	122,326,636	9	0.39%
<b>Total</b>		<b>\$ 1,517,781,831</b>		<b>2.91%</b>	<b>\$ 4,390,673,006</b>		<b>13.93%</b>

Source: MuniServices, LLC / Avenu Insights & Analytics

**City of Fresno**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year	Total Net Tax Levy (Original Levy)	Supplemental Assessments	Redevelopment Return of Increment	Total Adjusted Tax Levy	Current Tax Collections		Delinquent Tax Collections	Total Tax Collections	Percent of Collection of Adjusted Tax Levy
					Amount Collected	Percentage of Net Tax Levy			
2016	100,946,941	12,082,212	2,306,017	115,335	113,633,713	98.52%	508,181	114,141,894	98.97%
2017	105,199,432	13,077,130	2,014,329	120,291	119,336,199	99.21%	386,236	119,722,435	99.53%
2018	109,890,834	13,565,677	2,278,284	125,735	123,764,163	98.43%	649,161	124,413,324	98.95%
2019	116,141,387	14,916,496	2,786,268	133,844	132,157,601	98.74%	543,876	132,701,477	99.15%
2020	122,120,737	14,809,607	3,366,768	140,297	136,883,021	97.57%	745,241	137,628,261	98.10%
2021	128,697,400	17,130,950	5,378,795	151,207	144,896,990	95.83%	1,443,494	146,340,484	96.78%
2022	133,834,626	14,994,674	5,750,554	154,580	145,788,069	94.31%	41,485	145,829,554	94.34%
2023	143,687,506	17,402,250	3,831,083	164,921	162,101,358	98.29%	390,299	162,491,658	98.53%
2024	154,545,169	19,839,447	3,823,583	178,208	176,286,166	98.92%	423,187	176,709,353	99.16%
2025	163,227,375	19,745,325	8,514,372	191,487	183,145,235	95.64%	793,760	183,938,994	93.06%
Average Collections									<u>97.66%</u>

Notes:

Supplemental Assessments include voter approved indebtedness for Fire and Police Pensions and supplemental assessments added whenever new construction is completed and whenever real property changes ownership under Chapter 3.5 of Part 0.5 of Division 1 of the California Revenue and Taxation Code.

Source(s): County of Fresno

**City of Fresno**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**(dollars in thousands, except per capita)**

Fiscal Year	Governmental Activities					Total Governmental Activities
	General Obligation Bonds	Lease Revenue Bonds	Lease/SBITA Liability	Notes Payable	Finance Purchase Agreements	
2015	\$ 147,177	\$ 161,435	\$ -	\$ 4,569	\$ 10,113	\$ 864,721
2016	139,999	153,279	-	3,813	17,220	866,253
2017	131,840	144,697	-	3,016	20,884	955,995
2018	124,245	136,021	-	2,466	28,271	1,076,819
2019	116,160	126,191	-	2,033	39,338	985,907
2020	107,555	116,139	-	1,846	43,121	936,143
2021	98,395	125,464	6,990	1,648	41,153	908,435
2022	88,640	116,162	1,054	1,440	52,568	889,095
2023	78,255	105,982	15,120	-	49,606	958,169
2024	67,190	97,172	16,268	-	64,832	931,796
2025	55,400	90,284	15,152	-	70,307	231,143

Notes:

See the Schedule of Demographic and Economic Statistics for personal income and population data on page 234.

Information pertaining to Personal Income is obtained from the Bureau of Economic Analysis (BEA).

<sup>1</sup>Personal income and Per Capita Personal Income figures for fiscal year 2024 & 2025 are not currently available from the BEA.

The City is not obligated in any manner for the Special Assessment debt, but is acting as an agent for property owners in collecting the assessments and forwarding the collections to the trustee or paying agent and initiating foreclosure proceedings, if appropriate.

Source(s): Debt Information - City of Fresno, Finance Department

Population Information - State of California Department of Finance, Demographic Research Unit

**City of Fresno**  
**Ratios of Outstanding Debt by Type (Continued)**  
**Last Ten Fiscal Years**  
**(dollars in thousands, except per capita)**

Fiscal Year	Business-Type Activities						Finance Purchase Agreements	Total Business-Type Activities
	Airport Revenue Bonds	Sewer Revenue Bonds	Water Revenue Bonds	Lease Revenue Bonds	Lease/SBITA Liability	Notes Payable		
2015	\$ 54,590	\$ 207,280	\$ 147,569	\$ 84,143	\$ -	\$ 52,080	\$ -	\$ 545,662
2016	53,098	198,436	142,148	79,646	-	82,795	-	866,253
2017	51,508	189,134	136,569	73,582	-	208,855	-	955,995
2018	49,825	179,351	130,774	65,203	-	364,624	-	1,076,819
2019	83,039	34,943	124,759	59,628	-	403,612	-	985,907
2020	81,145	6,934	118,501	53,806	-	407,096	-	936,143
2021	78,383	885	90,241	47,717	-	424,550	-	908,435
2022	75,459	885	90,329	41,347	357	425,341	-	889,095
2023	52,110	-	90,418	34,490	2,685	406,406	-	958,169
2024	140,175	-	90,506	29,868	2,498	391,495	-	931,796
2025	143,904	-	86,504	26,424	1,361	376,579	23,300	658,072

Notes:

See the Schedule of Demographic and Economic Statistics for personal income and population data on page 234.

Information pertaining to Personal Income is obtained from the Bureau of Economic Analysis (BEA).

<sup>1</sup>Personal income and Per Capita Personal Income figures for fiscal year 2024 & 2025 are not currently available from the BEA.

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Source(s): Debt Information - City of Fresno, Finance Department

Population Information - State of California Department of Finance, Demographic Research Unit

**City of Fresno**  
**Ratios of Outstanding Debt by Type (Continued)**  
**Last Ten Fiscal Years**  
**(dollars in thousands, except per capita)**

<b>Fiscal Year</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Net Debt per Capita</b>
2015	\$ 864,721	2.27%	\$ 1,662
2016	866,253	2.20%	1,664
2017	955,995	2.56%	1,818
2018	1,076,819	2.74%	2,000
2019	985,907	2.40%	1,837
2020	936,143	2.19%	1,715
2021	908,435	2.00%	1,661
2022	889,095	1.83%	1,635
2023	958,169	1.84%	1,752
2024	931,796	1.58%	1,714
2025	889,215	<sup>1</sup> NA	1,596

Notes:

See the Schedule of Demographic and Economic Statistics for personal income and population data on page 234.

Information pertaining to Personal Income is obtained from the Bureau of Economic Analysis (BEA).

<sup>1</sup>Personal income and Per Capita Personal Income figures for fiscal year 2024 & 2025 are not currently available from the BEA.

The City is not obligated in any manner for the Special Assessment debt, but is acting as an agent for property owners in collecting the assessments and forwarding the collections to the trustee or paying agent and initiating foreclosure proceedings, if appropriate.

Population Information - State of California Department of Finance, Demographic Research Unit

**City of Fresno**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year	General Bonded Debt Outstanding		Total	Percent of Actual Taxable Value of Property	Population	Net Debt per Capita
	General Bonded Debt	Tax Allocation Bonds				
2015	\$ 147,177,000	\$ -	\$ 147,177,000	0.49%	520,159	\$ 283
2016	139,998,791	-	139,998,791	0.44%	520,453	269
2017	131,840,000	-	131,840,000	0.40%	525,832	251
2018	124,245,000	-	124,245,000	0.36%	538,330	231
2019	116,160,000	-	116,160,000	0.32%	536,683	216
2020	107,555,000	-	107,555,000	0.28%	545,769	197
2021	98,395,000	-	98,395,000	0.24%	546,770	180
2022	88,640,000	-	88,640,000	0.21%	543,660	163
2023	78,255,000	-	78,255,000	0.17%	549,242	142
2024	67,190,000	-	67,190,000	0.14%	546,971	123
2025	55,400,000	-	55,400,000	0.11%	557,032	99

Notes:

Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

See Gross Assessed Value and Estimated Actual Value of Taxable Property schedule for property value information on page 220.

