

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

City of Folsom Quarterly Financial Report

Fiscal Year 2022-23 Third Quarter

May 23, 2023

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

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Third Quarter Financial Report

Fiscal Year 2022-23



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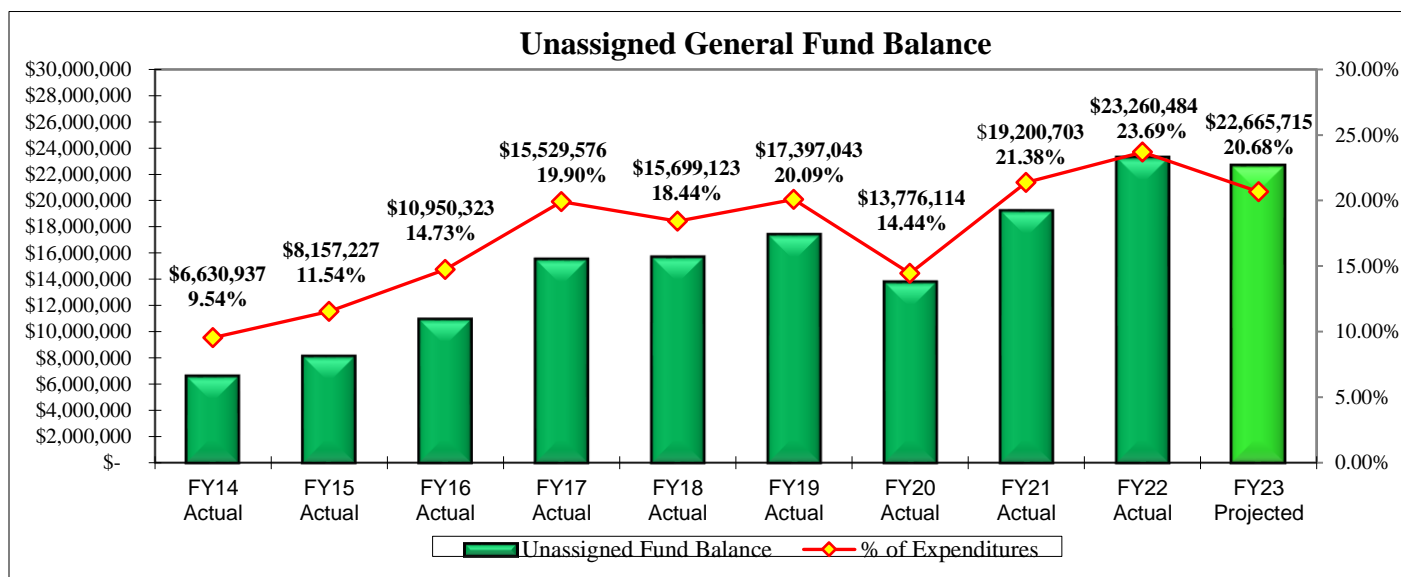
Introduction

This financial report provides an overview of the City’s unaudited financial position through the third quarter of fiscal year (FY) 2022-23 (July 1, 2022, through March 31, 2023) 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 third quarter to third quarter and budget to actual comparisons are included in this report in addition to year-end projections.

Executive Summary

COVID-19 restrictions are now a thing of the past, and inflation continues, but it’s now in a period of disinflation (declining inflation). Unemployment is still low; however, household debt has begun to rise. Supply chain issues have begun to ease, but higher costs are continuing to affect most purchases made by all City departments.

This is resulting in current projected year-end General Fund revenues of \$109 million and projected expenditures of \$109.59 million, a deficit of \$595,000 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 \$22.67 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

