

Fiscal Year 2017-18

November 2017 Monthly Financial Report

City of Modesto, California

Through November 30, 2017*

General Fund Overview

	Monthly Actuals Received/ Expended	Monthly % of Total Budget	YTD Actuals	2017/18 Operating Budget	% of Total Budget Received/ Expended
Revenues	\$ 9,296,518	7.7%	\$ 28,739,230	\$ 120,138,745	23.9%
Expenditures	\$ 8,336,133	6.4%	\$ 52,918,866	\$ 130,748,424	40.5%
Revenue Over Expenditure Variance	\$ 960,385		\$ (24,179,636)	\$ (10,609,679)	

Summary

Revenue Overview

The City has received \$9.29 million in General Fund revenues in the month of November 2017. These revenues were received mainly in the areas of Sales Tax (\$2.6M), Business License/Mill Tax (\$1.99M) and Utility Users Tax (\$1.28M). When comparing the amount of revenue received in November with the amount received in October, the figures show that revenues are continuing to come in steadily now that we have gone beyond the accrual months and caught up in sales tax attributable to the new fiscal year. Revenues from Sales Tax and Business License/Mill Tax continue to perform strongly as the report will show on the various monthly comparison charts.

Expenditure Overview

The City has expended \$8.34 million in General Fund dollars in the month of November 2017. This represents approximately 6.4% of the total FY 2017-18 Operating Budget. To date, there have been total expenditures of \$52.92 million. 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 November 2017 originated from the Public Safety Departments (\$5.76M) and were related to salary and benefit charges. The salary and benefit expenses for the Police and Fire totaled \$4.9M million in the month of November. All remaining salary and benefit expenditures from General Fund departments totaled \$1.13 million. The total remaining expenditures across the categories of discretionary expenditures, internal service fund expenditures and transfers out of the General Fund were approximately \$1.09 million.

*Reflects Amounts for November 30, 2017 as of December 18, 2017

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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	103,043	0.7%	294,431	15,634,250	1.9%
2 Property Tax - VLF Swap	-	0.0%	-	15,711,010	0.0%
3 Sales Tax	2,609,202	8.6%	7,658,392	30,440,650	25.2%
4 Utility Users Tax	1,276,979	6.2%	7,407,388	20,459,361	36.2%
5 Business License/Mill Tax	1,997,729	17.2%	3,877,496	11,603,520	33.4%
6 Franchise Fees	977,950	21.2%	1,048,740	4,605,794	22.8%
7 Transient Occupancy Tax	194,020	7.9%	924,399	2,450,000	37.7%
8 Construction Revenues	211,558	9.7%	1,042,746	2,179,162	47.9%
9 Departmental Revenues	1,926,037	11.9%	6,334,790	16,131,153	39.3%
10 Motor Vehicle Fees	-	0.0%	55,663	177,020	31.4%
11 Transfers In	-	0.0%	95,185	746,423	12.8%
Total	9,296,518	7.7%	28,739,230	120,138,343	23.9%