Source(s): General Bonded Debt Information - City of Fresno Department of Finance

Population Information - State of California Department of Finance, Demographic Research Unit

**City of Fresno**  
**Direct and Overlapping Governmental Activities Debt**  
**As of January 30, 2025**

2024-25 Gross Assessed Valuation:

\$ 52,145,444,669

	Estimated Percent Applicable	Debt Applicable
<b><u>Combined Direct Debt</u></b>		
City of Fresno Pension Obligation	100%	\$ 55,400,000
Lease Revenue Bonds	100%	90,284
Capital Finance Obligations	100%	70,307
Total Combined Direct Debt		55,560,591
<b><u>Overlapping Tax, and Assessment Debt</u></b>		
City of Fresno Community Facilities District No. 4	100%	\$ 163,828
City of Fresno Community Facilities District No. 5	100%	480,000
City of Fresno Community Facilities District No. 7	100%	763,224
State Center Community College District	42.47%	148,325,605
Clovis Unified School District	48.07%	262,958,919
Fresno Unified School District	84.48%	704,849,288
Central Unified School District	81.97%	227,283,033
Other School Districts	Various	93,986,066
California Statewide Communities Development	100%	10,805,000
Total Overlapping Tax, and Assessment Debt		1,449,614,963
<b><u>Overlapping General Fund Obligation Debt</u></b>		
Fresno County Pension Obligations	46.87%	\$ 78,385,948
Fresno County General Fund Obligations	46.87%	8,783,625
Clovis Unified School District Certificates of Participation	48.26%	78,251,930
Fresno Unified School District Certificates of Participation	84.51%	4,170,519
Central Unified School District Certificates of Participation	82.23%	38,253,093
Other School District Certificates of Participation	Various	32,853,941
City of Fresno General Fund Obligations	100%	116,397,562
City of Fresno Pension Obligation Bonds	100%	67,190,000
Total Overlapping General Fund Debt		424,286,618
Total Overlapping Tax and Assessment, General Fund and Tax Increment Debt		1,873,901,581
Total Overlapping and Direct Debt		\$ 1,929,462,172

**Ratios to 2023-24 Assessed Valuation:**

Combined Direct Debt	0.35%
Overlapping Tax, and Assessment Debt	2.77%
Combined Total Overlapping and Direct Debt	3.69%
Overlapping Tax Increment Debt (Successor Agency)	0.00%

Notes:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Fresno. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

The percentage of overlapping debt applicable to the City of Fresno is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of overlapping district's taxable assessed value that is within the boundaries of the City of Fresno divided by the District's total taxable assessed value.

The Direct and Overlapping Governmental Activities Debt excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital finance obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

The Overlapping Tax, Assessment Debt and General Fund Debt percentages and figures are provided by Cal Municipal Services, Inc. and are as of December 11, 2024. Direct Debt figures are provided by the Finance Department at the City of Fresno and are as of June 30, 2025. Direct Debt figures are provided by the Finance Department at the City of Fresno and are as of June, 30, 2025.

**City of Fresno**  
**Debt Coverage Ratio - Airports**  
**Last Ten Fiscal Years**  
**(in thousands)**

	Fiscal Year				
	2016	2017	2018	2019	2020
Revenues (1) (2)	\$ 22,976	\$ 24,500	\$ 25,022	\$ 27,308	\$ 26,789
Less Operating Expenses (3)	14,934	16,117	17,355	18,701	19,962
Plus: Other Available Funds (4)	359	368	377	386	395
<b>Net Revenues</b>	<b>8,402</b>	<b>8,751</b>	<b>8,044</b>	<b>8,993</b>	<b>7,222</b>
<b>Adjusted Debt Service</b>					
Series 2000 Bonds					
Series 2013 Bonds (5)	2,808	2,803	2,801	2,802	2,801
<b>Less</b>					
Minimum PFC Contribution	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)
Additional PFC Contribution	(200)	-	-	-	-
<b>Net Series 2000/2013 Debt Service</b>	<b>1,008</b>	<b>1,203</b>	<b>1,201</b>	<b>1,202</b>	<b>1,201</b>
Series 2007 Bonds (5)	1,437	1,472	1,509	1,544	1,581
2019 Bonds (5)					2,141
<b>Annual Adjusted Debt Service</b>	<b>2,445</b>	<b>2,675</b>	<b>2,711</b>	<b>2,746</b>	<b>4,923</b>
<b>Annual Adjusted Debt Service Coverage (8)</b>	<b>2.97</b>	<b>3.44</b>	<b>3.27</b>	<b>2.97</b>	<b>3.27</b>

Note(s):

- (1) FY 2023 Revenues include \$5.2 Million of CARES Act monies. The Indenture of Trust defines Federal operating grants as Revenues.
- (2) State of California law requires the exclusion of Customer Facility Charge (CFC) Revenues from the calculation of Debt Service coverage in excess of annual Debt Service associated with the Series 2007 Bonds.
- (3) In accordance with the Indenture, unencumbered funds equal to 25% of Adjusted Debt Service may be designated by the City as Other Available Funds prior to the beginning of any Fiscal Year, and transferred to the Revenue Fund at the Beginning of such Fiscal Year.
- (4) The Supplemental Indenture requires a Minimum PFC Contribution of \$1.6 million.
- (5) Debt Service on the 2023 Bonds commenced in fiscal year 2023/24.

**City of Fresno**  
**Debt Coverage Ratio - Airports (Continued)**  
**Last Ten Fiscal Years**  
**(in thousands)**

	Fiscal Year				
	2021	2022	2023	2024	2025
Revenues (1) (2)	\$ 33,470	\$ 41,093	\$ 44,994	\$ 51,864	\$ 48,295
Less Operating Expenses (3)	20,626	21,290	24,165	(26,662)	(32,372)
Plus: Other Available Funds (4)	-	416	412	422	431
<b>Net Revenues</b>	<b>12,844</b>	<b>20,219</b>	<b>21,241</b>	<b>25,624</b>	<b>15,196</b>
<b>Adjusted Debt Service</b>					
Series 2000 Bonds					
Series 2013 Bonds (5)	-	2,804	2,700	2,685	2,309
<b>Less</b>					
Minimum PFC Contribution	(1,600)	(1,600)	(1,600)	(1,600)	(1,600)
Additional PFC Contribution	-	-	-	-	-
<b>Net Series 2000/2013 Debt Service</b>	<b>(1,600)</b>	<b>1,204</b>	<b>1,100</b>	<b>1,085</b>	<b>709</b>
Series 2007 Bonds (5)	-	1,664	1,649	1,688	1,727
2019 Bonds (5)	-	1,959	1,945	1,942	1,939
<b>Annual Adjusted Debt Service</b>	<b>-</b>	<b>4,827</b>	<b>4,694</b>	<b>4,715</b>	<b>4,375</b>
<b>Annual Adjusted Debt Service Coverage (8)</b>	<b>1.47</b>	<b>N/A</b>	<b>4.53</b>	<b>5.43</b>	<b>3.47</b>

Note(s):

- (1) FY 2023 Revenues include \$5.2 Million of CARES Act monies. The Indenture of Trust defines Federal operating grants as Revenues.
- (2) State of California law requires the exclusion of Customer Facility Charge (CFC) Revenues from the calculation of Debt Service coverage in excess of annual Debt Service associated with the Series 2007 Bonds.
- (3) In accordance with the Indenture, unencumbered funds equal to 25% of Adjusted Debt Service may be designated by the City as Other Available Funds prior to the beginning of any Fiscal Year, and transferred to the Revenue Fund at the Beginning of such Fiscal Year.
- (4) The Supplemental Indenture requires a Minimum PFC Contribution of \$1.6 million.
- (5) Debt Service on the 2023 Bonds commenced in fiscal year 2023/24.