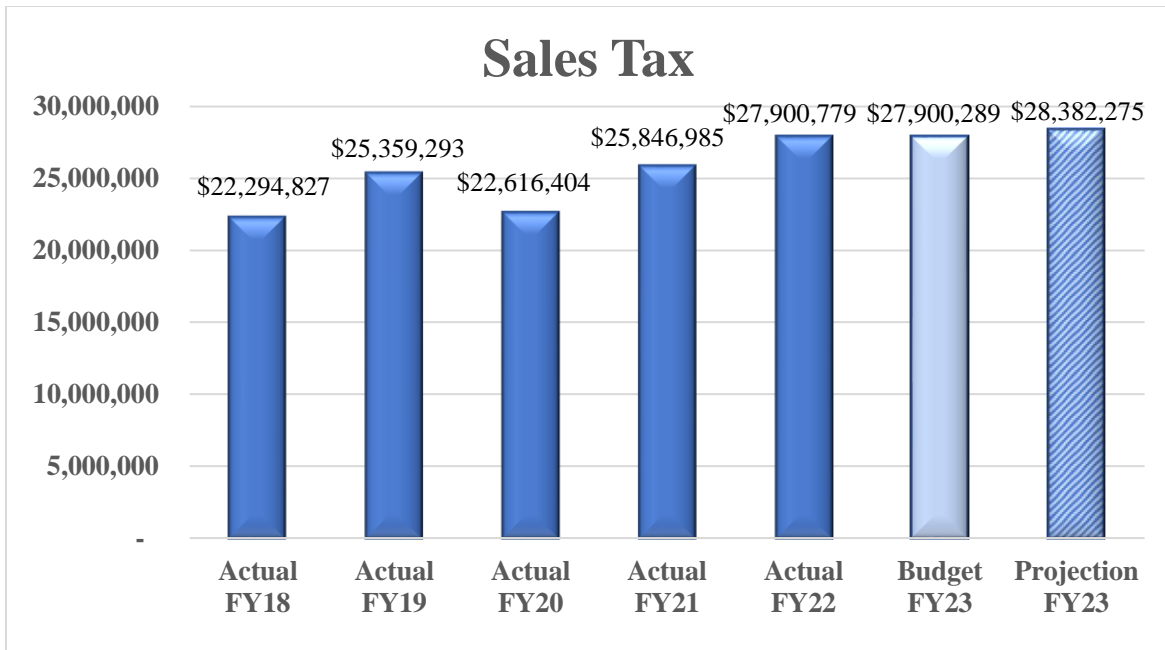
The following table includes cumulative revenue comparisons through the third quarter of FY 2021-22 and FY 2022-23 and a revenue budget comparison for FY 2022-23 with year-end projections.

	FY 21-22 Actual	FY 22-23 Actual	FY 22-23	FY 22-23	Over/Under	% of
	Mar. 31, 2022	Mar. 31, 2023	Budget	Projected	Budget	Budget
Property Tax	\$ 16,249,998	\$ 18,441,933	\$ 36,050,672	\$ 36,784,354	\$ 733,682	102%
Sales Tax	15,921,650	16,238,775	27,900,289	28,382,275	481,986	102%
Transient Occupancy Tax	1,368,351	1,186,429	2,200,000	2,200,000	-	100%
Charges for Services	11,844,469	11,432,884	13,158,197	14,749,901	1,591,704	112%
License, Permits & VLF	7,193,281	6,771,228	13,181,748	14,394,710	1,212,962	109%
Transfers In	4,214,980	3,825,369	7,805,245	6,557,742	(1,247,503)	84%
All Other	2,024,959	2,613,797	3,713,436	4,128,948	415,512	111%
Subtotal Revenue	\$ 58,817,688	\$ 60,510,415	\$ 104,009,587	\$ 107,197,930	\$ 3,188,343	103.07%
ARPA	559,114	1,801,757	1,801,757	1,801,757	-	
Total Revenue	\$ 59,376,802	\$ 62,312,172	\$ 105,811,344	\$ 108,999,687	\$ 3,188,343	103.01%

