



CITY OF
FOLSOM
DISTINCTIVE BY NATURE

City of Folsom Quarterly Financial Report

Fiscal Year 2022-23 Second Quarter

March 14, 2023

**Prepared by the Office of Management and Budget
Financial Analysis and Reporting Division**

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Second Quarter Financial Report

Fiscal Year 2022-23



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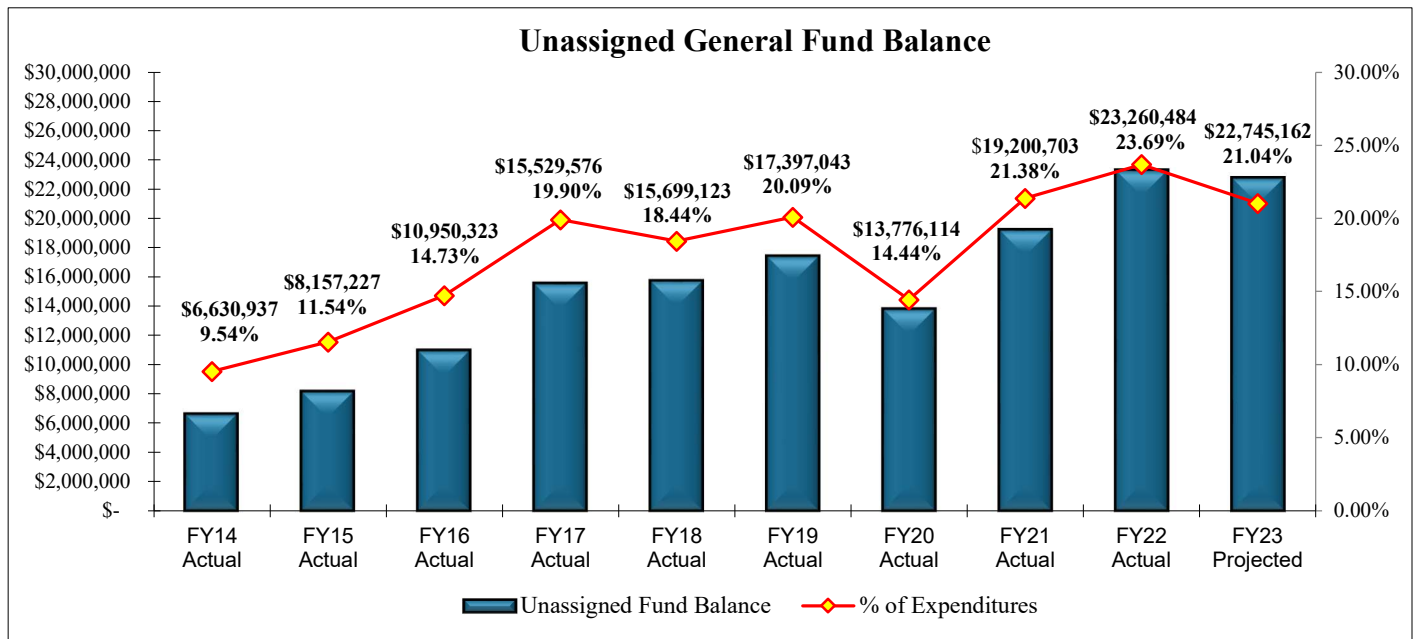
Introduction

This financial report provides an overview of the City’s unaudited financial position through the second quarter of fiscal year (FY) 2022-23 (July 1, 2022, through December 31, 2022) for (1) the General Fund, (2) Housing Special Revenue Fund and L&L Districts, (3) the major enterprise operating funds, and (4) the Risk Management Internal Service Fund. Notable cumulative second quarter to second quarter and budget to actual comparisons are included in this report in addition to year-end projections.

Executive Summary

During the first two quarters of FY 2022-23 almost all COVID-19 related restrictions had been lifted and the economy remained strong. However, additional influences are causing economic challenges. Persistent inflation and ongoing supply chain issues have caused costs to continuously increase. This is impacting almost all City departments as the cost of purchasing services and supplies and labor costs continue to grow at a faster rate than the City’s revenue sources.

This is resulting in current projected year-end General Fund revenues of \$107.60 million and projected expenditures of \$108.12 million, a deficit of \$515,000 by the end of the fiscal year. It is projected that the General Fund’s unassigned fund balance will decrease from \$23.26 million to \$22.75 million by the fiscal year end. Below is a chart of the unassigned fund balance over the last ten years and displays the projected change from FY 2021-22 to FY 2022-23.



General Fund: Operating Revenues

The following table includes cumulative revenue comparisons through the second quarter of FY 2021-22 and FY 2022-23 and a revenue budget comparison for FY 2023-23 with year-end projections.