**City of Fresno**  
**Debt Coverage Ratio - Water System**  
**Last Ten Fiscal Years**  
**(in thousands)**

	Fiscal Year				
	2016	2017	2018	2019	2020
<b>Revenues</b>					
Charges for Services and Other Operating Revenue \$	77,959	\$ 101,895	\$ 107,377	\$ 119,029	\$ 120,252
Less: Connection Fee Charges for Services	(1,563)	(1,917)	(2,531)	(2,138)	(2,596)
Net Charges for Services (1)	76,396	99,977	104,846	116,892	117,656
Interest Income	1,147	17	(238)	4,974	6,906
<b>Total Revenues</b>	<b>77,543</b>	<b>99,994</b>	<b>104,608</b>	<b>121,866</b>	<b>124,562</b>
<b>Expenses</b>					
Labor and Benefits	12,437	12,401	12,176	14,581	13,075
Pumping Power	8,150	9,064	9,550	8,358	9,419
Source of Supply	6,630	4,188	9,751	6,536	9,027
Transfer To Rate Stabilization	-	-	-	-	-
All Other Operating and Maintenance (2)	17,166	21,547	17,692	35,143	26,148
<b>Total Operating Expenses (3)</b>	<b>\$ 44,382</b>	<b>\$ 47,201</b>	<b>\$ 49,168</b>	<b>\$ 64,617</b>	<b>\$ 57,668</b>
Net Revenue	<b>\$ 33,162</b>	<b>\$ 52,793</b>	<b>\$ 55,440</b>	<b>\$ 57,249</b>	<b>\$ 66,894</b>
Senior Bond Debt Service (4)	1,381	1,380	1,376	1,379	1,379
State Loans Debt Service	-	-	-	-	-
<b>Total Senior Debt Service</b>	<b>1,501</b>	<b>1,380</b>	<b>1,376</b>	<b>1,379</b>	<b>1,379</b>
<b>Senior Coverage Ratio</b>	<b>22.09</b>	<b>38.25</b>	<b>40.29</b>	<b>41.51</b>	<b>48.52</b>
<b>Net Revenue Available for Parity Debt Service</b>	<b>31,660</b>	<b>51,413</b>	<b>54,064</b>	<b>55,870</b>	<b>65,515</b>
<b>2010 Series A Bond Debt Service (5)</b>	<b>12,531</b>	<b>12,508</b>	<b>12,509</b>	<b>12,504</b>	<b>12,510</b>
<b>State Loans Debt Service</b>	<b>2,786</b>	<b>3,533</b>	<b>6,021</b>	<b>10,937</b>	<b>18,562</b>
<b>Total Parity Debt Service</b>	<b>15,317</b>	<b>16,041</b>	<b>18,530</b>	<b>23,441</b>	<b>31,072</b>
Parity Coverage Ratio	2.07	3.21	2.92	2.38	2.11

**Note(s):**

- (1) 1993 Indenture defines "Current Revenues" as all revenue from the operation of the Water System except for connection fees and charges.
- (2) All Other Operating and Maintenance includes Fleet Depreciation Charge (vehicle replacement fees paid to Fleet Department).
- (3) 1993 Indenture defines "Maintenance and Operation Costs" as all expenditures incurred for maintaining and operating the Water System except for Debt Service, Depreciation, and Amortization.
- (4) 2003 Water Bonds were the only remaining Senior Bond Debt Service after FY 2016, and were paid off in FY 2020.
- (5) Paid off Remaining 2010 Series A-1 Bonds in FY 2021 with surplus cash.

**City of Fresno**  
**Debt Coverage Ratio - Water System (Continued)**  
**Last Ten Fiscal Years**  
**(in thousands)**

	Fiscal Year				
	2021	2022	2023	2024	2025
<b>Revenues</b>					
Charges for Services and Other Operating Revenue	\$ 127,651	\$ 136,479	\$ 122,837	\$ 124,655	\$ 128,945
Less: Connection Fee Charges for Services	(1,835)	(1,643)	(1,206)	(1,180)	(1,056)
Net Charges for Services (1)	125,816	134,836	121,631	123,476	127,889
Interest Income	(627)	(9,267)	(343)	13,002	15,393
<b>Total Revenues</b>	125,189	125,570	121,288	136,478	143,282
<b>Expenses</b>					
Labor and Benefits	15,428	15,232	16,957	16,019	15,545
Pumping Power	10,252	11,516	11,508	13,885	14,812
Source of Supply	6,531	8,739	9,177	8,987	12,555
Transfer To Rate Stabilization					
All Other Operating and Maintenance (2)	24,728	30,600	50,862	53,080	35,410
<b>Total Operating Expenses (3)</b>	\$ 56,940	\$ 66,087	\$ 88,503	\$ 91,971	\$ 78,322
Net Revenue	\$ 68,249	\$ 59,483	\$ 32,785	\$ 44,507	\$ 64,960
Senior Bond Debt Service (4)	-	-	-	-	-
State Loans Debt Service	-	1,959	1,945	1,942	-
<b>Total Senior Debt Service</b>	-	-	-	-	-
<b>Senior Coverage Ratio</b>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Net Revenue Available for Parity Debt Service</b>	68,249	59,483	32,785	44,507	64,958
<b>2010 Series A Bond Debt Service (5)</b>	7,020	4,085	4,084	4,059	9,166
<b>State Loans Debt Service</b>	16,190	16,489	16,489	17,201	16,997
<b>Total Parity Debt Service</b>	23,211	20,574	20,574	21,260	27,184
Parity Coverage Ratio	2.94	2.89	1.59	2.09	2.39

**Note(s):**

- (1) 1993 Indenture defines "Current Revenues" as all revenue from the operation of the Water System except for connection fees and charges.
- (2) All Other Operating and Maintenance includes Fleet Depreciation Charge (vehicle replacement fees paid to Fleet Department).
- (3) 1993 Indenture defines "Maintenance and Operation Costs" as all expenditures incurred for maintaining and operating the Water System except for Debt Service, Depreciation, and Amortization.
- (4) 2003 Water Bonds were the only remaining Senior Bond Debt Service after FY 2016, and were paid off in FY 2020.
- (5) Paid off Remaining 2010 Series A-1 Bonds in FY 2021 with surplus cash.