General Fund operating revenues through the third quarter are \$62.31 million, which is 4.94% greater than the same period in FY 2021-22. Revenues are at 58.89% of the budget through the third 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 third quarter by 13.49% or \$2.19 million. A comparison of home sales during the third quarter of FY 2022-23 and FY 2021-22 shows the number of homes sold decreased by 170 or 26.94%. The average median sales price through the third quarter of FY 2022-23 was \$733,611, which is a decrease of 2.69% compared to FY 2021-22. The property tax revenue projection for Fiscal Year 2022-23 year-end is \$734,000 greater than the budgeted amount of \$36.05 million, which would exceed the prior year by \$3.59 million or 10.71%.
- Sales tax revenues also exceeded last year's cumulative third quarter by 1.99% or \$317,000. The most recent sales tax data shows the categories of general retail, food products, transportation and the countywide pool decreasing over the same period the prior 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 \$1.12 million through the third 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 \$11.43 million through the third quarter and are projected to end the fiscal year at \$14.75 million. The current projection is \$1.09 million less than the prior year amount of \$15.84 million. The Parks and Recreation charges through the third quarter were \$3.37 million and a comparison to the same quarter in the prior fiscal year shows an increase of \$508,000. Ambulance fees through the third quarter were \$3.45 million and compared to the prior fiscal year this is an increase of \$629,000 or 22.31%. The projection for ambulance fees at fiscal year-end is \$4.69 million, which will be an increase from the prior year of \$453,000 or 10.71%. Community Development charges are at \$3.02 million through the third quarter and are currently projected to end the fiscal year at \$3.38 million. Compared to the prior fiscal year this would be a decrease of \$613,000 or 15.37%. The projected decrease in Community Development charges is due to a decrease in engineering activity, mostly in the Folsom Plan Area, through the third quarter.
- License and permit fees and Vehicle License Fees (VLF) quarter to quarter increased \$300,000 and are projected to end the fiscal year at \$12.93 million which would be an increase of \$140,000 compared to the budget and an increase of \$349,000 when compared to the prior year.
- Miscellaneous revenues increased 8.45% or \$49,000, through the third quarter when compared to the same period in the prior fiscal year.

General Fund: Department Operating Expenditures

The following table includes cumulative third 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	FY 22-23 Actual	FY 22-23	FY 22-23	Over/Under	% of
	Mar. 31, 2022	Mar. 31, 2023	Budget	Projected	Budget	Budget
Salaries	\$ 30,793,804	\$ 32,285,515	\$ 44,237,110	\$ 43,871,446	\$ (365,664)	99.2%
Benefits	19,672,941	20,825,847	29,507,023	28,477,043	(1,029,980)	96.5%
O&M	17,378,492	21,907,532	26,304,887	32,576,099	6,271,212	123.8%
Capital Outlay	1,195,832	2,901,874	5,412,931	4,316,475	(1,096,456)	79.7%
Debt Service	496,305	349,393	349,393	353,393	4,000	101.1%
Total Expenditures	\$ 69,537,373	\$ 78,270,161	\$ 105,811,344	\$ 109,594,456	\$ 3,783,112	103.6%

Overall, cumulative third quarter General Fund expenditures increased 12.56% compared to the third quarter of the prior year and are coming in at 73.97% percent of the budget through the third quarter of FY 2022-23. This is in part due to the increases from the new labor MOUs that were adopted by the City during the current fiscal year. The projection for the end of the fiscal year is for expenditures to be at \$109.59 million which would be \$3.78 million more than the budgeted amount or 103.6% of budget. The projected increase in expenditures is primarily due to increases in salary and benefits, 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	FY 22-23 Actual	FY 22-23	FY 22-23	Over/Under	% of
	Mar. 31, 2022	Mar. 31, 2023	Budget	Projected	Budget	Budget
General Government	\$ 6,290,391	\$ 7,001,572	\$ 9,823,314	\$ 9,736,114	\$ (87,200)	99.1%
Police	17,954,661	19,614,491	27,476,204	26,417,566	(1,058,638)	96.1%
Fire	17,879,688	19,895,641	25,777,872	27,761,442	1,983,570	107.7%
Community Development	5,359,856	6,390,581	6,362,031	8,639,286	2,277,255	135.8%
Parks & Recreation	11,098,354	12,472,943	16,945,433	18,555,683	1,610,250	109.5%
Library	1,276,043	1,433,689	2,013,963	2,053,203	39,240	101.9%
Public Works	5,626,462	6,204,518	8,696,661	8,458,940	(237,721)	97.3%
Non-Departmental	4,051,919	5,256,727	8,715,865	7,972,221	(743,644)	91.5%
Total Expenditures	\$ 69,537,373	\$ 78,270,161	\$ 105,811,344	\$ 109,594,456	\$ 3,783,112	103.6%