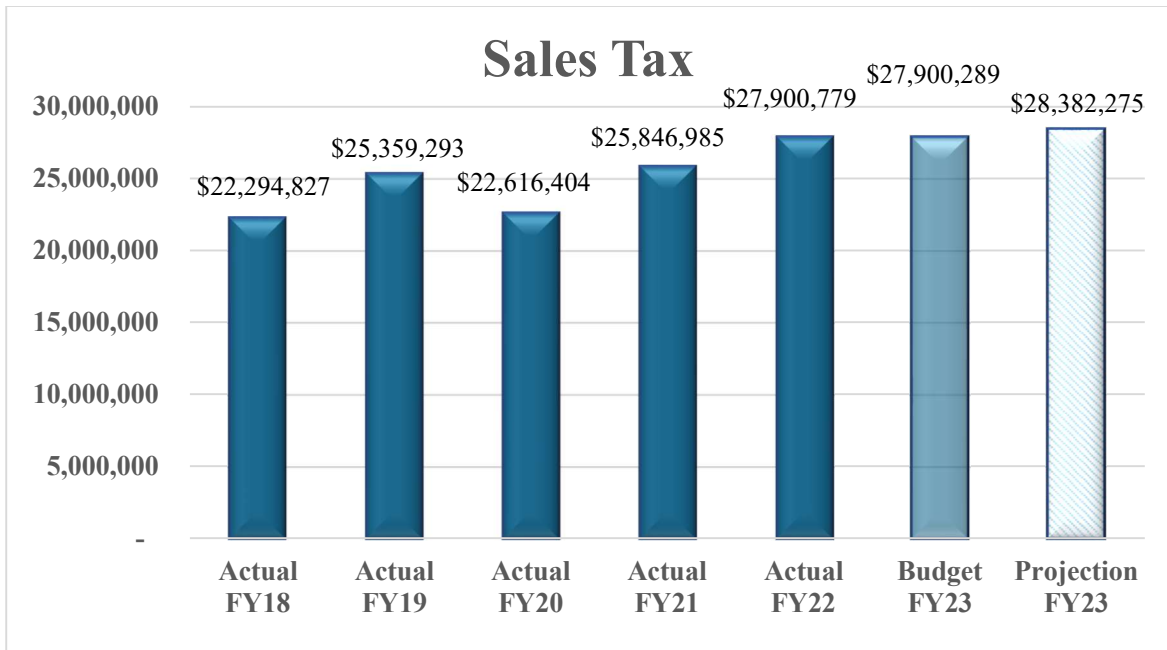
	FY 21-22 Actual Dec. 31, 2021	FY 22-23 Actual Dec. 31, 2022	FY 22-23 Budget	FY 22-23 Projected	Over/Under Budget	% of Budget
Property Tax	\$ 13,398,952	\$ 14,970,044	\$ 36,050,672	\$ 36,417,513	\$ 366,841	101%
Sales Tax	8,690,268	9,048,948	27,900,289	28,382,275	481,986	102%
Transient Occupancy Tax	816,724	635,808	2,200,000	2,200,000	-	100%
Charges for Services	6,651,062	7,079,153	13,114,657	14,480,954	1,366,297	110%
License, Permits & VLF	5,803,625	972,366	13,181,748	13,033,243	(148,505)	99%
Transfers In	2,155,854	2,277,559	7,805,245	7,319,652	(485,593)	94%
All Other	933,997	1,085,220	3,713,436	4,394,250	680,814	118%
Subtotal Revenue	\$ 38,450,482	\$ 36,069,098	\$ 103,966,047	\$ 106,227,887	\$ 2,261,840	102.18%
ARPA	404,525	1,373,165	1,373,165	1,373,165	-	
Total Revenue	\$ 38,855,007	\$ 37,442,263	\$ 105,339,212	\$ 107,601,052	\$ 2,261,840	102.15%

General Fund operating revenues through the second quarter are \$37.44 million, which is 3.64% less than the same period in FY 2021-22. Revenues are at 35.54% of the budget through the second quarter of the current year, primarily due to the timing associated with receiving some of the larger revenue sources. For instance, property tax is the largest General Fund revenue source, but funding is received in two installments, of which one has been received. The second installment will be received during the fourth quarter of the fiscal year.

The following is an explanation of the notable variances:

- Property tax revenues exceeded last year's cumulative second quarter by 11.73% or \$1.57 million. A comparison of home sales during the second quarter of FY 2022-23 and FY 2021-22 shows the number of homes sold decreased by 106 or 23.77%. The average median sales price through the second quarter of FY 2022-23 was \$741,250, which is an increase of 0.25% over FY 2021-22. The property tax revenue projection for Fiscal Year 2022-23 year-end is \$367,000 greater than the budgeted amount of \$36.05 million, which would exceed the prior year by \$3.19 million or 9.61%.
- Sales tax revenues also exceeded last year's cumulative second quarter by 4.13% or \$359,000. The most recent sales tax data shows the categories of general retail, food products, transportation and the countywide pool increasing over the same period last year, all other categories were flat or decreased when compared to the same quarter in the prior year. Inflation is the biggest factor in the increased sales tax, most significantly affecting the cost of gasoline and food. The threat of a recession is looming as the Federal Reserve continues to raise interest rates in an effort to get inflation under control.

Based on the latest sales tax forecast, sales tax is trending to end the year slightly above the budget at \$28.38 million, an increase from the prior year of \$482,000 or 1.73%. Below is a graph showing sales tax revenue for the current fiscal year and the past five fiscal years. This illustrates the dips and rises shallowing and leveling off.



- Transient Occupancy Tax (TOT) collections are at \$636,000 through the second quarter and are projected to end the fiscal year at \$2.20 million, a decrease of \$398,000, or 15.32% when compared to the FY 2021-22 amount. Hotel stays in FY 2021-22 were impacted favorably due to stays related to the Caldor Fire. The decrease projected for FY 2022-23 puts TOT collections more in line with a normal year.
- Charges for services, including building and engineering fees, Parks and Recreation user fees, and ambulance fees are at \$7.08 million through the second quarter and are projected to end the fiscal year at \$14.48 million. The current projection is \$1.36 million less than the prior year amount of \$15.84 million. The Parks and Recreation charges through the second quarter were \$2.24 million and a comparison to the same quarter in the prior fiscal year shows an increase of \$391,000. Ambulance fees through the second quarter were \$1.94 million and compared to the prior fiscal year this is an increase of \$182,000 or 10.35%. The projection for ambulance fees at fiscal year-end is \$4.50 million, which will be an increase from the prior year by \$267,000 or 6.31%. Community Development charges are at \$2.22 million through the second quarter and are currently projected to end the fiscal year at \$3.17 million. Compared to the prior fiscal year this would be a decrease of \$821,000 or 20.57%. The projected decrease in Community Development charges is due to a decrease in engineering activity, mostly in the Folsom Plan Area, through the second quarter.
- License and permit fees and Vehicle License Fees (VLF) quarter to quarter increased \$80,000 and are projected to end the fiscal year at \$12.33 million which would be a decrease of \$458,000 compared to the budget and a decrease of \$249,000 when compared to the prior year. The year over year decrease is due to slowing building permit activity mostly in the Folsom Plan Area.
- Miscellaneous revenues decreased 12.63% or \$57,000, through the second quarter when compared to the same period in the prior fiscal year.

General Fund: Department Operating Expenditures

The following table includes cumulative second quarter actual expenditure comparisons for FY 2021-22 and FY 2022-23 and an expenditure budget-to-actual comparison for FY 2022-23.

	FY 21-22 Actual Dec. 31, 2021	FY 22-23 Actual Dec. 31, 2022	FY 22-23 Budget	FY 22-23 Projected	Over/Under Budget	% of Budget
Salaries	\$ 20,766,121	\$ 21,039,868	\$ 44,506,153	\$ 45,313,762	\$ 807,609	101.8%
Benefits	13,100,699	9,644,930	29,350,980	28,857,107	(493,873)	98.3%
O&M	11,558,480	12,087,404	25,997,402	28,268,828	2,271,426	108.7%
Capital Outlay	1,145,611	1,875,777	5,135,284	5,327,284	192,000	103.7%
Debt Service	201,686	130,346	349,393	349,393	-	100.0%
Total Expenditures	\$ 46,772,597	\$ 44,778,325	\$ 105,339,212	\$ 108,116,374	\$ 2,777,162	102.6%

Overall, cumulative second quarter General Fund expenditures decreased 4.26% compared to the second quarter of the prior year and are coming in at 42.51% percent of the budget through the second quarter of FY 2022-23. This is in part due to a high number of vacant positions in both the Police and Fire Departments for the first half of the fiscal year. The projection for the end of the fiscal year is for expenditures to be at \$108.12 million which would be \$2.78 million more than the budgeted amount or 102.64% of budget. The projected increase in expenditures is primarily due to increases in overtime, services and supplies, and contract costs.