**City of Fresno**  
**Debt Coverage Ratio - Sewer System**  
**Last Ten Fiscal Years**  
**(in thousands)**

	Fiscal Year				
	2016	2017	2018	2019	2020
<b>Revenues</b>					
Charges for Services (1)	\$ 78,186	\$ 83,635	\$ 81,651	\$ 81,085	\$ 77,249
Interest Income	2,779	492	2,046	5,548	4,702
Less: Wastewater Facility Connection Fee	(1,844)	(1,968)	(1,996)	(3,290)	(2,600)
<b>Total Senior Lien Revenues</b>	<b>\$ 79,121</b>	<b>\$ 82,158</b>	<b>\$ 81,700</b>	<b>\$ 83,343</b>	<b>\$ 79,351</b>
Operating Expenses (2)	35,935	38,058	37,237	45,835	43,522
<b>Net Income Before Debt Service</b>	<b>\$ 43,186</b>	<b>\$ 44,100</b>	<b>\$ 44,464</b>	<b>\$ 37,507</b>	<b>\$ 35,829</b>
Senior Lien Debt Service (3)	10,387	10,712	10,701	10,684	373
Coverage Ratio (4)	4.16	4.12	4.16	3.51	95.96
100% Coverage-Subordinate Lien:					
Net Current Revenue after Senior Lien Debt (before Connection Fees)	\$ 12,437	\$ 12,401	\$ 12,176	\$ 14,581	\$ 35,455
<b>Available from Senior Lien Revenues</b>	<b>\$ 8,150</b>	<b>\$ 9,064</b>	<b>\$ 9,550</b>	<b>\$ 8,358</b>	<b>\$ 35,455</b>
Subordinate Lien Debt Service (5)	6,630	4,188	9,751	6,536	2,280
State Loan Debt Service (6)	-	-	1,280	1,286	2,573
Coverage Ratio	17,166	21,547	17,692	35,143	0.007
120% & 125% Coverage Subordinate Lien:					
<b>Net Current Revenue (Excluding Connection Fees)</b>	<b>\$ 32,798</b>	<b>\$ 33,388</b>	<b>\$ 33,763</b>	<b>\$ 26,823</b>	<b>\$ 35,455</b>
Wastewater Facility Connection Fee	1,844	1,968	1,996	3,290	2,600
Transfers From/To Rate Stabilization Fund					
<b>Net Current Revenue (Including Connection Fees)</b>	<b>\$ 34,642</b>	<b>\$ 35,356</b>	<b>\$ 35,759</b>	<b>\$ 30,113</b>	<b>\$ 38,055</b>
Available From Senior Lien Revenues	34,642	35,356	35,759	30,113	38,055
Subordinate Lien Debt Service (5)	7,949	7,949	7,949	667	2,280
State Loan Debt Service (6)	-	-	1,280	1,286	2,573
Coverage Ratio	4.36	4.45	3.87	15.42	7.84
<b>Net Income After Debt Service (7)</b>	<b>\$ 26,694</b>	<b>\$ 27,407</b>	<b>\$ 27,810</b>	<b>\$ 28,160</b>	<b>\$ 33,202</b>

**Note(s):**

- (1) Includes revenue paid by the City of Clovis for O&M pursuant to the 1977 Fresno-Clovis Sewerage System Joint Powers Agreement.
- (2) The 1993 Indenture specifically excludes from Operating Expenditures: Debt Service, Amortization and Depreciation.
- (3) 1993 Sewer System Revenue Bonds, Series A
- (4) Coverage Ratio is calculated by dividing Net Income before Debt Service by Senior Lien Debt Service.
- (5) 2008 Sewer System Revenue Refunding Bonds, Series A.
- (6) State Loan Debt Service
- (7) Net Income after Debt Service and before cash financed capital expenditures and any other expenditures for lawful purposes.

**City of Fresno**  
**Debt Coverage Ratio - Water System (Continued)**  
**Last Ten Fiscal Years**  
**(in thousands)**

	Fiscal Year				
	2021	2022	2023	2024	2025
<b>Revenues</b>					
Charges for Services (1)	\$ 77,940	\$ 87,795	\$ 84,086	\$ 89,248	\$ 78,121
Interest Income	(720)	(7,943)	(1,548)	12,020	12,124
Less: Wastewater Facility Connection Fee	(3,426)	(3,393)	(2,028)	(2,176)	(1,853)
<b>Total Senior Lien Revenues</b>	<b>\$ 73,795</b>	<b>\$ 76,460</b>	<b>\$ 80,510</b>	<b>\$ 100,914</b>	<b>\$ 88,392</b>
Operating Expenses (2)	44,630	51,088	32,873	55,565	50,550
<b>Net Income Before Debt Service</b>	<b>\$ 29,165</b>	<b>\$ 25,372</b>	<b>\$ 47,597</b>	<b>\$ 45,349</b>	<b>\$ 37,842</b>
Senior Lien Debt Service (3)	6,234	40	905	-	-
Coverage Ratio (4)	4.68	637.08	52.60	-	-
100% Coverage-Subordinate Lien:					
Net Current Revenue after Senior Lien Debt (before Connection Fees)	\$ 22,931	\$ 25,332	\$ 46,692	\$ 45,349	\$ 37,842
<b>Available from Senior Lien Revenues</b>	<b>\$ 22,931</b>	<b>\$ 25,332</b>	<b>\$ 46,692</b>	<b>\$ 45,349</b>	<b>\$ 37,842</b>
Subordinate Lien Debt Service (5)	-	-	-	-	794
State Loan Debt Service (6)	1,286	1,286	3,397	3,397	3,397
Coverage Ratio	0.018	0.020	0.014	0.013	0.111
120% & 125% Coverage Subordinate Lien:					
<b>Net Current Revenue (Excluding Connection Fees)</b>	<b>\$ 22,931</b>	<b>\$ 25,332</b>	<b>\$ 46,692</b>	<b>\$ 45,349</b>	<b>\$ 37,842</b>
Wastewater Facility Connection Fee	3,426	3,393	2,028	2,176	1,853
Transfers From/To Rate Stabilization Fund					
<b>Net Current Revenue (Including Connection Fees)</b>	<b>\$ 26,357</b>	<b>\$ 28,725</b>	<b>\$ 48,720</b>	<b>\$ 47,525</b>	<b>\$ 39,695</b>
Available From Senior Lien Revenues	26,357	28,725	48,720	47,525	39,695
Subordinate Lien Debt Service (5)	-	-	-	-	794
State Loan Debt Service (6)	1,286	1,286	3,397	3,397	3,397
Coverage Ratio	20.49	22.33	14.34	13.99	10.56
<b>Net Income After Debt Service (7)</b>	<b>\$ 25,070</b>	<b>\$ 27,438</b>	<b>\$ 45,323</b>	<b>\$ 44,128</b>	<b>\$ 35,504</b>

**Note(s):**

- (1) Includes revenue paid by the City of Clovis for O&M pursuant to the 1977 Fresno-Clovis Sewerage System Joint Powers Agreement.
- (2) The 1993 Indenture specifically excludes from Operating Expenditures: Debt Service, Amortization and Depreciation.
- (3) 1993 Sewer System Revenue Bonds, Series A
- (4) Coverage Ratio is calculated by dividing Net Income before Debt Service by Senior Lien Debt Service.
- (5) 2008 Sewer System Revenue Refunding Bonds, Series A.
- (6) State Loan Debt Service
- (7) Net Income after Debt Service and before cash financed capital expenditures and any other expenditures for lawful purposes.

**City of Fresno**  
**Pledged Revenue Coverage**  
**Last Ten Fiscal Years**  
**(in thousands)**

**Fresno Convention Center Revenue Bonds**

Fiscal Year	Charges For Services	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	\$ 3,634	\$ 4,929	\$ (1,296)	\$ 3,030	\$ 2,346	(0.24)
2017	3,752	4,929	(1,177)	22,762	2,213	(0.05)
2018	3,318	3,958	(640)	2,189	1,171	(0.19)
2019	3,796	4,350	(554)	3,260	1,882	(0.11)
2020	1,911	3,528	(1,617)	3,422	1,716	(0.31)
2021	(2)	1,719	(1,721)	3,596	1,541	(0.34)
2022	5,744	6,387	(643)	3,784	1,351	(0.13)
2023	4,307	4,760	(453)	3,037	1,148	(0.11)
2024	5,354	6,550	(1,196)	1,726	995	(0.44)
2025	5,288	6,716	(1,428)	1,784	931	(0.53)

**Stadium Bonds**

Fiscal Year	Charges For Services	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	\$ 677	\$ 224	\$ 454	\$ 1,335	\$ 2,114	0.13
2017	1,082	224	858	17,210	1,597	0.05
2018	2,488	90	2,398	1,355	1,714	0.78
2019	406	111	295	1,490	1,705	0.09
2020	644	51	593	1,575	1,616	0.19
2021	580	154	426	1,670	1,522	0.13
2022	279	426	(147)	1,770	1,422	(0.05)
2023	102	731	(629)	1,870	1,316	(0.20)
2024	585	436	149	1,980	1,203	0.05
2025	-	836	(836)	2,100	1,082	(0.26)

**Parks Bonds**

Fiscal Year	Charges For Services	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	\$ 325	\$ 102	\$ 223	\$ 55	\$ 100	1.44
2017	340	102	238	2,030	98	0.11
2018	323	38	286	60	73	2.15
2019	410	256	154	50	79	1.19
2020	278	345	(67)	55	77	(0.51)
2021	411	326	85	55	74	0.66
2022	630	170	460	55	71	3.65
2023	687	265	422	60	68	3.29
2024	685	100	585	65	65	4.48
2025	486	235	251	70	62	1.90

Notes:

Operating Expenses do not include interest, amortization or depreciation expenses.