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 \$1.06 million due to vacant positions for a portion of the year.
- Fire Department is projected to end the fiscal year \$1.98 million (7.7%) over the budgeted amount, which is mainly seen in vehicle maintenance and overtime costs due to implementation of new MOU agreement. Overtime costs have been impacted by many vacant positions and many due to retirements. 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 \$2.28 million (35.8%) over the budgeted amount, which is mostly due to increases in contract costs that are partially offset by increased revenues.
- Parks and Recreation Department is projected to end the fiscal year \$1.61 million over budget. \$785,000 of that is related to costs in the Facilities division for the emergency repair of the roofs at the Sports Complex and 405 Natoma Station. Although these expenditures are included in the year-end projection for Parks and Recreation, the budget for these projects is in the Non-Departmental contingency line item. In the chart above, Non-Departmental shows a projection to end the year under budget – due to the roof expenditures being accounted for in Parks and Recreation. These two budget variances must be netted together to see the full

effect of the contingency budget being used for the roof projects. The remaining Parks and Recreation variance from budget is in the zoo, aquatics center and sports programs and is offset by increased revenue.

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 third 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 Mar. 31, 2022	FY 22-23 Actual Mar. 31, 2023	FY 22-23 Budget	FY 22-23 Projected	Over/Under Budget	% of Budget
Program Revenues	\$ 12,036,043	\$ 13,143,310	\$ 19,229,500	\$ 19,327,500	\$ 98,000	100.5%
Salaries	2,273,681	2,462,160	3,420,072	3,349,072	(71,000)	97.9%
Benefits	1,622,651	1,757,820	2,384,631	2,421,631	37,000	101.6%
Operating Expenses	3,901,036	4,783,468	7,346,518	6,543,518	(803,000)	89.1%
Transfers Out	676,248	677,211	1,256,566	1,206,566	(50,000)	96.0%
Debt Service	7,623	8,792	1,845,822	1,845,822	-	0.0%
	<u>\$ 8,481,239</u>	<u>\$ 9,689,451</u>	<u>\$ 16,253,609</u>	<u>\$ 15,366,609</u>	<u>\$ (887,000)</u>	<u>94.54%</u>
Capital Expenses	\$ 1,784,082	\$ 2,630,113	\$ 4,446,166	\$ 4,181,166	\$ (265,000)	94.04%
Working Capital			\$ 22,615,572	\$ 22,395,297		

The Water Fund is projected to end the year with program revenues of \$19.33 million. Total operating expenses, including transfers out are projected to end the year at \$15.37 million, or 94.5% 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 \$4.18 million at year-end. The fund will end the year with projected working capital of \$22.40 million.

Wastewater Fund

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

	FY 21-22 Actual Mar. 31, 2022	FY 22-23 Actual Mar. 31, 2023	FY 22-23 Budget	FY 22-23 Projected	Over/Under Budget	% of Budget
Program Revenues	\$ 7,178,758	\$ 9,480,429	\$ 10,985,200	\$ 11,267,200	\$ 282,000	102.57%
Salaries	1,238,853	1,308,166	1,861,036	1,769,036	(92,000)	95.06%
Benefits	936,198	995,714	1,388,527	1,376,527	(12,000)	99.14%
Operating Expenses	813,630	1,036,999	2,211,380	1,464,380	(747,000)	66.22%
Transfers Out	516,566	543,476	768,143	768,143	-	100.00%
Debt Service	-	-	-	-	-	-
	<u>\$ 3,505,247</u>	<u>\$ 3,884,355</u>	<u>\$ 6,229,086</u>	<u>\$ 5,378,086</u>	<u>\$ (851,000)</u>	<u>86.34%</u>
Capital Expenses	\$ 1,021,131	\$ 1,837,396	\$ 4,067,671	\$ 4,593,671	\$ 526,000	112.93%
Working Capital			\$ 18,536,188	\$ 19,831,631		

