

# Fiscal Year 2017-18

## January 2018 Monthly Financial Report

### City of Modesto, California

Through January 31, 2018\*

#### General Fund Overview

	Monthly Actuals Received/ Expended	Monthly % of Total Budget	YTD Actuals	2017/18 Operating Budget	% of Total Budget Received/ Expended
<b>Revenues</b>	\$ 15,678,787	13.0%	\$ 50,774,746	\$ 120,458,647	42.2%
<b>Expenditures</b>	\$ 9,220,251	7.0%	\$ 71,657,549	\$ 131,287,114	54.6%
<b>Revenue Over Expenditure Variance</b>	\$ 6,458,536		\$ (20,882,803)	\$ (10,828,467)	

#### Summary

#### Revenue Overview

The City has received \$15.7 million in General Fund revenues in the month of January 2018. These revenues were received mainly in the areas of Property Tax - Property (\$8.06M), Sales Tax (\$2.29M) and Utility Users Tax (\$1.80M). When comparing the amount of revenue received in January with the amount received in December, the figures show that revenues are substantially higher in this month. This a direct result of the first installment of the Property Tax being received.

At this point in the fiscal year, a Mid-Year Budget Update Report has been taken to Finance Committee with recommendations on increases to some of the General Fund revenue categories. The recommended increases are \$350,284 to Property Tax - Property; \$100,000 to Utility Users Tax; \$150,000 to Transient Occupancy Tax, \$150,000 to the McHenry Tax Sharing Agreement revenue; and \$75,000 to Construction Revenues. The increases total to the amount of \$825,284. These recommendations were approved by the Finance Committee on February 26, 2018 and will be moving on to a future Council meeting for approval.

#### Expenditure Overview

The City has expended \$9.22 million in General Fund dollars in the month of January 2018. This represents approximately 7.0% of the total FY 2017-18 Operating Budget. To date, there have been total expenditures of \$71.66 million or 54.6% of the total expense budget. The year-to-date total is higher than previous years, but this is largely due to the lump sum payment to CalPERS for the unfunded accrued liability payment that was required at the beginning of the fiscal year in July 2017. This payment was in the amount of \$9.8 million for the General Fund portion of the expense.

The majority of expenditures that occurred during the month of January 2018 originated from the Public Safety Departments (\$6.79M) and were related to salary and benefit charges. The salary and benefit expenses for the Police and Fire Departments totaled \$4.67M million in the month of January. All remaining salary and benefit expenditures from General Fund departments totaled \$1.22 million. The total remaining expenditures across the categories of discretionary expenditures, internal service fund expenditures and transfers out of the General Fund were approximately \$2.85 million.

\*Reflects Amounts for January 31, 2018 as of February 19, 2018

# Fiscal Year 2017-18

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### City of Modesto, California

Through January 31, 2018\*

#### General Fund Revenues Overview

Revenue Category	Monthly Actuals Received	Monthly % of Total Budget	YTD Actuals	2017/18 Operating Budget	% of Total Budget Received
1 Property Tax - Property	8,058,707	51.5%	9,181,128	15,634,250	58.7%
2 Property Tax - VLF Swap	-	0.0%	-	15,711,010	0.0%
3 Sales Tax	2,293,945	7.5%	12,954,143	30,440,650	42.6%
4 Utility Users Tax	1,803,097	8.8%	10,546,155	20,459,361	51.5%
5 Business License/Mill Tax	881,085	7.6%	4,963,312	11,603,520	42.8%
6 Franchise Fees	27,409	0.6%	1,093,061	4,605,794	23.7%
7 Transient Occupancy Tax	293,434	12.0%	1,316,095	2,450,000	53.7%
8 Construction Revenues	150,583	6.9%	1,351,909	2,179,162	62.0%
9 Departmental Revenues	2,170,527	13.2%	9,171,485	16,451,055	55.8%
10 Motor Vehicle Fees	-	0.0%	102,273	177,020	57.8%
11 Transfers In	-	0.0%	95,185	746,825	12.7%
<b>Total</b>	<b>15,678,787</b>	<b>13.0%</b>	<b>50,774,746</b>	<b>120,458,647</b>	<b>42.2%</b>