The City issued new lease-revenue bonds to refinance several existing lease-revenue bonds for economic savings on May 10, 2017. Any bonds that were callable and produced savings were included, even if it meant redeeming one project in part because there was a non-callable portion that could not be redeemed.

**City of Fresno**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**(Dollars in Thousands)**

Legal Debt Limit Calculation for Fiscal Year 2025

Assessed Value	\$	52,145,445
Debt Limit (20% of assessed value, pursuant to City Charter)		10,429,089
Debt applicable to the limit:		-
General obligation bonds		-
repayment of general obligation debt		-
Total net debt applicable to limit		-
Legal debt margin	\$	10,429,089

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2016	\$ 6,305,285	\$ -	\$ 6,305,285	0.00%
2017	6,588,227	-	6,588,227	0.00%
2018	6,890,781	-	6,890,781	0.00%
2019	7,322,640	-	7,322,640	0.00%
2020	7,711,716	-	7,711,716	0.00%
2021	8,173,990	-	8,173,990	0.00%
2022	8,476,049	-	8,476,049	0.00%
2023	9,148,790	-	9,148,790	0.00%
2024	9,857,998	-	9,857,998	0.00%
2025	10,429,089	-	10,429,089	0.00%

Note:

The City's Judgment and Pension obligation bonds were the result of legal judgments that were financed to be paid out over a period of time. Per Article XVI, Section 18 of the California Constitution "obligations imposed by law" are deemed exceptions to the debt limit.

Source: Assessed Valuation Information - County of Fresno, Tax Rate Book

**City of Fresno**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Year</b>	<b>Population</b>	<b>Personal</b>	<b>Per Capita</b>	<b>Unemployment</b>	<b>Area Square</b>
<b>Year</b>		<b>Income</b>	<b>Personal</b>	<b>Rate</b>	<b>Miles</b>
			<b>Income</b>		
2016	520,453	\$ 39,295,335,000	\$ 40,101	9.50%	114.34
2017	525,832	41,024,000,000	41,470	8.48%	114.67
2018	538,330	42,842,800,000	43,084	7.50%	115.21
2019	536,683	45,445,944,000	45,487	7.30%	116.48
2020	545,769	48,539,267,000	48,495	12.12%	116.48
2021	546,770	52,363,942,000	51,692	12.13%	116.93
2022	543,660	51,316,407,000	50,549	5.60%	116.93
2023	549,242	53,633,038,000	52,728	7.00%	116.93
2024	546,971	58,972,823,000	57,584	8.10%	117.18
2025	557,032	Not yet available	Not yet available	8.60%	117.21

Notes:

Personal Income and Per Capita Personal Income Information pertains to Fresno, CA, Metropolitan Statistical Area (MSA).

2024-2025 Personal Income and Per Capita Income data is not yet available from the BEA.

The 2025 Unemployment Rate is provided by EDD as of August 2025.

The 2024 Population is as of 08/15/2025

Source: Population Information - State of California Department of Finance, Demographic Research Unit Unemployment Information - California Employment Development Department (EDD), Labor Market Information Division

Per Capita Income and Personal Income - Bureau of Economic Analysis (BEA).

**City of Fresno  
Principal Employers  
Current Year and Nine Years Ago**

<b>Employer</b>	<b>2025</b>			<b>2016</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percent of Total City Employment (%)</b>	<b>Employees</b>	<b>Rank</b>	<b>Percent of Total City Employment (%)</b>
Fresno Unified School District	15,748	1	3.66%	11,162	1	2.70%
Community Medical Centers	10,780	2	2.50%	4,789	4	1.16%
County of Fresno	9,156	3	2.13%	6,400	2	1.55%
Clovis Unified School District	8,470	4	1.97%	-	-	0.00%
Amazon	6,500	5	1.51%	-	-	0.00%
City of Fresno	5,596	6	1.30%	3,321	5	0.80%
California State University, Fresno	5,297	7	1.23%	2,310	7	0.56%
State Center Community College District	5,187	8	1.20%	1,630	9	0.39%
Internal Revenue Service	4,477	9	1.04%	5,600	3	1.35%
Saint Agnes Medical Center	3,382	10	0.79%	2,812	6	0.68%
Kaiser Permanente Medical Center	-	-	-	2,300	8	0.56%
Alorica, Inc.	-	-	-	1,300	10	0.31%
<b>Total</b>	<b>74,593</b>		<b>17.33%</b>	<b>41,624</b>		<b>4.48%</b>
Fresno City Employment	430,500			413,900		

Sources:

Employer Information - Fresno County Economic Development Corporation (EDC)

City of Fresno Employment information - Employment Development Department (EDD) - Labor Market Information, State of California

Notes(s):

FY2025 employer information provided by the Fresno County Economic Development Corporation (EDC) and represents private and public sector full-time employees.

FY2025 employer information estimated to be within the City of Fresno.

The Employer Information for the Internal Revenue Service includes employees from all Fresno offices

FY2025 Fresno City Employment figures are for June 2025 as currently available from the California EDD for Fresno (MSA). FY2025 Fresno City Employment figures for Amazon, Internal Revenue Service and Saint Agnes Medical Center are from FY2022.

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**City of Fresno**  
**Full-Time Equivalent City Government Employees by Function/Program**  
**Last Ten Fiscal Years**

	Full-Time Equivalent Employees as of June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government										
Management	80.25	85.25	96.84	101.50	189.00	199.00	226.25	262.65	265.25	277.90
Finance	58.75	60.75	54.75	55.00	118.00	116.00	115.75	116.00	117.00	129.00
General Services	-	-	-	-	-	-	-	143.75	146.00	158.25
Other	96.25	103.50	106.00	112.00	117.00	121.00	130.00	204.00	229.20	294.35
Enterprise Functions										
Transportation										
Airports										
Sworn	15.00	19.00	19.00	19.00	19.00	19.00	21.00	24.00	25.00	25.00
Civilian	72.00	77.35	80.05	82.00	85.65	99.40	95.40	109.65	115.15	119.15
FAX Department	435.50	492.25	508.00	515.50	533.00	534.00	541.00	492.00	508.00	518.00
Public Utilities	640.50	643.80	643.80	646.80	587.75	589.00	613.50	608.55	621.05	620.30
Economic Growth and Expansion										
Development and Resource Management Department	184.60	204.80	218.70	-	-	-	-	-	-	-
Planning and Development	-	-	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	8.00	8.00	8.00
Planning and Development Services	-	-	-	218	139	141	161	196.40	206.15	206.40
Public Works	288.75	305.25	315.25	339.50	356.75	358.00	392.50	407.25	453.25	401.25
Culture and Recreation										
Parks, Recreation and Community Services	71.00	73.50	75.00	75.75	76.00	88.00	72.00	132.50	159.00	162.00
Public Protection										
Police										
Sworn	775.00	804.00	830.00	835.00	835.00	838.00	850.00	888.00	900.00	926.00
Civilian	244.56	274.65	270.34	273.75	292.00	297.60	316.90	367.50	397.50	404.00
Fire										
Sworn	314.00	334.00	334.00	334.00	302.00	305.00	347.00	371.00	375.00	375.00
Civilian	45.00	42.91	47.75	42.50	43.50	45.30	48.50	47.92	53.00	53.00
<b>Total:</b>	<b>3,321</b>	<b>3,521</b>	<b>3,599</b>	<b>3,651</b>	<b>3,693</b>	<b>3,751</b>	<b>3,931</b>	<b>4,379</b>	<b>4,579</b>	<b>4,678</b>