The table below shows a comparison for FY 2021-22 and FY 2022-23 for each General Fund Department.

	FY 21-22 Actual Dec. 31, 2021	FY 22-23 Actual Dec. 31, 2022	FY 22-23 Budget	FY 22-23 Projected	Over/Under Budget	% of Budget
General Government	\$ 4,291,661	\$ 4,271,692	\$ 9,823,314	\$ 9,736,133	\$ (87,181)	99.1%
Police	12,174,164	11,530,372	27,476,204	26,804,805	(671,399)	97.6%
Fire	12,126,060	11,728,108	25,777,872	27,925,622	2,147,750	108.3%
Community Development	3,630,702	3,784,297	6,358,668	8,022,029	1,663,361	126.2%
Parks & Recreation	7,309,624	7,960,833	16,487,763	16,969,394	481,631	102.9%
Library	816,994	759,621	2,013,963	1,953,963	(60,000)	97.0%
Public Works	3,897,290	3,252,380	8,685,563	8,788,563	103,000	101.2%
Non-Departmental	2,526,102	1,491,022	8,715,865	7,915,865	(800,000)	90.8%
Total Expenditures	\$ 46,772,597	\$ 44,778,325	\$ 105,339,212	\$ 108,116,374	\$ 2,777,162	102.6%

The following is an explanation of the department specific variances of year-end projections as compared to the budget:

- Police Department is projected to end the year under budget by \$671k due to vacant positions for a portion of the year.
- Fire department is projected to end the fiscal year \$2.15 million (8.33%) over the budgeted amount, which is mainly seen in overtime costs and vehicle maintenance. Overtime costs have been impacted by many vacant positions and long-term absences. Vehicle maintenance costs are up due to both inflation and the nature of maintaining aging equipment.
- Community Development department is projected to end the fiscal year \$1.66 million (26.16%) over the budgeted amount, which is mostly due to increases in contract costs that are partially offset by increased revenues.
- Non-Departmental is projected to end the fiscal year \$800,000 under budget, which represents the unspent portion of the contingency budget (\$900k total). However, it is anticipated that the contingency will be spent on emergency roof repair projects this fiscal year and the year-end expenditure projection will increase.

Overall General Fund departments' expenditures are trending at budget (in line with the 50% expectation) at this point in the fiscal year.

Enterprise Funds:

Water Fund

The Water Fund is reported on a combined basis and includes the following funds: Water Impact, Water Operating, Water Capital and Water Meters.

The table below includes cumulative second quarter actual revenue and expense comparisons for FY 2021-22 and FY 2022-23 and a budget to actual comparison for FY 2022-23 for the Water Operating Fund.

	FY 21-22 Actual Dec. 31, 2021	FY 22-23 Actual Dec. 31, 2022	FY 22-23 Budget	FY 22-23 Projected	Over/Under Budget	% of Budget
Program Revenues	\$ 8,655,286	\$ 9,624,069	\$ 19,229,500	\$ 19,228,500	\$ (1,000)	100.0%
Salaries	1,519,371	1,623,460	3,420,072	3,170,072	(250,000)	92.7%
Benefits	1,088,730	765,467	2,384,631	2,324,631	(60,000)	97.5%
Operating Expenses	2,788,886	2,765,533	7,001,518	7,001,518	-	100.0%
Transfers Out	450,563	451,454	1,106,566	1,106,566	-	100.0%
Debt Service	-	-	-	-	-	0.0%
	<u>\$ 5,847,550</u>	<u>\$ 5,605,914</u>	<u>\$ 13,912,787</u>	<u>\$ 13,602,787</u>	<u>\$ (310,000)</u>	<u>97.77%</u>
Capital Expenses	\$ 728,606	\$ 1,076,107	\$ 4,414,222	\$ 4,314,222	\$ (100,000)	97.73%
Working Capital			\$ 22,615,572	\$ 23,927,063		

The Water Fund is projected to end the year with program revenues of \$19.23 million. Total operating expenses, including transfers out are projected to end the year at \$13.60 million, or 97.7% of budget. This reduction from budgeted amounts is mostly due to savings due to vacant positions for part of the fiscal year. Total expenditures for capital projects are estimated to be \$4.31 million at year-end. The fund will end the year with projected working capital of \$23.93 million.

Wastewater Fund

The Wastewater Fund is reported on a combined basis and includes the Wastewater and Wastewater Capital Funds.

	FY 21-22 Actual Dec. 31, 2021	FY 22-23 Actual Dec. 31, 2022	FY 22-23 Budget	FY 22-23 Projected	Over/Under Budget	% of Budget
Program Revenues	\$ 5,000,319	\$ 6,457,273	\$ 10,985,200	\$ 11,160,200	\$ 175,000	101.59%
Salaries	829,715	866,961	1,861,036	1,701,036	(160,000)	91.40%
Benefits	630,151	424,242	1,388,527	1,338,527	(50,000)	96.40%
Operating Expenses	462,670	593,615	2,211,380	2,011,380	(200,000)	90.96%
Transfers Out	340,322	362,298	768,143	768,143	-	100.00%
Debt Service	-	-	-	-	-	-
	<u>\$ 2,262,858</u>	<u>\$ 2,247,116</u>	<u>\$ 6,229,086</u>	<u>\$ 5,819,086</u>	<u>\$ (410,000)</u>	<u>93.42%</u>
Capital Expenses	\$ 977,688	\$ 394,316	\$ 3,912,671	\$ 2,912,671	\$ (1,000,000)	74.44%
Working Capital			\$ 18,536,188	\$ 20,964,631		

The Wastewater Fund is projected to end the year with program revenues of \$11.16 million. Total operating expenses, including transfers out, are projected to end the year at \$5.82 million, or 93.42% of budget. This reduction from budgeted amounts is mostly due to vacant positions for part of the fiscal year. Total expenditures for capital projects are estimated to be \$2.91 million at year-end. The fund will end the year with projected working capital of \$20.96 million.

Solid Waste Fund

The Solid Waste Fund is reported on a combined basis and includes the Solid Waste Operating, Solid Waste Capital, and Solid Waste Plan Area Capital.