#### Monthly Actuals Notes

- 1 **Property Tax -Property** - As of January 2018, the City has received its first large installment of Property Tax. This first payment was in the amount of \$8.06 million. At this point in time, Property Tax is trending approximately \$156k higher than at the same point in Fiscal Year 2017.
- 2 **Property Tax - VLF Swap** - No VLF Swap revenue has been received to date. The first payment is typically received in December/January during the fiscal year, but it is not unheard of for it to be received as late as February.
- 3 **Sales Tax** - In January, the City received a payment of Sales Tax for the month of November 2017. This is the fifth payment of Sales Tax that the City has received that will be applied to Fiscal Year 2017-18. The amount received was \$2.29 million. It is important to note that this amount is approximately \$137k higher than the amount received in the same month in Fiscal Year 2016-17 and that Sales Tax is up by \$294k when compared to the prior fiscal year at the same point in time. Next month's financial report should include our first look at holiday sales tax information.
- 4 **Utility Users Tax** - In January 2018, the amount of UUT received was \$1.8 million which was approximately \$356k lower than the amount received in the same month in the prior fiscal year. Even though this month was fairly significant amount lower than what been received in the previous year, the total amount received to date is still approximately \$600k higher than last year.
- 5 **Business License/Mill Tax** - Revenues received in the month of January were about \$881 thousand. This was lower by about \$442k from what had been received in the previous fiscal year's month of January. This decrease has brought the total revenue in this category to down from the previous year by a total of \$296k. This is one area that the Budget Division will continue to monitor closely as we get through February and March of this fiscal year to see if the revenues continue to trend downward.
- 9 **Departmental Revenues** - A majority of the revenues received in this category in the month of December have been received from Non-Departmental (\$1.03M), the Fire Department (\$358k) and the Finance Department (\$204k). The large amount in Non-Departmental was mainly from an large amount of revenue from the McHenry Tax Sharing Agreement (a \$589k increase from previous month).
- 11 **Transfers In** - To date, \$95k has been received in Transfers In to the General Fund. This was from the dissolution of the Inventory Purchases Fund that was part of the adopted budget for Fiscal Year 2017-18.