Notes:

- (1) Figures for Full-time Equivalents (FTE's) include Permanent and Permanent Part-Time employees only.
- (2) Authorized Positions are established by resolution of the City Council and represent the total number of permanent, permanent part-time and permanent intermittent positions in which persons may be employed by the City during a Fiscal Year. Changes in the total number of positions can only be accomplished by resolution of the City Council.
- (3) Total permanent positions for each fiscal year are represented as of the following dates: FY2011 as of May 2011; FY2012 as of May 2012; FY2014 as of June 2013; FY2015 as of September 2014; FY2016 as of September 2015; FY2017 as of June 2017; FY2018 as of June 2018; FY2019 as of June 2019, and FY20 as of June 2020.
- (4) In FY2011 Planning and Development became the Development and Resource Management Department (DARM).
- (5) In FY2012 the Downtown & Community Revitalization Department was consolidated into the DARM Department.
- (6) In FY2012 the General Services Department (GSD) was dissolved and its operating divisions were merged into the Finance, Public Works and Transportation/ FAX Departments.
- (7) In FY2012 effective December 1, 2011, Commercial Solid Waste Operations were franchised. 109 authorized positions in the Public Utilities Department were deleted by City Council Resolution, effective July 3, 2012.
- (8) In FY2017 the Transportation FAX Department added service, management and support staff positions for a variety of service additions such as Bus Rapid Transit (BRT), extended night and weekend service, and increased frequencies on four major avenues.
- (9) In FY2017 positions were added to address reductions that occurred in recent years. Additions to the Police Department included Police Officer Recruits, Police Officer Cadets and a Police Sergeant. Additions to the Fire Department included Firefighters and an administrative position.
- (10) In FY2018 the Budget and Management Studies Division was relocated from Finance to the City Manager's Office.
- (11) In FY2019, Development and Resource Management Department (DARM) became Planning & Development Services.
- (12) In FY2023 Economic Development was established as its own department.

Source(s): City of Fresno Budget Management & Studies Division - Adopted Budgets, Authorized Positions.

**City of Fresno**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2016	2017	2018	2019	2020
General Government					
Building Permits Issued					
Commercial	1,641	1,948	1,876	1,688	1,731
Residential	8,313	11,227	10,998	7,770	9,753
Police					
Physical Arrests	37,816	26,893	27,920	28,337	20,885
Traffic Violations (citations issued)	58,927	58,927	39,488	57,691	43,992
Calls Received for Police Service	1,026,458	950,099	1,013,411	924,016	920,020
Fire					
Emergency Medical Service Calls	19,174	21,773	21,430	32,071	27,964
Fire Incidents	18,257	16,702	16,830	25,194	14,906
Fire Inspections	12,581	13,292	12,679	12,747	13,692
Fire Hydrant Inspections	17,025	17,000	17,252	17,252	17,381
Wastewater Treatment					
Average Daily Sewage Treatment (million gallons per day)	56	57	57	56	56
Wastewater Treatment Capacity (million gallons per day)	80	80	80	92	92
Solid Waste					
Refuse Collected (tons per day)	623	650	648	662	650
Recyclables Collected (tons per day)	154	156	154	156	159
Green Waste Collected (tons per day)	348	358	353	365	366
Other Public Works					
Street Resurfacing (miles)	19	17	15	28	14
Parking Violations (citations issued)	47,531	53,760	54,865	45,407	34,514
Parks and Recreation					
Athletic Field Permits Issued	6,949	8,332	5,392	6,795	5,182
Memorial Auditorium User Groups	27	18	13	23	8
Memorial Auditorium, Audience	45,900	18,900	16,500	19,500	10,800
Senior Hot Meal Participants (All Sites)	45,070	44,686	47,605	46,604	29,007
Meals Served (Not Senior Hot Meals)	-	32,328	40,830	26,879	22,878
Picnic Shelter/Table Reservations (Roeding & Woodward)	2,457	2,053	1,907	1,841	2,438
Average Daily Attendance (Neighborhood Parks with Centers)	1,653	1,732	1,976	2,083	1,656
Convention Center					
Event Days	209	313	300	296	170
Gross Ticket Sales	7,272,305	8,049,133	6,741,116	12,048,880	3,792,771
Attendance	455,491	455,587	417,918	478,541	278,299
Water					
Number On-Service Accounts	134,381	135,448	136,408	137,251	138,332
Main/Service Leaks Repaired	378	408	663	737	776
Average Daily Per Capita Consumption (gallons)	183	198	208	189	197
Peak Daily Consumption (MGD - Million Gallons per Day)	170	181	183	157	170

(Continued)

**City of Fresno**  
**Operating Indicators by Function/Program (Continued)**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2016	2017	2018	2019	2020
Transportation					
Number of Commercial Airlines	8	8	8	8	8
Number of Cargo Carriers	3	3	3	3	3
Total Number Tenant Aircraft	320	303	277	301	287
Annual Fuel Consumption (gallons)	10,541,916	10,592,430	8,698,431	2,648,061	2,002,465
Origin and Destination Passengers					
Domestic	1,292,784	1,328,929	1,423,248	1,621,990	1,298,554
International	182,225	208,947	212,075	235,667	207,037
Origin and Destination Mail (lbs.)	316	17,818	9,362	12,649	—
Origin and Destination Freight (lbs.)	24,546,856	19,873,695	20,965,016	22,399,354	34,921,956
Fresno Area Express (FAX)					
Actual Route Miles	4,175,783	4,208,890	4,337,684	4,649,397	4,701,969
Passengers	10,672,577	9,622,874	9,750,800	10,551,665	9,058,367
Mini-Buses - Purchased Transportation	58	63	69	56	48

(Continued)