	FY 21-22 Actual Dec. 31, 2021	FY 22-23 Actual Dec. 31, 2022	FY 22-23 Budget	FY 22-23 Projected	Over/Under Budget	% of Budget
Program Revenues	\$ 10,191,474	\$ 12,983,214	\$ 20,545,000	\$ 21,270,000	\$ 725,000	103.5%
Salaries	1,676,796	1,935,301	4,175,985	4,175,985	-	100.0%
Benefits	1,398,596	890,451	3,183,766	3,083,766	(100,000)	96.9%
Operating Expenses	2,689,386	3,471,522	9,377,158	9,542,158	165,000	101.8%
Transfers Out	828,477	819,214	1,723,195	1,723,195	-	100.0%
Debt Service	-	-	-	-	-	0.0%
	<u>\$ 6,593,255</u>	<u>\$ 7,116,488</u>	<u>\$ 18,460,104</u>	<u>\$ 18,525,104</u>	<u>\$ 65,000</u>	<u>100.4%</u>
Capital Expenses	\$ 799,495	\$ -	\$ 10,209,664	\$ 3,209,664	\$ (7,000,000)	31.4%
Working Capital			\$ 10,318,620	\$ 9,853,852		

The Solid Waste Fund is projected to end the year with program revenues of \$21.27 million. Total operating expenses, including transfers out, are projected to end the year at \$18.53 million, or 100.4% of budget. The fund is currently projected to be slightly over budget mainly due to the increase in contract costs related to recycling and organics changes. Total expenditures for capital outlay costs are estimated to be \$3.21 million at year-end. The fund will end the year with projected working capital of \$9.85 million.

Other Funds

City Housing Fund

The City Housing Fund as of December 31, 2022 had a cash balance of \$9,463,039. The City Council had also previously approved housing project loans in an amount up to \$3.5 million for the Scholar Way project of which \$2.75 million has now been expended.

Risk Management Internal Service Fund

The Risk Management Fund captures the activity associated with employee and retiree health, dental and vision insurance, workers' compensation, and liability insurance expense.

As of December 31, 2022, the City has paid \$3.49 million for health, vision, and dental insurance for active employees and \$2.27 million for retired employees and \$1.27 million for workers' compensation. Liability insurance payments were \$2.44 million. The total expenditures for FY 2022-23 are projected at \$20.31 million, which is an increase from the prior fiscal year of \$875,000, which is mostly seen in health insurance, workers compensation, and liability costs.

The projected ending unrestricted net position is \$4.16 million, a planned \$1.16 million decrease from FY 2021-22.

Lighting and Landscape Funds

There are 29 Lighting and Landscape (L&L) Districts in the City of Folsom. Each District has its own budget and maintenance requirements to maintain various types of assets ranging from shrub beds, mini parks, walls, fences, monument signs, streetlights, bollards, landscape lighting, irrigation systems, artwork, a waterfall, walkways/trails, open space, trees, and electrical services.

Some activities that have taken place in the L&L's during this time period include:

District	Project	Date	Cost
Prairie Oaks Ranch	Fence Replacement	12/27/2022	\$2,736.38
Briggs Ranch	Fence Replacement	12/27/2022	\$10,194.75
Willow Creek Estates South	Repair leaning monument sign	12/16/2022	\$5,997.63
American River Canyon North	Fence replacement	12/27/2022	\$5,293.26
Broadstone 1,2&4	Accident Damage repair to Entry Sign	10/24/2022	\$21,223.37

Other activities that have taken place in the L&L's this quarter include:

- Extensive clean up and repair from recent storms.
- Appointed new committee members to the Landscaping and Lighting District Advisory Committee.

Plan Area Impact Fees

Total Plan Area Impact Fees received through the second quarter of FY 2022-23 were \$5.80 million. Expenditures during the second quarter totaled approximately \$2.38 million in all Plan Area Impact Fee funds. Expenditures were for Fire Station 34 construction, progress payments for one Type 3 Fire Engine and one Type 1 Fire Engine, Prospector Park construction, and design costs for the Folsom Plan Area Trails project.