The Wastewater Fund is projected to end the year with program revenues of \$11.28 million. Total operating expenses, including transfers out, are projected to end the year at \$5.38 million, or 86.3% 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 \$4.59 million at year-end. The fund will end the year with projected working capital of \$19.83 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 Mar. 31, 2022	FY 22-23 Actual Mar. 31, 2023	FY 22-23 Budget	FY 22-23 Projected	Over/Under Budget	% of Budget
Program Revenues	\$ 15,689,748	\$ 19,135,932	\$ 20,545,000	\$ 25,766,000	\$ 5,221,000	125.4%
Salaries	2,569,896	2,941,451	4,175,985	3,925,985	(250,000)	94.0%
Benefits	2,109,863	2,327,586	3,183,766	3,134,766	(49,000)	98.5%
Operating Expenses	4,873,541	6,680,799	9,370,223	9,387,223	17,000	100.2%
Transfers Out	1,251,638	1,228,850	1,723,195	1,723,195	-	100.0%
Debt Service	-	-	-	-	-	0.0%
	<u>\$ 10,804,938</u>	<u>\$ 13,178,686</u>	<u>\$ 18,453,169</u>	<u>\$ 18,171,169</u>	<u>\$ (282,000)</u>	<u>98.5%</u>
Capital Expenses	\$ 799,495	\$ 801,803	\$ 10,216,599	\$ 8,508,588	\$ (1,708,011)	83.3%
Working Capital			\$ 10,318,620	\$ 9,404,863		

The Solid Waste Fund is projected to end the year with program revenues of \$25.77 million. Total operating expenses, including transfers out, are projected to end the year at \$18.17 million, or 98.5% 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 outlay costs are estimated to be \$8.51 million at year-end. The fund will end the year with projected working capital of \$9.40 million.

Other Funds

City Housing Fund

The City Housing Fund as of March 31, 2023 had a cash balance of \$9,762,404. The City Council has 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 March 31, 2023, the City has paid \$5.39 million for health, vision, and dental insurance for active employees and \$3.32 million for retired employees and \$1.94 million for workers' compensation. Liability insurance payments were \$2.44 million. The total expenditures for FY 2022-23 are projected at \$20.59 million, which is an increase from the prior fiscal year of \$1.16 million which is mostly seen in health insurance, workers compensation, and liability costs.

The projected ending unrestricted net position is \$3.74 million, a planned \$1.58 million decrease from FY 2021-22.

Lighting and Landscape Funds

There are 30 Lighting and Landscape (L&L) Districts in the City of Folsom. Each District has its own budget and maintenance requirements to maintain various 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.

Below is a summary list of the main projects or activities that occurred in our L&L Districts during January, February, and March 2023:

District	Project	Date	Cost
Blue Ravine Oaks	Tree replacements	3/23/2023	\$7,583.62
Prairie Oaks Ranch	Tree removal / replacement /wall repair	3/10/2023	\$3,662.26
Briggs Ranch	Fence replacement	2/28/2023	\$10,194.75
Broadstone 1,2&4	Downed tree removal	3/1/2023	\$5,031.00

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 third quarter of FY 2022-23 were \$9.03 million. Expenditures during the third quarter totaled approximately \$2.59 million in all Plan Area Impact Fee funds. Expenditures were for Fire Station 34 construction, 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 March 31, 2023**