Source(s): City of Fresno - Various Departments

- (1) Building Permits Issued includes individual units and structures and is a composite of new construction, additions, alterations, repairs and relocations.
- (2) Police department figures are based on calendar year and are as of January 1 of reported year. FY2020 physical arrest figures are reported as of September 2019.
- (3) Information is combined for Fresno Yosemite International (FYI) and Chandler Executive Airport (FCH) for Number of Cargo Carriers, Number of Tenant Aircraft, Annual Fuel Consumption and Origin and Destination Freight.
- (4) Fire inspection figures reflect only those performed in the City of Fresno and excludes service calls for neighboring fire districts.
- (5) Fire hydrant inspections decreased in FY2016 because of an inspection schedule change. Beginning in FY2016, fire hydrant inspections are scheduled for annual inspections instead of bi-annual inspections.
- (6) The FY2016 Mini bus figure includes 8 sedans as is consistent with National Transit Database (NTD) reporting.
- (7) The FY2019 increase in FAX functional areas was due to a steady increase in FAX ridership due to strategic planning efforts, namely the addition of Bus Rapid Transit service in February 2018 and an additional line (Route 12) west of highway 99.
- (8) The FY2019 drop in fuel consumption was due to a loss of a large fixed based operator and a significant drop in the extent of fires, resulting in less military and forest service.
- (9) The FY2020 & FY2021 reduction in parking violations was related to relaxed enforcement due to COVID-19.
- (10) The FY2021 decrease in number of mini-buses was due to life cycle retirements. Passenger decrease was a direct result of COVID-19, ridership was restricted to allow for social distancing. Beginning March 2020, the passenger limit affected subsequent months and continued through June 20, 2021.
- (11) The FY2021 reduction of Parks & Recreation operations was due to the shuttering of facilities due to COVID-19.
- (12) The FY2021 increase in street resurfacing miles was due to the inclusion of Street Paving, Slurry & Construction Management miles.
- (13) The FY2021 decrease of Convention Center operations was due to the reduction of events hosted in response to COVID-19.
- (14) The FY2021 decrease in Police traffic violations was due to less people on the roads in response to COVID-19.
- (15) The FY2022 increase of Convention Center operations was due to the increase of events hosted.
- (16) The FY2023 for Athletic Field Permits Issued includes Tennis.
- (17) The FY2023 Meals and Senior Hot Meals increased as they were not served in FY2022 due to the Covid Pandemic.
- (18) The FY2023 paratransit statistics are not included in the Revenue Miles (Actual Route Miles) or Number of Passengers categories listed within this table.
- (19) The FY2023 increase in fixed route passengers is due to the removal of COVID-19 related restrictions.
- (20) The FY2023 decrease in both directly operated fixed route buses and paratransit cutaways are due to lifecycle retirements. The Department has funding available to replenish the lost vehicles in succeeding fiscal years, however, COVID 19 staffing inconsistencies have led to procurement delays.
- (21) Information was not available for all years for all categories.

**City of Fresno**  
**Operating Indicators by Function/Program (Continued)**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2021	2022	2023	2024	2025
General Government					
Building Permits Issued					
Commercial	1,387	1,322	1,774	1,561	1,819
Residential	9,045	9,458	10,796	13,217	13,733
Police					
Physical Arrests	18,006	10,939	12,341	18,854	14,898
Traffic Violations (citations issued)	21,769	22,892	28,174	31,653	37,283
Calls Received for Police Service	905,206	1,256,230	1,178,900	409,219	442,434
Fire					
Emergency Medical Service Calls	21,640	25,487	25,034	25,367	26,805
Fire Incidents	19,352	22,281	21,765	23,716	26,652
Fire Inspections	11,329	14,871	16,124	18,603	11,286
Fire Hydrant Inspections	17,859	17,004	17,266	17,345	11,457
Wastewater Treatment					
Average Daily Sewage Treatment (million gallons per day)	58	57	58	55	55
Wastewater Treatment Capacity (million gallons per day)	92	95	92	92	92
Solid Waste					
Refuse Collected (tons per day)	750	750	730	728	723
Recyclables Collected (tons per day)	179	180	169	163	168
Green Waste Collected (tons per day)	368	359	353	356	336
Other Public Works					
Street Resurfacing (miles)	91	13	64	97	37
Parking Violations (citations issued)	16,524	29,251	25,751	29,388	45,457
Parks and Recreation					
Athletic Field Permits Issued	556	2,967	6,886	6,371	5,059
Memorial Auditorium User Groups	1	8	8	12	17
Memorial Auditorium, Audience	1,106	5,225	3,350	4,955	12,532
Senior Hot Meal Participants (All Sites)	-	-	165	22,700	1,029
Meals Served (Not Senior Hot Meals)	-	-	3	-	6
Picnic Shelter/Table Reservations (Roeding & Woodward)	21	4,838	1,186	1,148	1,312
Average Daily Attendance (Neighborhood Parks with Centers)	357	20	16	21	24
Convention Center					
Event Days	—	155	235	271	209
Gross Ticket Sales	\$ —	8,537,274	6,818,629	12,215,526	6,818,563
Attendance	—	234,718	251,265	330,281	173,176
Water					
Number On-Service Accounts	140,140	141,196	142,569	143,263	144,350
Main/Service Leaks Repaired	842	541	940	798	841
Average Daily Per Capita Consumption (gallons)	203	198	186	188	183
Peak Daily Consumption (MGD - Million Gallons per Day)	174	172	199	167	166

(Continued)

**City of Fresno**  
**Operating Indicators by Function/Program (Continued)**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2021	2022	2023	2024	2025
Transportation					
Number of Commercial Airlines	9	9	8	8	8
Number of Cargo Carriers	3	2	2	2	2
Total Number Tenant Aircraft	287	287	287	286	297
Annual Fuel Consumption (gallons)	2,247,020	2,549,932	2,380,532	2,299,992	2,627,164
Origin and Destination Passengers					
Domestic	1,094,020	1,907,434	1,945,419	2,231,783	2,729,178
International	200,785	302,571	320,566	365,171	429,963
Origin and Destination Mail (lbs.)	—	—	5,822	209	-
Origin and Destination Freight (lbs.)	33,956,904	34,348,311	27,125,646	21,627,362	21,189,998
Fresno Area Express (FAX)					
Actual Route Miles	4,693,498	4,788,756	4,833,345	5,361,880	5,457,560
Passengers	5,604,780	6,985,740	8,184,510	9,606,251	10,398,950
Mini-Buses - Purchased Transportation	43	40	38	42	42

(Concluded)

Source(s): City of Fresno - Various Departments

- (1) Building Permits Issued includes individual units and structures and is a composite of new construction, additions, alterations, repairs and relocations.
- (2) Police department figures are based on calendar year and are as of January 1 of reported year. FY2020 physical arrest figures are reported as of September 2019.
- (3) Information is combined for Fresno Yosemite International (FYI) and Chandler Executive Airport (FCH) for Number of Cargo Carriers, Number of Tenant Aircraft, Annual Fuel Consumption and Origin and Destination Freight.
- (4) Fire inspection figures reflect only those performed in the City of Fresno and excludes service calls for neighboring fire districts.
- (5) Fire hydrant inspections decreased in FY2016 because of an inspection schedule change. Beginning in FY2016, fire hydrant inspections are scheduled for annual inspections instead of bi-annual inspections.
- (6) The FY2016 Mini bus figure includes 8 sedans as is consistent with National Transit Database (NTD) reporting.
- (7) The FY2019 increase in FAX functional areas was due to a steady increase in FAX ridership due to strategic planning efforts, namely the addition of Bus Rapid Transit service in February 2018 and an additional line (Route 12) west of highway 99.
- (8) The FY2019 drop in fuel consumption was due to a loss of a large fixed based operator and a significant drop in the extent of fires, resulting in less military and forest service.
- (9) The FY2020 & FY2021 reduction in parking violations was related to relaxed enforcement due to COVID-19.
- (10) The FY2021 decrease in number of mini-buses was due to life cycle retirements. Passenger decrease was a direct result of COVID-19, ridership was restricted to allow for social distancing. Beginning March 2020, the passenger limit affected subsequent months and continued through June 20, 2021.
- (11) The FY2021 reduction of Parks & Recreation operations was due to the shuttering of facilities due to COVID-19.
- (12) The FY2021 increase in street resurfacing miles was due to the inclusion of Street Paving, Slurry & Construction Management miles.
- (13) The FY2021 decrease of Convention Center operations was due to the reduction of events hosted in response to COVID-19.
- (14) The FY2021 decrease in Police traffic violations was due to less people on the roads in response to COVID-19.
- (15) The FY2022 increase of Convention Center operations was due to the increase of events hosted.
- (16) The FY2023 for Athletic Field Permits Issued includes Tennis.
- (17) The FY2023 Meals and Senior Hot Meals increased as they were not served in FY2022 due to the Covid Pandemic.
- (18) The FY2023 paratransit statistics are not included in the Revenue Miles (Actual Route Miles) or Number of Passengers categories listed within this table.
- (19) The FY2023 increase in fixed route passengers is due to the removal of COVID-19 related restrictions.
- (20) The FY2023 decrease in both directly operated fixed route buses and paratransit cutaways are due to lifecycle retirements. The Department has funding available to replenish the lost vehicles in succeeding fiscal years, however, COVID 19 staffing inconsistencies have led to procurement delays.
- (21) Information was not available for all years for all categories.