APPENDIX A

**City of Folsom, California
Combined General Fund**

**Revenue and Expense Statement
Quarter Ended December 31, 2022**

	FY 2022	FY 2023	FY 2022	FY 2023	FY22 Forecast	VARIANCE		VARIANCE	
	As of 12/31/2021	As of 12/31/2022	ACTUAL	BUDGET	As of 12/31/2022	Forecast vs Budget \$ %	Acutal vs Budget \$ %		
ASSETS									
Cash and Investments	\$ 20,412,576	\$ 43,818,001	\$ 36,122,455						
Intergovernmental/State	1,247	1,247	2,359,327						
Accounts receivable/accrued interest	267,555	8,001,419	15,061,209						
Interfund Receivable/ Advances/Loans	-	-	625,878						
Fixed Assets (less AccDep)	-	-	-						
Inventory	636,158	232,034	645,340						
Prepaid Items	4,824	15,124	15,124						
TOTAL ASSETS	21,322,360	52,067,826	54,829,333						
LIABILITIES									
Accounts Payable and Acrued liabilities	2,218,662	2,537,063	4,466,419						
Wages Payable	(3,042,979)	(4,060,845)	3,611,090						
Accrued Compensated Absences	-	-	-						
Due to Other Funds	-	-	-						
Interfund Advances / Loans	-	-	-						
Deferred rev/ Refundable Deposits	8,594,841	34,008,620	19,832,776						
Debt Service/Current Note Payable	-	-	-						
Debt Service/Long Term Note Payable	-	-	-						
Reserved for Advances/Budgeted Projects	-	-	-						
TOTAL LIABILITIES	7,770,524	32,484,839	27,910,284						
FUND BALANCE									
Reserved for Inventory and Prepays	640,982	247,159	660,465						
Reserved for encumbrances	378,426	1,582,483	2,998,099						
Unreserved (deficit)	12,532,428	17,753,346	23,260,484						
TOTAL LIABILITIES & FUND BALANCE	21,322,360	52,067,826	54,829,333						
REVENUES:									
Taxes:									
Property	\$ 13,398,952	\$ 14,970,044	\$ 33,225,451	\$ 36,050,672	\$ 36,417,513	\$ 366,841	101%	\$ (21,080,628)	42%
Sales And Use	8,690,268	9,048,948	27,900,779	27,900,289	28,382,275	481,986	102%	(18,851,341)	32%
Transient Occupancy	816,724	635,808	2,597,968	2,200,000	2,200,000	-	100%	(1,564,192)	29%
Real Property Transfer	-	-	1,057,752	900,000	900,000	-	100%	(900,000)	0%
Franchise Fees	-	-	894,977	722,000	722,000	-	100%	(722,000)	0%
Other	408,695	316,915	1,293,451	1,100,000	1,100,000	-	100%	(783,085)	29%
Licenses And Permits	1,878,600	1,958,184	4,240,877	3,975,850	3,422,338	(553,512)	86%	(2,017,666)	49%
Intergovernmental	4,329,550	387,347	10,043,165	10,579,063	10,984,070	405,007	104%	(10,191,716)	4%
Charges For Current Services	6,651,062	7,079,153	15,843,596	13,114,657	14,480,954	1,366,297	110%	(6,035,504)	54%
Fines And Forfeitures	26,807	18,421	133,009	120,500	146,000	25,500	121%	(102,079)	15%
Interest	49,946	357,998	(951,314)	230,000	685,227	455,227	298%	127,998	156%
Miscellaneous	448,548	391,885	795,580	640,936	841,023	200,087	131%	(249,051)	61%
Operating Transfers In	2,155,854	2,277,559	6,545,557	7,805,245	7,319,652	(485,593)	94%	(5,527,686)	29%
TOTAL REVENUES	38,855,007	37,442,263	103,620,847	105,339,212	107,601,052	2,261,840	102.15%	(67,896,949)	36%
EXPENDITURES:									
Current Operating:									
General Government	\$ 6,126,621	\$ 5,999,010	\$ 12,364,899	\$ 13,774,926	\$ 13,815,977	\$ 41,051	100%	\$ 7,775,915	44%
Public Safety	24,175,218	23,171,667	50,188,688	52,901,860	54,438,211	1,536,351	103%	29,730,193	44%
Public Ways and Facilities	3,897,290	3,252,380	7,543,957	8,685,563	8,788,563	103,000	101%	5,433,183	37%
Community Services	3,630,702	3,784,297	8,014,879	6,358,668	8,022,029	1,663,361	126%	2,574,371	60%
Culture and Recreation	6,416,664	7,079,949	13,878,728	14,902,330	15,135,729	233,399	102%	7,822,382	48%
Non-Departmental	2,526,102	1,491,022	6,180,073	8,715,865	7,915,865	(800,000)	91%	7,224,843	17%
Operating Transfers Out	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	46,772,597	44,778,325	98,171,224	105,339,212	108,116,374	2,777,162	102.6%	60,560,887	43%
APPROPRIATION OF FUND BALANCE	(7,917,590)	(7,336,061)	5,449,623	-	(515,322)				
FUND BALANCE, JULY 1	21,469,427	26,919,048	21,469,425	26,919,048	26,919,048				
FUND BALANCE	13,551,836	19,582,987	26,919,048	26,919,048	26,403,726				
NONSPENDABLE FUND BALANCE	(640,982)	(247,159)	(660,465)	(247,159)	(660,465)				
RESTRICTED FUND BALANCE	-	-	-	-	-				
COMMITTED FUND BALANCE	-	-	-	-	-				
ASSIGNED FUND BALANCE	(378,426)	(1,582,483)	(2,998,099)	-	(2,998,099)				
UNRESTRICTED FUND BALANCE	\$ 12,532,428	\$ 17,753,346	\$ 23,260,484	\$ 26,671,890	\$ 22,745,162				

APPENDIX B

City of Folsom, California

Expenditure Summary - General Fund Departments Quarter Ended December 31, 2022

	FY 2022	FY 2023	FY 2022	FY 2023	FY22 Forecast	VARIANCE		VARIANCE	
	As of 12/31/2021	As of 12/31/2022	ACTUAL	BUDGET	As of 12/31/2022	Forecast vs Budget		Actual vs. Budget	
						\$	%	\$	%
EXPENDITURES:									
City Council	\$ 52,750	\$ 38,050	\$ 112,377	\$ 110,438	\$ 115,438	\$ 5,000	104.53%	\$ (72,388)	34%
City Manager	\$ 562,410	525,794	1,166,550	1,186,752	1,211,752	25,000	102.11%	(660,958)	44%
City Clerk	\$ 294,914	340,130	591,310	687,257	713,843	26,586	103.87%	(347,128)	49%
Office of Mgmt & Budget	\$ 2,570,130	2,570,657	4,965,276	5,856,284	5,848,562	(7,722)	99.87%	(3,285,627)	44%
City Attorney	\$ 482,288	569,599	1,095,211	1,185,232	1,199,627	14,395	101.21%	(615,633)	48%
Human Resources	\$ 329,169	227,462	602,453	797,351	646,911	(150,440)	81.13%	(569,889)	29%
Police	\$ 12,174,163	11,530,372	24,675,398	27,476,204	26,804,805	(671,399)	97.56%	(15,945,832)	42%
Fire	\$ 12,126,060	11,728,108	25,745,729	25,777,872	27,925,622	2,147,750	108.33%	(14,049,764)	45%
Community Development	\$ 3,630,702	3,784,297	8,014,879	6,358,668	8,022,029	1,663,361	126.16%	(2,574,371)	60%
Parks & Recreation	\$ 7,309,624	7,960,833	15,724,496	16,487,763	16,969,394	481,631	102.92%	(8,526,930)	48%
Library	\$ 816,994	759,621	1,753,515	2,013,963	1,953,963	(60,000)	97.02%	(1,254,342)	38%
Public Works	\$ 3,897,290	3,252,380	7,543,957	8,685,563	8,788,563	103,000	101.19%	(5,433,183)	37%
Other	\$ -	-	-	-	-	-	-	-	-
Non Departmental	\$ 2,526,102	1,491,022	6,180,073	8,715,865	7,915,865	(800,000)	90.82%	(7,224,843)	17%
Operating Transfers Out	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES:	<u>\$ 46,772,597</u>	<u>\$ 44,778,325</u>	<u>\$ 98,171,224</u>	<u>\$ 105,339,212</u>	<u>\$ 108,116,374</u>	<u>\$ 2,777,162</u>	102.64%	<u>\$ (60,560,887)</u>	43%