	FY 2022	FY 2023	FY 2022	FY 2023	FY23 Forecast	VARIANCE		VARIANCE	
	As of 3/31/2022	As of 3/31/2023	ACTUAL	BUDGET	As of 3/31/2023	Forecast vs Budget	%	Actual vs Budget	%
						\$	%	\$	%
REVENUES:									
Taxes:									
Property	\$ 16,249,998	\$ 18,441,933	\$ 33,225,451	\$ 36,050,672	\$ 36,784,354	\$ 733,682	102%	\$ (17,608,739)	51%
Sales And Use	15,921,650	16,238,775	27,900,779	27,900,289	28,382,275	481,986	102%	(11,661,514)	58%
Transient Occupancy	1,368,351	1,186,429	2,597,968	2,200,000	2,200,000	-	100%	(1,013,571)	54%
Real Property Transfer	570,054	641,565	1,057,752	900,000	1,000,000	100,000	111%	(258,435)	71%
Franchise Fees	-	3,224	894,977	722,000	831,005	109,005	115%	(718,776)	0%
Other	684,510	592,313	1,293,451	1,100,000	1,201,000	101,000	109%	(507,687)	54%
Licenses And Permits	3,121,916	3,098,550	4,240,877	3,975,850	3,934,350	(41,500)	99%	(877,300)	78%
Intergovernmental	4,630,479	5,474,435	10,043,165	11,007,655	12,262,117	1,254,462	111%	(5,533,219)	50%
Charges For Current Services	11,844,469	11,432,884	15,843,596	13,158,197	14,749,901	1,591,704	112%	(1,725,313)	87%
Fines And Forfeitures	88,356	53,773	133,009	120,500	116,045	(4,455)	96%	(66,727)	45%
Interest	98,931	690,556	(951,314)	230,000	300,062	70,062	130%	460,556	300%
Miscellaneous	583,106	632,364	795,580	640,936	680,836	39,900	106%	(8,572)	99%
Operating Transfers In	4,214,980	3,825,369	6,545,557	7,805,245	6,557,742	(1,247,503)	84%	(3,979,876)	49%
TOTAL REVENUES	59,376,802	62,312,172	103,620,847	105,811,344	108,999,687	3,188,343	103.01%	(43,499,172)	59%
EXPENDITURES:									
Current Operating:									
General Government	\$ 8,960,028	\$ 9,856,322	\$ 12,364,899	\$ 13,995,607	\$ 14,569,407	\$ 573,800	104%	\$ 4,139,286	70%
Public Safety	35,672,403	39,350,110	50,188,688	52,901,860	53,857,792	955,932	102%	13,551,750	74%
Public Ways and Facilities	5,626,462	6,204,518	7,543,957	8,696,661	8,458,940	(237,721)	97%	2,492,143	71%
Community Services	5,359,856	6,390,581	8,014,879	6,362,031	8,639,286	2,277,255	136%	(28,550)	100%
Culture and Recreation	9,866,705	11,211,903	13,878,728	15,139,319	16,096,809	957,490	106%	3,927,417	74%
Non-Departmental	4,051,919	5,256,727	6,180,073	8,715,865	7,972,221	(743,644)	91%	3,459,138	60%
Operating Transfers Out	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	69,537,373	78,270,161	98,171,224	105,811,344	109,594,456	3,783,112	103.6%	27,541,183	74%
APPROPRIATION OF FUND BALANCE	(10,160,572)	(15,957,989)	5,449,623	(0)	(594,769)				
FUND BALANCE, JULY 1	21,469,427	26,919,048	21,469,425	26,919,048	26,919,048				
FUND BALANCE	11,308,855	10,961,059	26,919,048	26,919,048	26,324,279				
NONSPENDABLE FUND BALANCE	(310,673)	(222,349)	(660,465)	(222,349)	(660,465)				
RESTRICTED FUND BALANCE	-	-	-	-	-				
COMMITTED FUND BALANCE	-	-	-	-	-				
ASSIGNED FUND BALANCE	(559,776)	(2,882,111)	(2,998,099)	-	(2,998,099)				
UNRESTRICTED FUND BALANCE	\$ 10,438,406	\$ 7,856,599	\$ 23,260,484	\$ 26,696,699	\$ 22,665,715				