Monthly Actuals Notes

- 1 **Property Tax -Property** - The largest amount of property taxes are paid at two points in the fiscal year, December/January and May/June. The first payment will be evaluated at the December/January timeframe.
- 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.
- 3 **Sales Tax** - In November, the City received a payment of Sales Tax for the month of September 2017. This is the third payment of Sales Tax that the City has received that will be applied to Fiscal Year 2017-18. The amount received was \$2.6 million. It is also important to note that this amount is approximately \$59k lower than the amount received in the same month in Fiscal Year 2016-17 but that Sales Tax is up by \$340k compared to the prior fiscal year at the same point in time.
- 4 **Utility Users Tax** - This revenue had been coming in quite a bit lower overall when compared to the previous fiscal year, until the previous month. In November 2017, the amount of UUT received was \$1.28 million which was approximately \$306k lower than the amount received in the same month in the prior fiscal year. Even though this month was lower, the total amount received to date is still approximately \$998k higher than the amount received at the same time point in the previous fiscal year.
- 5 **Business License/Mill Tax** - Revenues received in the month of November were about \$1.99 million. This was higher by about \$544k from what had been received in the previous fiscal year's month of November. This increase has brought the total revenue in this category to an increase of about \$73k when comparing it with the same time period in the previous fiscal year.
- 9 **Departmental Revenues** - A majority of the revenues received in this category in the month of November have been received from the Non-Departmental (\$1.2M), the Police Departments (\$209k), and the Public Works Department (\$132k).
- 10 **Motor Vehicle Fees** - \$55k in motor vehicle fees from abandoned vehicle fees have been received to date.
- 11 **Transfers In** - To date, \$95k has been received in Transfer 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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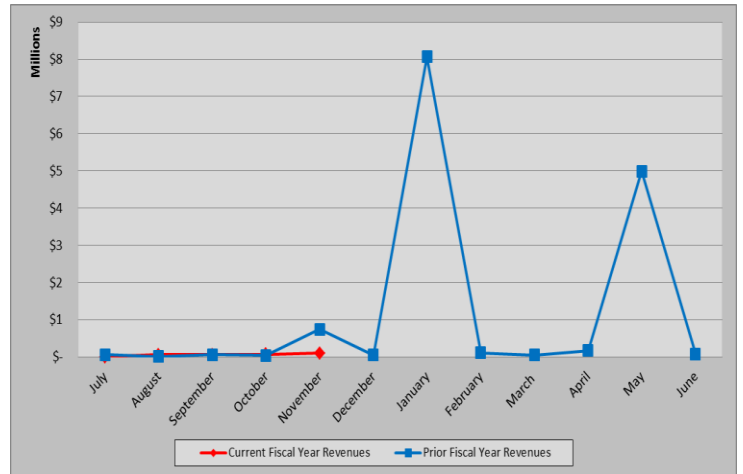
Through November 30, 2017

General Fund Revenue Overview

GENERAL FUND MAJOR REVENUE SOURCES

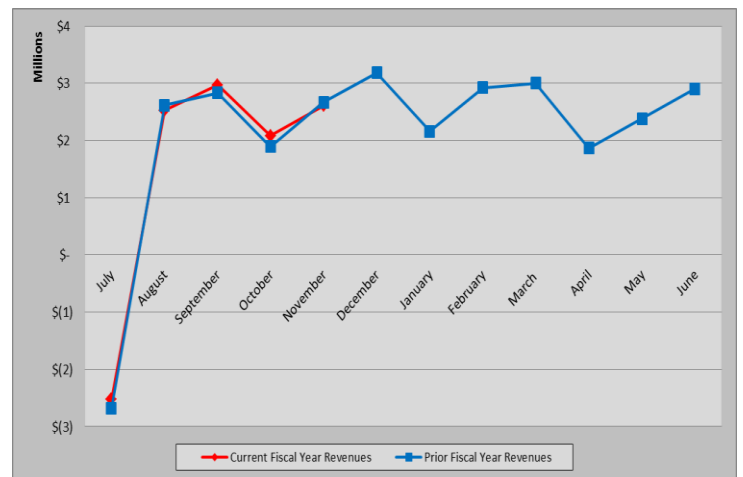
Property Tax - Property

	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		\$ 48,434.64	\$ (48,434.64)
January		\$ 8,062,785.17	\$ (8,062,785.17)
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)
Totals	\$ 294,431.00	\$ 14,433,014.42	\$ (14,138,583.42)



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		\$ 3,184,602.52	\$ (3,184,602.52)
January		\$ 2,156,829.00	\$ (2,156,829.00)
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)
Totals	\$ 7,658,392.00	\$ 25,734,479.58	\$ (18,076,087.58)



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

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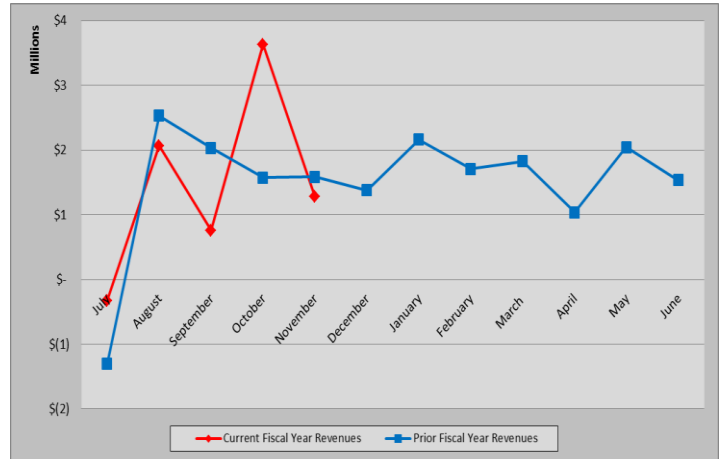
Through November 30, 2017