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# Fiscal Year 2017-18

## January 2018 Monthly Financial Report

### City of Modesto, California

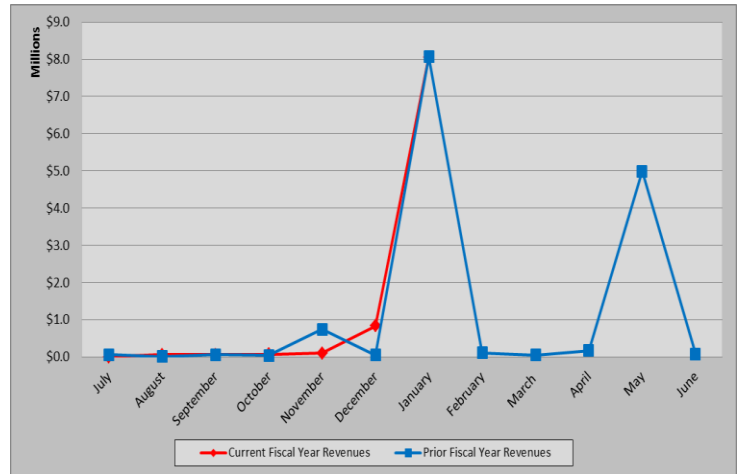
Through January 31, 2018

#### General Fund Revenue Overview

#### GENERAL FUND MAJOR REVENUE SOURCES

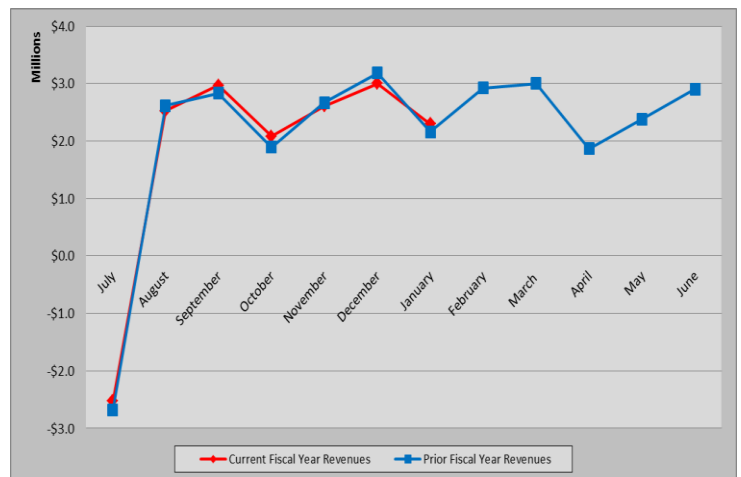
##### Property Tax - Property

	Current Fiscal Year Revenues	Prior Fiscal Year Revenues	Year-over-Year Variance
July	\$ -	\$ 64,644.74	\$ (64,644.74)
August	\$ 60,576.00	\$ 7,881.21	\$ 52,694.79
September	\$ 60,760.00	\$ 56,673.26	\$ 4,086.74
October	\$ 70,052.00	\$ 43,967.66	\$ 26,084.34
November	\$ 103,043.00	\$ 739,766.61	\$ (636,723.61)
December	\$ 827,990.00	\$ 48,434.64	\$ 779,555.36
January	\$ 8,058,707.00	\$ 8,062,785.17	\$ (4,078.17)
February		\$ 113,211.76	\$ (113,211.76)
March		\$ 47,723.88	\$ (47,723.88)
April		\$ 170,600.70	\$ (170,600.70)
May		\$ 4,992,130.12	\$ (4,992,130.12)
June		\$ 85,194.67	\$ (85,194.67)
<b>Totals</b>	<b>\$ 9,181,128.00</b>	<b>\$ 14,433,014.42</b>	<b>\$ (5,251,886.42)</b>



##### Sales Tax

	Current Fiscal Year Revenues	Prior Fiscal Year Revenues	Year-over-Year Variance
July	\$ (2,526,400.00)	\$ (2,684,974.82)	\$ 158,574.82
August	\$ 2,526,400.00	\$ 2,616,091.00	\$ (89,691.00)
September	\$ 2,966,090.00	\$ 2,828,180.91	\$ 137,909.09
October	\$ 2,083,100.00	\$ 1,890,550.00	\$ 192,550.00
November	\$ 2,609,202.00	\$ 2,668,500.00	\$ (59,298.00)
December	\$ 3,001,806.00	\$ 3,184,602.52	\$ (182,796.52)
January	\$ 2,293,945.00	\$ 2,156,829.00	\$ 137,116.00
February		\$ 2,923,327.00	\$ (2,923,327.00)
March		\$ 3,003,361.10	\$ (3,003,361.10)
April		\$ 1,863,729.09	\$ (1,863,729.09)
May		\$ 2,383,565.57	\$ (2,383,565.57)
June		\$ 2,900,718.21	\$ (2,900,718.21)
<b>Totals</b>	<b>\$ 12,954,143.00</b>	<b>\$ 25,734,479.58</b>	<b>\$ (12,780,336.58)</b>



Amounts in July of the Current Fiscal Year reflect accruals to previous fiscal year.