APPENDIX C

**City of Folsom, California
Housing Fund**

Revenue and Expense Statement
Quarter Ended December 31, 2022

	FY 2023	FY 2022 ACTUAL	FY 2023 BUDGET	FY22 Forecast	VARIANCE		VARIANCE	
	As of 12/31/2022			As of 12/31/2022	Forecast vs Budget		Actual vs Budget	
					\$	%	\$	%
REVENUES:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Intergovernmental	-	-	-	-	-		-	
Charges for Current Services	18,101	29,219	40,000	40,000	-	100%	(21,899)	45%
Impact Fee Revenue	1,450,593	6,625,814	250,000	2,450,000	2,200,000	980%	1,200,593	580%
Interest Revenue	179,024	81,337	150,000	300,000	150,000	200%	29,024	119%
Other Revenue	-	(289,334)	25,829	25,829	-	100%	(25,829)	0%
Operating Transfers In	-	-	-	-	-		-	
TOTAL REVENUES	1,647,718	6,447,036	465,829	2,815,829	2,350,000	604%	1,181,889	354%
EXPENDITURES:								
Salary & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Services & Supplies	-	-	-	-	-		-	
Contracts	20,591	51,566	310,000	583,000	273,000	188%	289,409	7%
Insurance	-	-	-	-	-		-	
Other Operating Expenses	4,600	10,950	40,300	40,300	-	100%	35,700	11%
Capital Outlay	-	-	-	-	-		-	
Extraordinary Loss on Dissolution of RDAs	-	-	-	-	-		-	
Operating Transfers Out	57,765	25,085	115,529	115,529	-	100%	57,765	50%
TOTAL EXPENDITURES	82,955	87,601	465,829	738,829	(273,000)	159%	382,874	18%
APPROPRIATION OF FUND BALANCE	1,564,763	6,359,435	-	2,077,000				
FUND BALANCE, JULY 1	37,789,041	31,429,606	37,789,041	37,789,041				
FUND BALANCE	\$ 39,353,803	\$ 37,789,041	\$ 37,789,041	\$ 39,866,041				
NONSPENDABLE FUND BALANCE	-	-	(37,789,041)	(39,866,041)				
RESTRICTED FUND BALANCE	-	-	-	-				
COMMITTED FUND BALANCE								
ASSIGNED FUND BALANCE								
UNRESTRICTED FUND BALANCE (DEFICIT)	\$ 39,353,803	\$ 37,789,041	\$ -	\$ -				

APPENDIX D

**City of Folsom, California
Lighting and Landscaping Districts**

Revenue and Expenditure Statement
Quarter Ended December 31, 2022

	Fund 204	Fund 205	Fund 207	Fund 208	Fund 209	Fund 210	Fund 212	Fund 213	Fund 214	Fund 231	Fund 232
	Los Cerros	Briggs Ranch	Natoma Station	Folsom Heights	Broadstone Unit 3	Broadstone	Hannaford Cross	Lake Natoma Shores	Cobble Hills Reflect	Sierra Estates	Natoma Valley
Revenues:											
Special Assessment	121	428	612	106	47	1,183	-	184	226	-	428
Interest	1,537	-	-	378	231	50	-	1,065	-	271	2,711
Other Revenue	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 1,658	\$ 428	\$ 612	\$ 484	\$ 278	\$ 1,233	\$ -	\$ 1,249	\$ 226	\$ 271	\$ 3,139
Expenditures:											
Communications	-	-	-	-	-	-	-	-	-	-	-
Utilities	6,979	9,780	40,583	4,604	809	88,046	2,896	2,476	10,474	737	2,000
Contracts	3,068	7,586	17,024	661	331	28,177	2,611	2,153	5,298	1,295	4,441
Maintenance	22,654	32,210	115,291	19	15,232	-	9,184	10,093	10,594	3,556	16,953
Supplies	-	-	-	-	-	-	8	-	-	-	-
Transfers Out	591	1,013	2,856	219	409	2,696	526	252	593	-	540
Total Expenditures	\$ 33,292	\$ 50,589	\$ 175,754	\$ 5,503	\$ 16,781	\$ 118,919	\$ 15,225	\$ 14,974	\$ 26,959	\$ 5,588	\$ 23,934

APPENDIX D

**City of Folsom, California
Lighting and Landscaping Districts**

Revenue and Expenditure Statement
Quarter Ended December 31, 2022

	Fund 234	Fund 236	Fund 237	Fund 249	Fund 250	Fund 251	Fund 252	Fund 253	Fund 260	Fund 262	Fund 266
	Cobble Ridge	Praire Oaks Ranch	Silverbrook	Willow Creek East	Blue Ravine Oaks	Steeplechase	Willow Creek So.	Am River Canyon No.	Willow Springs	Willow Sprgs CFD#11	Broadstone 3 CFD #12
Revenues:											
Special Assessment	-	427	-	161	-	-	719	360	14	-	1,857
Interest	1,338	-	1,005	-	1,331	787	6,843	79	71	3,370	15,195
Other Revenue	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 1,338	\$ 427	\$ 1,005	\$ 161	\$ 1,331	\$ 787	\$ 7,562	\$ 439	\$ 85	\$ 3,370	\$ 17,052
Expenditures:											
Communications	-	-	-	-	-	-	-	-	-	-	-
Utilities	762	39,045	368	12,074	7,047	2,985	40,302	24,843	2,906	11,815	62,787
Contracts	1,238	30,465	1,295	331	331	2,732	3,377	331	331	6,812	34,326
Maintenance	3,415	1,510	2,667	-	-	7,798	42,358	13,851	653	55,989	294,921
Supplies	-	602	-	-	-	-	99	-	10	-	1,621
Transfers Out	151	572	131	866	474	394	2,061	1,864	238	1,876	6,369
Total Expenditures	\$ 5,566	\$ 72,194	\$ 4,461	\$ 13,271	\$ 7,852	\$ 13,909	\$ 88,197	\$ 40,889	\$ 4,138	\$ 76,492	\$ 400,024

APPENDIX D

**City of Folsom, California
Lighting and Landscaping Districts**

Revenue and Expenditure Statement
Quarter Ended December 31, 2022

	Fund 267	Fund 270	Fund 271	Fund 275	Fund 278	Fund 281	Fund 282	Fund 283	Fund 284	Fund 285	Fund 288	Fund 289	
	ARC No.2 CFD #13	ARC No. 2	Residences At ARC	ARC North #3	Blue Ravine Oaks No. 2	Folsom Hts #2	Broadstone #4	Islands CFD #16	Willow Creek Estates #2	Prospect Ridge	Maint Dist CFD #18	Maint Dist CFD #19	TOTAL
Revenues:													
Special Assessment	243	194	-	899	-	301	238	-	199	-	-	-	8,947
Interest	496	1,927	563	12,158	1,943	3,103	-	5,460	742	243	15,103	6,656	84,656
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 739	\$ 2,121	\$ 563	\$ 13,057	\$ 1,943	\$ 3,404	\$ 238	\$ 5,460	\$ 941	\$ 243	\$ 15,103	\$ 6,656	\$ 93,603
Expenditures:													
Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	14,021	151	2,637	1,400	-	-	-	6,297	-	1,032	84,520	6,447	490,823
Contracts	13,245	331	3,059	8,398	2,763	2,945	4,222	7,064	7,617	3,332	55,553	460	263,203
Maintenance	43,789	2,614	15,042	206,493	13,620	30,678	179,508	22,679	24,814	6,187	201,054	13,868	1,419,294
Supplies	-	-	-	886	-	-	2,687	538	-	-	11,635	-	18,086
Transfers Out	1,129	212	272	2,039	602	374	3,294	1,049	556	208	3,011	626	38,063
Total Expenditures	\$ 72,184	\$ 3,308	\$ 21,010	\$ 219,216	\$ 16,985	\$ 33,997	\$ 189,711	\$ 37,627	\$ 32,987	\$ 10,759	\$ 355,773	\$ 21,401	\$ 2,229,469