General Fund Revenue Overview

GENERAL FUND MAJOR REVENUE SOURCES

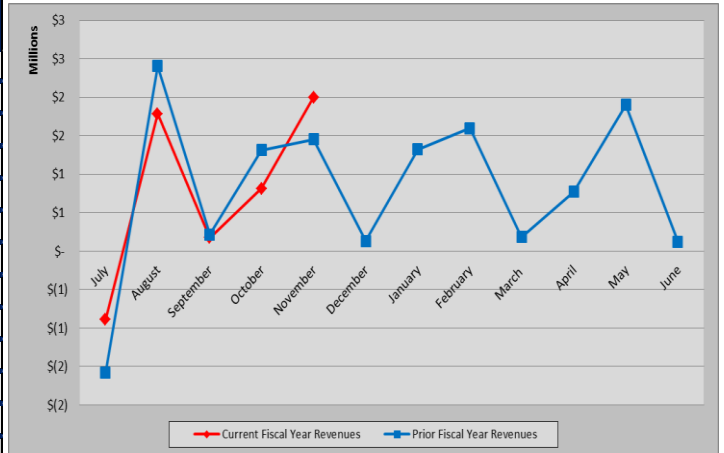
Utility Users Tax

	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		\$ 1,376,969.17	\$ (1,376,969.17)
January		\$ 2,159,039.69	\$ (2,159,039.69)
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)
Totals	\$ 7,407,388.00	\$ 18,098,618.42	\$ (10,691,230.42)



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		\$ 131,647.13	\$ (131,647.13)
January		\$ 1,323,245.47	\$ (1,323,245.47)
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)
Totals	\$ 3,877,496.00	\$ 9,830,397.02	\$ (5,952,901.02)



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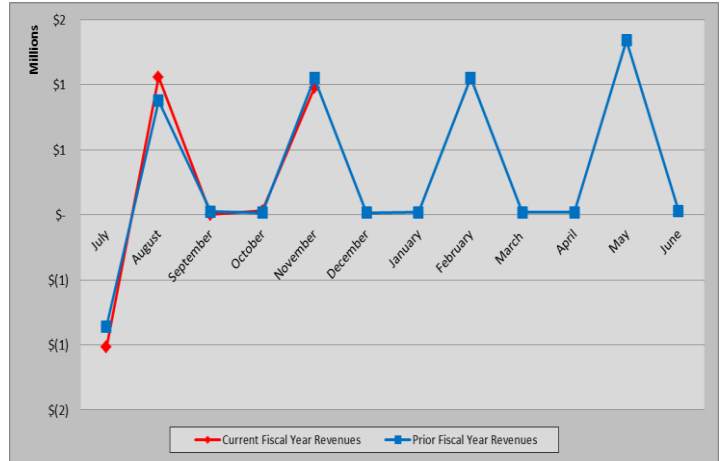
Through November 30, 2017

General Fund Revenue Overview

GENERAL FUND MAJOR REVENUE SOURCES

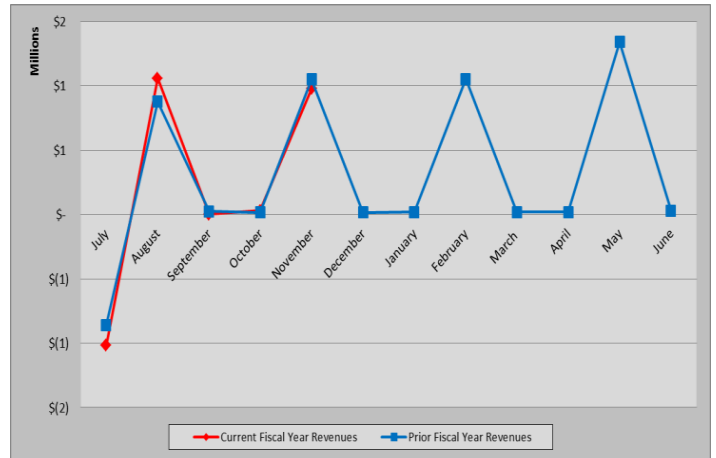
Franchise Fees

	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		\$ 15,516.00	\$ (15,516.00)
January		\$ 17,585.00	\$ (17,585.00)
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)
Totals	\$ 1,048,740.00	\$ 3,593,819.00	\$ (2,545,079.00)