# Fiscal Year 2017-18

## January 2018 Monthly Financial Report

### City of Modesto, California

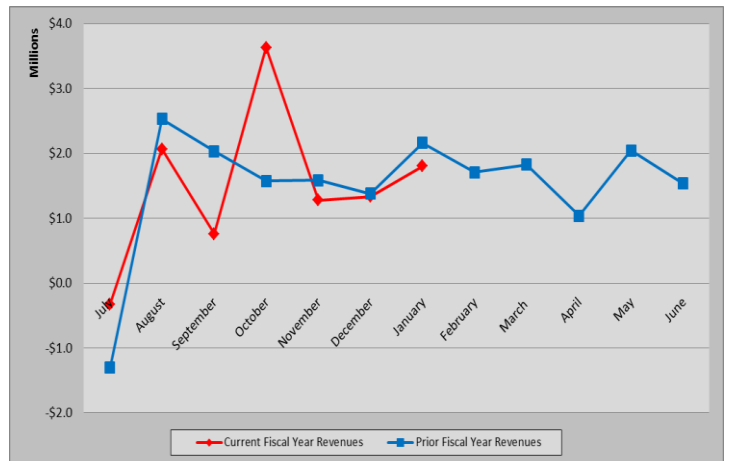
Through January 31, 2018

#### General Fund Revenue Overview

#### GENERAL FUND MAJOR REVENUE SOURCES

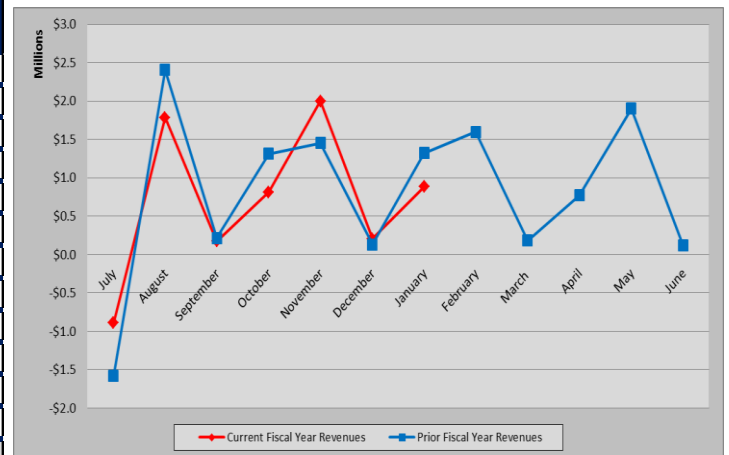
##### Utility Users Tax

	Current Fiscal Year Revenues	Prior Fiscal Year Revenues	Year-over-Year Variance
July	\$ (325,377.00)	\$ (1,306,137.90)	\$ 980,760.90
August	\$ 2,067,807.00	\$ 2,527,878.86	\$ (460,071.86)
September	\$ 759,189.00	\$ 2,033,486.87	\$ (1,274,297.87)
October	\$ 3,628,790.00	\$ 1,571,012.26	\$ 2,057,777.74
November	\$ 1,276,979.00	\$ 1,583,396.82	\$ (306,417.82)
December	\$ 1,335,670.00	\$ 1,376,969.17	\$ (41,299.17)
January	\$ 1,803,097.00	\$ 2,159,039.69	\$ (355,942.69)
February		\$ 1,709,713.93	\$ (1,709,713.93)
March		\$ 1,827,369.51	\$ (1,827,369.51)
April		\$ 1,037,647.42	\$ (1,037,647.42)
May		\$ 2,041,310.83	\$ (2,041,310.83)
June		\$ 1,536,930.96	\$ (1,536,930.96)
<b>Totals</b>	<b>\$ 10,546,155.00</b>	<b>\$ 18,098,618.42</b>	<b>\$ (7,552,463.42)</b>



##### Business License/Mill Tax

	Current Fiscal Year Revenues	Prior Fiscal Year Revenues	Year-over-Year Variance
July	\$ (891,286.00)	\$ (1,581,576.93)	\$ 690,290.93
August	\$ 1,785,949.00	\$ 2,404,819.12	\$ (618,870.12)
September	\$ 171,019.00	\$ 216,396.14	\$ (45,377.14)
October	\$ 814,085.00	\$ 1,311,116.57	\$ (497,031.57)
November	\$ 1,997,729.00	\$ 1,454,074.95	\$ 543,654.05
December	\$ 204,731.00	\$ 131,647.13	\$ 73,083.87
January	\$ 881,085.00	\$ 1,323,245.47	\$ (442,160.47)
February		\$ 1,598,394.70	\$ (1,598,394.70)
March		\$ 180,611.15	\$ (180,611.15)
April		\$ 768,836.57	\$ (768,836.57)
May		\$ 1,903,257.69	\$ (1,903,257.69)
June		\$ 119,574.46	\$ (119,574.46)
<b>Totals</b>	<b>\$ 4,963,312.00</b>	<b>\$ 9,830,397.02</b>	<b>\$ (4,867,085.02)</b>



Amounts in July of the Current Fiscal Year reflect accruals to previous fiscal year.