APPENDIX B

City of Folsom, California

Expenditure Summary - General Fund Departments Quarter Ended March 31, 2023

	FY 2022		FY 2023		FY23 Forecast		VARIANCE		VARIANCE	
	As of		As of		As of		Forecast vs Budget		Actual vs. Budget	
	3/31/2022	3/31/2023	FY 2022 ACTUAL	FY 2023 BUDGET	3/31/2023	\$	%	\$	%	
EXPENDITURES:										
City Council	\$ 79,063	\$ 81,241	\$ 112,377	\$ 110,438	\$ 109,438	\$ (1,000)	99.09%	\$ (29,197)	74%	
City Manager	\$ 855,075	880,002	1,166,550	1,186,752	1,222,752	36,000	103.03%	(306,750)	74%	
City Clerk	\$ 445,519	532,883	591,310	687,257	705,057	17,800	102.59%	(154,374)	78%	
Office of Mgmt & Budget	\$ 3,717,337	4,077,234	4,965,276	5,856,284	5,719,284	(137,000)	97.66%	(1,779,050)	70%	
City Attorney	\$ 735,706	963,474	1,095,211	1,185,232	1,277,232	92,000	107.76%	(221,758)	81%	
Human Resources	\$ 457,691	466,738	602,453	797,351	702,351	(95,000)	88.09%	(330,613)	59%	
Police	\$ 17,954,661	19,614,491	24,675,398	27,476,204	26,417,566	(1,058,638)	96.15%	(7,861,713)	71%	
Fire	\$ 17,879,688	19,895,641	25,745,729	25,777,872	27,761,442	1,983,570	107.69%	(5,882,231)	77%	
Community Development	\$ 5,359,856	6,390,581	8,014,879	6,362,031	8,639,286	2,277,255	135.79%	28,550	100%	
Parks & Recreation	\$ 11,098,354	12,472,943	15,724,496	16,945,433	18,555,683	1,610,250	109.50%	(4,472,491)	74%	
Library	\$ 1,276,043	1,433,689	1,753,515	2,013,963	2,053,203	39,240	101.95%	(580,274)	71%	
Public Works	\$ 5,626,462	6,204,518	7,543,957	8,696,661	8,458,940	(237,721)	97.27%	(2,492,143)	71%	
Other	\$ -	-	-	-	-	-	-	-	-	
Non Departmental	\$ 4,051,919	5,256,727	6,180,073	8,715,865	7,972,221	(743,644)	91.47%	(3,459,138)	60%	
Operating Transfers Out	-	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES:	<u>\$ 69,537,373</u>	<u>\$ 78,270,161</u>	<u>\$ 98,171,224</u>	<u>\$ 105,811,344</u>	<u>\$ 109,594,456</u>	<u>\$ 3,783,112</u>	103.58%	<u>\$ (27,541,183)</u>	74%	

APPENDIX C

**City of Folsom, California
Housing Fund**

Revenue and Expense Statement
Quarter Ended March 31, 2023

	FY 2023	FY 2022 ACTUAL	FY 2023 BUDGET	FY23 Forecast	VARIANCE		VARIANCE	
	As of 3/31/2023			As of 3/31/2023	Forecast vs Budget		Actual vs Budget	
					\$	%	\$	%
REVENUES:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Intergovernmental	-	-	-	-	-		-	
Charges for Current Services	19,013	29,219	40,000	40,000	-	100%	(20,987)	48%
Impact Fee Revenue	2,340,931	6,625,814	250,000	3,000,000	2,750,000	1200%	2,090,931	936%
Interest Revenue	290,198	81,337	150,000	350,000	200,000	233%	140,198	193%
Other Revenue	-	(289,334)	25,829	25,829	-	100%	(25,829)	0%
Operating Transfers In	-	-	-	-	-		-	
TOTAL REVENUES	2,650,142	6,447,036	465,829	3,415,829	2,950,000	733%	2,184,313	569%
EXPENDITURES:								
Salary & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Services & Supplies	-	-	-	-	-		-	
Contracts	620,276	51,566	310,000	662,000	352,000	214%	(310,276)	200%
Insurance	-	-	-	-	-		-	
Other Operating Expenses	5,296	10,950	40,300	30,300	(10,000)	75%	35,004	13%
Capital Outlay	-	-	-	-	-		-	
Extroardinary Loss on Dissolution of RDAs	-	-	-	-	-		-	
Operating Transfers Out	86,647	25,085	115,529	115,529	-	100%	28,882	75%
TOTAL EXPENDITURES	712,219	87,601	465,829	807,829	(342,000)	173%	(246,390)	153%
APPROPRIATION OF FUND BALANCE	1,937,924	6,359,435	-	2,608,000				
FUND BALANCE, JULY 1	37,789,041	31,429,606	37,789,041	37,789,041				
FUND BALANCE	\$ 39,726,965	\$ 37,789,041	\$ 37,789,041	\$ 40,397,041				
NONSPENDABLE FUND BALANCE	(29,990,858)	(30,015,302)	(37,789,041)	(40,397,041)				
RESTRICTED FUND BALANCE	(551,039)	-	-	-				
COMMITTED FUND BALANCE								
ASSIGNED FUND BALANCE								
UNRESTRICTED FUND BALANCE (DEFICIT)	\$ 9,185,068	\$ 7,773,739	\$ -	\$ -				