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		\$ 105,859.83	\$ (105,859.83)
January		\$ 389,399.20	\$ (389,399.20)
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)
Totals	\$ 924,399.00	\$ 2,149,700.82	\$ (1,225,301.82)



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

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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	30,161	7.2%	169,650	420,514	40.3%
2	City Manager's Office	109,408	4.6%	904,960	2,378,827	38.0%
3	City Attorney's Office	235,205	11.0%	798,804	2,137,936	37.4%
4	City Clerks' Office	29,843	3.2%	176,065	937,881	18.8%
5	Office of the City Auditor	922	0.3%	21,260	327,769	6.5%
6	Finance Department	362,600	7.8%	1,946,736	4,666,358	41.7%
7	Community & Economic Development	462,006	5.8%	2,910,169	7,900,681	36.8%
8	Human Resources Department	87,427	6.0%	596,451	1,462,766	40.8%
9	Fire Department	1,954,529	6.3%	14,625,952	30,803,956	47.5%
10	Police Department	3,800,506	6.1%	26,099,610	62,095,572	42.0%
11	Parks, Recreation & Neighborhoods	238,355	6.1%	1,368,036	3,903,426	35.0%
12	Public Works Department	667,074	10.3%	2,787,984	6,506,588	42.8%
13	Non-Departmental	63,049	15.0%	75,747	421,000	18.0%
14	Transfers Out	295,048	4.3%	437,442	6,785,150	6.4%
	Total	8,336,133	6.4%	52,918,866	130,748,424	40.5%

Monthly Actuals Notes

- City Council** - The City Council had a total of \$30k in expenditures in the month of November 2017. \$23k of the expenditures were for salary and benefit expenses, \$6k were for internal service fund charges, and \$1k was for discretionary expenses. This is a decrease of \$15k in expenses from the previous month.
- City Manager's Office** - The City Manager's Office had a total of \$109k in expenditures in the month of November 2017. \$93k of the expenditures were for salary and benefit expenses, \$12k were for internal service fund charges, and \$5k were for discretionary charges.
- City Attorney's Office** - The City Attorney's Office had a total of \$235k in expenditures in the month of November 2017. \$34k of the expenditures were for salary and benefit expenses, \$14k were for internal service fund charges, and \$187k were for discretionary expenses. This is an increase of \$10k in expenses from the previous month.
- Finance Department** - The Finance Department had a total of \$363k in expenditures in the month of November 2017. \$146k of the expenditures were for salary and benefit expenses, \$26k were for internal service fund charges, and \$207k were for discretionary expenses. There was also \$16k received as an offsetting expense for direct charge revenue. This is a decrease of \$59k in expenses from the previous month. The increase in discretionary expense was mainly due to 60% of payments made on the new business license software.
- Community & Economic Development Department** - C&ED had a total of \$462k in expenditures in the month of November 2017. \$358k in expenditures were for salary and benefit expenses, \$64k were for internal service fund charges, and \$78k were for discretionary expenses. There was also \$38k received as an offsetting expense for direct charge revenue. This is a decrease of \$212k in expenses from the previous month.
- Fire Department** - The Fire Department had a total of \$1.95 million in expenditures in the month of November 2017. \$1.74 million of the expenditures were for salary and benefit expenses, \$65k were for internal service fund charges, and \$149k were for discretionary expenses. This is a decrease of \$1.08M in expenses from the previous month. The decrease in expenditures was caused by the third pay period being present in the previous month.
- Police Department** - The Police Department has a total of \$3.8 million in expenditures in the month of November 2017. \$3.16 million of the expenditures were for salary and benefit expenses, \$194k were for internal service fund charges, and \$500k were for discretionary expenses. There was also \$55k received as an offsetting expense for direct charge revenue. This is a decrease in expenses from the previous month of \$1.4M. The decrease in expenditures was caused by the third pay period being present in the previous month.

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