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### City of Modesto, California

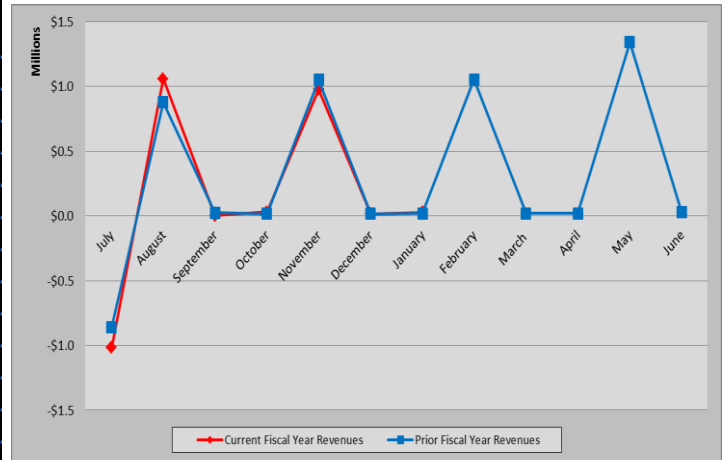
Through January 31, 2018

#### General Fund Revenue Overview

#### GENERAL FUND MAJOR REVENUE SOURCES

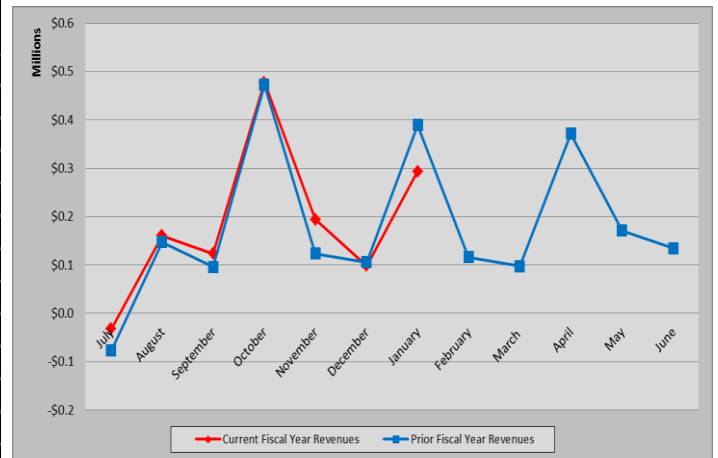
##### Franchise Fees

	Current Fiscal Year Revenues	Prior Fiscal Year Revenues	Year-over-Year Variance
July	\$ (1,017,135.00)	\$ (860,120.93)	\$ (157,014.07)
August	\$ 1,057,453.00	\$ 875,920.13	\$ 181,532.87
September	\$ 2,147.00	\$ 22,752.00	\$ (20,605.00)
October	\$ 28,325.00	\$ 15,313.00	\$ 13,012.00
November	\$ 977,950.00	\$ 1,048,589.68	\$ (70,639.68)
December	\$ 16,912.00	\$ 15,516.00	\$ 1,396.00
January	\$ 27,409.00	\$ 17,585.00	\$ 9,824.00
February		\$ 1,053,300.58	\$ (1,053,300.58)
March		\$ 17,720.00	\$ (17,720.00)
April		\$ 19,032.60	\$ (19,032.60)
May		\$ 1,339,920.80	\$ (1,339,920.80)
June		\$ 28,290.14	\$ (28,290.14)
<b>Totals</b>	<b>\$ 1,093,061.00</b>	<b>\$ 3,593,819.00</b>	<b>\$ (2,500,758.00)</b>



##### Transient Occupancy Tax

	Current Fiscal Year Revenues	Prior Fiscal Year Revenues	Year-over-Year Variance
July	\$ (32,153.00)	\$ (76,787.66)	\$ 44,634.66
August	\$ 161,058.00	\$ 147,193.85	\$ 13,864.15
September	\$ 123,759.00	\$ 96,308.09	\$ 27,450.91
October	\$ 477,715.00	\$ 472,609.64	\$ 5,105.36
November	\$ 194,020.00	\$ 123,847.91	\$ 70,172.09
December	\$ 98,262.00	\$ 105,859.83	\$ (7,597.83)
January	\$ 293,434.00	\$ 389,399.20	\$ (95,965.20)
February		\$ 116,040.60	\$ (116,040.60)
March		\$ 97,626.09	\$ (97,626.09)
April		\$ 371,491.62	\$ (371,491.62)
May		\$ 171,074.30	\$ (171,074.30)
June		\$ 135,037.35	\$ (135,037.35)
<b>Totals</b>	<b>\$ 1,316,095.00</b>	<b>\$ 2,149,700.82</b>	<b>\$ (833,605.82)</b>



Amounts in July of the Current Fiscal Year reflect accruals to previous fiscal year.