APPENDIX E

City of Folsom, California Combined Water Funds* Revenue and Expense Statement Quarter Ended December 31, 2022

	FY 2022	FY 2023	FY 2022 ACTUAL	FY 2023 BUDGET	FY23 Forecast	VARIANCE		VARIANCE	
	As of	As of			As of	Forecast vs Budget		Actual vs Budget	
	12/31/2021	12/31/2022			12/31/2022	\$	%	\$	%
OPERATING EXPENSES:									
Salaries	1,519,371	1,623,460	2,990,693	3,420,072	3,170,072	(250,000)	93%	(1,796,612)	47%
Benefits	1,088,730	765,467	1,440,142	2,384,631	2,324,631	(60,000)	97%	(1,619,164)	32%
Utilities	411,148	492,653	566,309	812,500	812,500	-	100%	(319,847)	61%
Supplies	466,385	546,868	1,259,831	1,277,131	1,427,131	150,000	112%	(730,263)	43%
Maintenance and Operation	694,360	496,641	852,055	1,166,860	1,266,860	100,000	109%	(670,219)	43%
Contractual Services	807,832	917,201	2,025,175	2,573,899	2,423,899	(150,000)	94%	(1,656,698)	36%
Depreciation	2,336,451	2,321,078	4,656,071	-	-	-	-	2,321,078	-
Other Operating Expenses	409,161	312,170	902,933	1,171,128	1,071,128	(100,000)	91%	(858,958)	27%
TOTAL OPERATING EXPENSES	7,733,438	7,475,538	14,693,210	12,806,221	12,496,221	(310,000)	98%	(5,330,683)	58%
OPERATING INCOME	921,848	2,148,531	3,174,939	6,423,279	6,732,279		105%	(257,900)	
NONOPERATING REVENUE (EXPENSES):									
Impact Fees	124,523	282,278	491,069	703,605	428,605	(275,000)	61%	(421,327)	40%
Other	10,933	51,304	976,481	(407,374)	300,000	707,374	-74%	458,678	-13%
Investment Income	79,821	293,774	(511,785)	197,100	558,100	361,000	283%	96,674	149%
Intergovernmental	-	6,756	50,656	250,000	250,000	-	100%	(243,244)	3%
Proceeds of Financing	-	-	-	-	-	-	-	-	-
Debt Service Expense	-	(6,500)	(460,756)	(1,845,822)	(1,845,822)	-	100%	1,839,322	0%
Other Reimbursements	-	-	-	-	-	-	-	-	-
Capital Outlay - Projects	(728,606)	(1,076,107)	193,335	(4,414,222)	(4,314,222)	100,000	98%	3,338,115	24%
TOTAL NONOPERATING REVENUE (EXPENSE)	(513,329)	(448,495)	739,001	(5,516,713)	(4,623,339)	893,374	84%	5,068,218	8%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	408,519	1,700,036	3,913,939	906,566	2,108,940				
CAPITAL CONTRIBUTIONS AND TRANSFERS:									
Transfers In	-	-	186,449	200,000	200,000	-	100%	(200,000)	0%
Transfers Out	(450,563)	(451,454)	(1,088,643)	(1,106,566)	(1,106,566)	893,374	100%	655,112	41%
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(450,563)	(451,454)	(902,194)	(906,566)	(906,566)				
CHANGE IN NET ASSETS	(42,044)	1,248,582	3,011,745	-	1,202,374				
NET ASSETS, JULY 1	109,978,103	112,989,848	109,978,103	112,989,848	112,989,848				
NET ASSETS	109,936,059	114,238,430	112,989,848	112,989,848	114,192,222				
RESTRICTED NET ASSETS	(2,561,331)	(4,766,131)	(2,295,280)	(4,766,131)	(4,766,131)				
UNRESTRICTED NET ASSETS	\$ 107,374,728	\$ 109,472,299	\$ 110,694,568	\$ 108,223,717	\$ 109,426,091				

* Includes the following funds: Water Impact Fee, Water Operating, Water Capital and Water Meters
Prior year includes prior period adjustment for GASB 68

APPENDIX F

City of Folsom, California Combined Wastewater Funds* Revenue and Expense Statement Quarter Ended December 31, 2022