**City of Fresno**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2016	2017	2018	2019	2020
Police Department					
Stations	4	5	5	5	5
Patrol Bureaus	4	5	5	5	5
Vehicular Patrol Units	276	334	360	356	390
Plain Cars (No specialty vehicles)	173	198	197	200	228
Motorcycles	72	70	74	70	66
Helicopters	2	2	2	2	2
Fixed Wing Aircraft	1	1	1	-	-
Fire Department					
Fire Stations	20	20	20	20	20
Squad Companies	-	-	-	-	-
Engine Companies	18	17	17	18	18
Truck Companies	4	5	5	5	5
Public Works					
Streets (miles)	1,500	1,511	1,692	1,700	1,714
Street Lights	42,207	42,405	43,318	43,450	43,570
Traffic Signals	467	468	481	488	486
Solid Waste Division					
Collection Trucks	89	81	85	86	86
Water Division					
Water Mains (miles)	1,801	1,809	1,827	1,859	1,871
Wells	261	260	263	262	262
Fire Hydrants	13,218	13,332	13,484	13,536	13,638
Sewer Maintenance Division					
Sewer Mainlines (miles)	1,536	1,539	1,613	1,558	1,628
Manholes	22,834	23,947	24,146	24,359	25,546
Lift Stations	15	15	15	14	16
Parks					
Metropolitan Parks (Regional)	3	3	3	3	3
Neighborhood Parks	33	34	34	34	34
Pocket Parks	21	21	21	21	21
Zoo	1	1	1	1	1
Golf Courses	2	2	2	2	2
Community Parks	1	1	1	1	1
Skate Parks	8	8	8	8	8
Tennis Courts	42	42	42	42	42
Acres of Parks	1,392	1,393	1,393	1,393	1,393
Neighborhood Centers	12	12	12	12	12
Community Center	5	5	7	7	7
Swimming Pools	9	9	9	8	8

(Continued)

**City of Fresno**  
**Capital Asset Statistics by Function/Program (Continued)**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2016	2017	2018	2019	2020
Transportation					
Airports	2	2	2	2	2
Municipal Airport Total Acreage	1,875	1,875	2,050	2,050	2,050
Length of Longest Runway (surfaced) - Linear Feet	9,539	9,539	9,539	13,165	13,165
Number of Runways	3	3	3	3	3
Number of Terminals	2	2	2	2	2
Terminals (square footage)	193,364	193,364	193,364	193,364	193,364
Number of Parking Spaces (surface lot)	2,355	2,664	2,664	2,664	2,812
Air Cargo Ramp Spaces	8	8	9	9	9
Air Cargo Ramp (surface square footage)	806,390	806,390	806,390	806,390	806,390
Number of Hangars	303	303	303	303	303
Buses - Directly Operated	105	129	138	102	100

(Continued)

Source(s): City of Fresno - Various Departments

Notes:

- (1) Information combined for Fresno Yosemite International (FYI) and Chandler Executive Airport (FCH).
- (2) The FY2016 reduction in Street(miles) is due to the non-inclusion of secondary segments on the major divided roads and is not associated with any road removal.
- (3) The Regional Sports Complex reported acreage was reduced from 268 acres to 114. While part of the Complex footprint, 154 acres are presently not available for public access.
- (4) Three acres were added due to the opening of Martin Ray Reilly Park in FY2015. 8.3 acres were added in FY2016 due to the opening of Inspiration Park.
- (5) In FY2020, Airports added stalls to a designated area not previously used for parking. This increased the number of stalls and had no affect on acreage.
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- (9) FY2023 Golf Courses decreased as Palm Lakes is no longer utilized for golf.
- (10) Information not available for all years for all categories.

**City of Fresno**  
**Capital Asset Statistics by Function/Program (Continued)**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2021	2022	2023	2024	2025
Police Department					
Stations	5	5	5	5	5
Patrol Bureaus	5	5	5	5	5
Vehicular Patrol Units	388	435	470	506	437
Plain Cars (No specialty vehicles)	239	64	218	273	339
Motorcycles	74	57	69	80	84
Helicopters	2	2	2	2	2
Fixed Wing Aircraft	-	-	-	-	-
Fire Department					
Fire Stations	20	20	20	20	20
Squad Companies	-	3	3	4	4
Engine Companies	18	18	18	18	18
Truck Companies	5	5	5	5	5
Public Works					
Streets (miles)	1,721	1,721	1,721	1,737	1,748
Street Lights	43,811	44,048	44,297	45,101	45,625
Traffic Signals	488	493	503	554	566
Solid Waste Division					
Collection Trucks	88	88	84	84	84
Water Division					
Water Mains (miles)	1,880	1,889	1,897	1,909	1,916
Wells	264	271	271	202	382
Fire Hydrants	13,717	13,784	13,865	14,004	14,071
Sewer Maintenance Division					
Sewer Mainlines (miles)	1,579	1,593	1,597	1,605	1,631
Manholes	25,546	25,046	25,238	25,398	26,022
Lift Stations	16	17	16	16	16
Parks					
Metropolitan Parks (Regional)	3	3	3	3	3
Neighborhood Parks	34	34	47	47	39
Pocket Parks	21	21	18	18	20
Zoo	1	1	1	1	1
Golf Courses	2	2	1	1	1
Community Parks	1	1	10	10	8
Skate Parks	8	8	8	8	11
Tennis Courts	42	42	42	42	38
Acres of Parks	1,393	1,393	1,288	1,288	1,327
Neighborhood Centers	12	12	12	12	12
Community Center	7	7	7	7	18
Swimming Pools	8	8	8	8	3

(Continued)

**City of Fresno**  
**Capital Asset Statistics by Function/Program (Continued)**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2021	2022	2023	2024	2025
Transportation					
Airports	2	2	2	2	2
Municipal Airport Total Acreage	2,050	2,050	2,050	2,050	2,050
Length of Longest Runway (surfaced) - Linear Feet	13,165	13,165	13,165	13,165	13,165
Number of Runways	3	3	3	3	3
Number of Terminals	2	2	2	2	2
Terminals (square footage)	193,364	193,364	193,364	193,364	193,364
Number of Parking Spaces (surface lot)	3,074	4,038	4,031	3,883	3,883
Air Cargo Ramp Spaces	8	8	8	8	8
Air Cargo Ramp (surface square footage)	806,390	806,309	806,309	806,309	806,309
Number of Hangars	303	303	303	303	303
Buses - Directly Operated	102	105	103	109	112

(Concluded)

Source(s): City of Fresno - Various Departments

Notes:

- (1) Information combined for Fresno Yosemite International (FYI) and Chandler Executive Airport (FCH).
- (2) The FY2016 reduction in Street(miles) is due to the non-inclusion of secondary segments on the major divided roads and is not associated with any road removal.
- (3) The Regional Sports Complex reported acreage was reduced from 268 acres to 114. While part of the Complex footprint, 154 acres are presently not available for public access.
- (4) Three acres were added due to the opening of Martin Ray Reilly Park in FY2015. 8.3 acres were added in FY2016 due to the opening of Inspiration Park.
- (5) In FY2020, Airports added stalls to a designated area not previously used for parking. This increased the number of stalls and had no affect on acreage.
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