# Fiscal Year 2017-18

## January 2018 Monthly Financial Report

### City of Modesto, California

Through January 31, 2018\*

#### General Fund Expenditures Overview

	Department	Monthly Actuals Expended	Monthly % of Total Budget	YTD Actuals	2017/18 Operating Budget	% of Total Budget Expended
1	City Council	32,465	7.7%	231,431	420,514	55.0%
2	City Manager's Office	148,993	6.3%	1,165,765	2,378,827	49.0%
3	City Attorney's Office	159,024	7.4%	1,062,851	2,137,936	49.7%
4	City Clerks' Office	31,922	3.4%	242,941	937,881	25.9%
5	Office of the City Auditor	2,142	0.7%	24,325	327,769	7.4%
6	Finance Department	391,513	8.4%	2,644,905	4,666,358	56.7%
7	Community & Economic Development	571,491	7.2%	3,990,494	7,900,681	50.5%
8	Human Resources Department	97,110	6.6%	785,052	1,462,766	53.7%
9	Fire Department	2,276,679	7.3%	20,337,269	31,182,778	65.2%
10	Police Department	4,521,181	7.3%	34,576,526	62,280,572	55.5%
11	Parks, Recreation & Neighborhoods	210,630	5.4%	1,897,301	3,903,426	48.6%
12	Public Works Department	535,669	8.2%	3,779,795	6,506,588	58.1%
13	Non-Departmental	10,666	2.5%	90,819	421,000	21.6%
14	Transfers Out	230,766	3.4%	828,075	6,760,018	12.2%
	<b>Total</b>	<b>9,220,251</b>	<b>7.0%</b>	<b>71,657,549</b>	<b>131,287,114</b>	<b>54.6%</b>

#### Monthly Actuals Notes

- City Council** - The City Council had a total of \$32k in expenditures in the month of January 2018. \$23k of the expenditures were for salary and benefit expenses, \$6k were for internal service fund charges, and \$3k were for discretionary expenses. This is an increase of \$3k in expenses from the previous month.
- City Manager's Office** - The City Manager's Office had a total of \$149k in expenditures in the month of January 2018. \$97k of the expenditures were for salary and benefit expenses, \$12k were for internal service fund charges, and \$39k were for discretionary charges. This is an increase of \$37k in expenditures from the previous month and was due to the payment of the City's dues for the League of California Cities.
- City Attorney's Office** - The City Attorney's Office had a total of \$159k in expenditures in the month of January 2018. \$35k of the expenditures were for salary and benefit expenses, \$14k were for internal service fund charges, and \$110k were for discretionary expenses. This is an increase of \$54k in expenses from the previous month mainly in discretionary expense category.
- Finance Department** - The Finance Department had a total of \$391k in expenditures in the month of January 2018. \$219k of the expenditures were for salary and benefit expenses, \$26k were for internal service fund charges, and \$164k were for discretionary expenses. There was also \$17k received as an offsetting expense for direct charge revenue. This is an increase of \$85k in expenses from the previous month. The increase was mainly due to payments for the external auditor services for the City, MGO which conducts reviews of the City's financial statements.
- Community & Economic Development Department** - C&ED had a total of \$571k in expenditures in the month of January 2018. \$363k in expenditures were for salary and benefit expenses, \$64k were for internal service fund charges, and \$183k were for discretionary expenses. There was also \$38k received as an offsetting expense for direct charge revenue. This is an increase of \$63k in expenses from the previous month which was mainly caused by payments for contract services for the Chief Building Official and permit services.
- Fire Department** - The Fire Department had a total of \$2.28 million in expenditures in the month of January 2018. \$1.7 million of the expenditures were for salary and benefit expenses, \$65k were for internal service fund charges, and \$503k were for discretionary expenses. This is a decrease of \$1.15M in expenses from the previous month. The decrease in discretionary expense was caused by no payments for the apparatus purchases required to be made in the month of January.
- Police Department** - The Police Department has a total of \$4.5 million in expenditures in the month of January 2018. \$2.97 million of the expenditures were for salary and benefit expenses, \$194k were for internal service fund charges, and \$1.38M were for discretionary expenses. There was also \$21k received as an offsetting expense for direct charge revenue. This is an increase in expenses from the previous month by \$565k. The increase in expenditures was mainly caused by the payment for the City's portion of the SR911 Call Center being made in January.

\*Reflects Amounts for January 31, 2018 as of February 19, 2018