	FY 2022	FY 2023	FY 2022	FY 2023	FY23 Forecast	VARIANCE		VARIANCE	
	As of 12/31/2021	As of 12/31/2022	ACTUAL	BUDGET	As of 12/31/2022	Forecast vs Budget		Actual vs Budget	
						\$	%	\$	%
OPERATING REVENUES:									
Charges For Services	4,961,119	6,423,673	8,561,293	10,918,000	11,093,000	175,000	102%	(4,494,327)	59%
Prison Services	39,200	33,600	72,800	67,200	67,200	-	100%	(33,600)	50%
TOTAL OPERATING REVENUES	5,000,319	6,457,273	8,634,093	10,985,200	11,160,200	175,000	102%	(4,527,927)	59%
OPERATING EXPENSES:									
Salaries	829,715	866,961	1,638,145	1,861,036	1,701,036	(160,000)	91%	(994,075)	47%
Benefits	630,151	424,242	843,775	1,388,527	1,338,527	(50,000)	96%	(964,285)	31%
Utilities	35,843	37,708	88,262	95,000	95,000	-	100%	(57,292)	40%
Supplies	134,360	155,724	281,442	555,814	455,814	(100,000)	82%	(400,090)	28%
Maintenance and Operation	110,862	130,383	230,474	328,090	328,090	-	100%	(197,707)	40%
Contractual Services	34,926	163,247	442,486	816,846	716,846	(100,000)	88%	(653,599)	20%
Depreciation	1,163,216	1,126,893	2,296,648	-	-	-	-	1,126,893	-
Other Operating Expenses	146,679	106,553	434,008	415,630	415,630	-	100%	(309,077)	26%
TOTAL OPERATING EXPENSES	3,085,753	3,011,710	6,255,240	5,460,943	5,050,943	(410,000)	92%	(2,449,233)	55%
OPERATING INCOME (LOSS)	1,914,566	3,445,563	2,378,853	5,524,257	6,109,257		111%		
NONOPERATING REVENUE (EXPENSES):									
Impact Fees	19,591	133,366	58,694	60,000	150,000	90,000	250%	(74,043)	222.3%
Investment Income	64,780	245,115	(500,810)	156,000	465,000	309,000	298%	73,366	157%
Other	6,144	6,236	626,810	(1,197,198)	226,331	1,423,529	-19%	89,115	-1%
Debt Service	-	-	(673)	-	-	-	-	1,203,434	-1%
Capital Outlay - Projects	(977,688)	(394,316)	60,971	(3,912,671)	(2,912,671)	1,000,000	74%	-	-
TOTAL NONOPERATING REVENUE (EXPENSE)	(887,173)	(9,598)	244,992	(4,893,869)	(2,071,340)	2,822,529	42%	3,518,355	10%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	1,027,393	3,435,965	2,623,845	630,388	4,037,917			4,884,271	0%
CAPITAL CONTRIBUTIONS AND TRANSFERS:									
Transfers In	-	-	-	137,755	137,755	-	0%	(137,755)	0%
Transfers Out	(340,322)	(362,298)	(704,832)	(768,143)	(768,143)	-	0%	(405,846)	89%
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(340,322)	(362,298)	(704,832)	(630,388)	(630,388)				
CHANGE IN NET ASSETS	687,071	3,073,668	1,919,013	-	3,407,529				
NET ASSETS, JULY 1	68,969,695	70,888,708	68,969,695	70,888,708	70,888,708				
NET ASSETS	69,656,765	73,962,376	70,888,708	70,888,708	74,296,237				
RESTRICTED NET ASSETS	(289,619)	(8,234,732)	-	(8,234,732)	(8,234,732)				
UNRESTRICTED NET ASSETS	\$ 69,367,147	\$ 65,727,643	\$ 70,888,708	\$ 62,653,975	\$ 66,061,504				

* Includes the following funds: Sewer Operating and Sewer Capital
Prior year includes prior period adjustment for GASB 68

APPENDIX G

**City of Folsom, California
Combined Solid Waste Funds*
Revenue and Expense Statement
Quarter Ended December 31, 2022**

	FY 2022	FY 2023	FY 2022 ACTUAL	FY 2023 BUDGET	FY23 Forecast As of 12/31/2022	VARIANCE		VARIANCE	
	As of 12/31/2021	As of 12/31/2022				Forecast vs Budget		Actual vs Budget	
						\$	%	\$	%
OPERATING REVENUES:									
Charges For Services	10,191,474	12,983,214	19,705,286	20,545,000	21,270,000	725,000	104%	(7,561,786)	63%
TOTAL OPERATING REVENUES	10,191,474	12,983,214	19,705,286	20,545,000	21,270,000	725,000	104%	(7,561,786)	63%
OPERATING EXPENSES:									
Salaries	1,676,796	1,935,301	3,411,769	4,175,985	4,175,985	-	100%	(2,240,684)	46%
Benefits	1,398,596	890,451	2,069,540	3,183,766	3,083,766	(100,000)	97%	(2,293,315)	28%
Utilities	18,813	21,677	41,216	37,100	42,100	5,000	113%	(15,423)	58%
Supplies	402,373	732,844	1,390,720	1,872,533	1,782,533	(90,000)	95%	(1,139,689)	39%
Maintenance and Operation	417,793	631,572	1,120,642	944,533	1,194,533	250,000	126%	(312,961)	67%
Contractual Services	1,850,407	1,966,531	4,308,295	5,667,087	5,667,087	-	100%	(3,700,556)	35%
Depreciation	386,656	422,872	890,801	-	-	-	-	422,872	-
Other Operating Expenses	280,147	118,898	698,819	855,905	855,905	-	100%	(737,007)	14%
TOTAL OPERATING EXPENSES	6,431,580	6,720,145	13,931,803	16,736,909	16,801,909	65,000	100%	(10,016,764)	40%
OPERATING INCOME (LOSS)	3,759,894	6,263,069	5,773,483	3,808,091	4,468,091				
NONOPERATING REVENUE (EXPENSE):								288,565	
Impact Fees	219,369	219,273	576,666	547,365	397,365	(150,000)	72.6%	(328,092)	40%
Investment Income	26,188	155,740	(235,649)	81,500	304,000	222,500	373%	74,240	191%
Intergovernmental Revenues	40,627	40,474	189,645	422,776	247,776	(175,000)	59%	(382,302)	10%
Other	161,562	179,401	367,259	7,073,127	350,000	(6,723,127)	5%	(6,893,726)	3%
Debt Service-Expense	-	-	(3,015)	-	-	-	-	-	-
Capital Outlay	(799,495)	-	-	(10,209,664)	(3,209,664)	7,000,000	31%	10,209,664	0%
TOTAL NONOPERATING REVENUE (EXPENSE)	(351,749)	594,889	894,906	(2,084,896)	(1,910,523)	174,373	92%	2,679,785	-29%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	3,408,145	6,857,958	6,668,389	1,723,195	2,557,568				
CAPITAL CONTRIBUTIONS AND TRANSFERS:									
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	(828,477)	(819,214)	(1,692,701)	(1,723,195)	(1,723,195)	-	0%	903,982	-91%
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(828,477)	(819,214)	(1,692,701)	(1,723,195)	(1,723,195)				
CHANGE IN NET ASSETS	2,579,668	6,038,745	4,975,688	-	834,373				
NET ASSETS, JULY 1	(3,972,020)	1,003,668	(3,972,020)	1,003,668	1,003,668				
NET ASSETS	(1,392,352)	7,042,413	1,003,668	1,003,668	1,838,041				
RESTRICTED NET ASSETS	(595,612)	(164,870)	(2,715,045)	(164,870)	(164,870)				
UNRESTRICTED NET ASSETS	\$ (1,987,964)	\$ 6,877,542	\$ (1,711,377)	\$ 838,797	\$ 1,673,170				

* Includes the following funds: Solid Waste Operating, Solid Waste Capital, and Solid Waste Plan Area Capital
Prior year includes prior period adjustment for GASB 68