APPENDIX D

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

Revenue and Expenditure Statement
Quarter Ended March 31, 2023

	Fund 204	Fund 205	Fund 207	Fund 208	Fund 209	Fund 210	Fund 212	Fund 213	Fund 214	Fund215	Fund 231	Fund 232	Fund 234
	Los Cerros	Briggs Ranch	Natoma Station	Folsom Heights	Broadstone Unit 3	Broadstone	Hannaford Cross	Lake Natoma Shores	Cobble Hills Reflect	Prairie Oaks #2	Sierra Estates	Natoma Valley	Cobble Ridge
Revenues:													
Special Assessment	22,928	46,723	95,673	11,606	12,154	218,028	10,631	12,809	24,669	160,242	4,163	37,219	8,131
Interest	2,580	-	-	696	399	870	-	1,816	-	5,001	456	4,721	2,285
Other Revenue	-	-	-	-	540	270	-	-	-	-	-	-	-
Total Revenue	\$ 25,508	\$ 46,723	\$ 95,673	\$ 12,302	\$ 13,093	\$ 219,168	\$ 10,631	\$ 14,625	\$ 24,669	\$165,243	\$ 4,619	\$ 41,940	\$ 10,416
Expenditures:													
Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	10,039	13,262	52,754	6,301	1,339	114,387	4,009	3,131	13,480	-	976	2,312	966
Contracts	4,661	11,439	26,095	1,112	556	42,326	3,976	3,289	8,007	556	2,002	6,721	1,916
Maintenance	28,600	58,968	150,227	106	20,199	-	13,113	13,717	15,576	82,291	5,200	24,033	5,273
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	887	1,519	4,284	328	613	4,044	789	377	889	-	125	809	227
Total Expenditures	\$ 44,187	\$ 85,188	\$ 233,360	\$ 7,847	\$ 22,707	\$ 160,757	\$ 21,887	\$ 20,514	\$ 37,952	\$ 82,847	\$ 8,303	\$ 33,875	\$ 8,382

APPENDIX D

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

Revenue and Expenditure Statement
Quarter Ended March 31, 2023

	Fund 236	Fund 237	Fund 249	Fund 250	Fund 251	Fund 252	Fund 253	Fund 260	Fund 262	Fund 266	Fund 267	Fund 270
	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	ARC No.2 CFD #13	ARC No. 2
Revenues:												
Special Assessment	110,236	-	33,692	20,057	-	89,789	58,258	8,020	23,857	322,916	63,400	6,746
Interest	-	1,670	-	2,356	1,251	11,717	240	152	5,501	26,236	935	3,282
Other Revenue	270	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 110,506	\$ 1,670	\$ 33,692	\$ 22,413	\$ 1,251	\$ 101,506	\$ 58,498	\$ 8,172	\$ 29,358	\$ 349,152	\$ 64,335	\$10,028
Expenditures:												
Communications	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	49,973	565	16,086	9,334	4,335	55,892	36,192	4,660	14,298	71,468	17,389	251
Contracts	45,757	2,002	556	556	4,158	5,125	556	556	10,217	51,533	19,892	556
Maintenance	3,333	3,988	-	217	10,443	66,413	51,332	1,984	71,121	363,062	61,505	3,809
Supplies	-	-	-	-	-	12	-	10	-	38	-	-
Transfers Out	858	196	1,298	710	590	3,092	2,796	356	2,813	9,553	1,694	318
Total Expenditures	\$ 99,921	\$ 6,751	\$ 17,940	\$ 10,817	\$ 19,526	\$ 130,534	\$ 90,876	\$ 7,566	\$ 98,449	\$ 495,654	\$ 100,480	\$ 4,934

APPENDIX D

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

Revenue and Expenditure Statement
Quarter Ended March 31, 2023

	Fund 271	Fund 275	Fund 278	Fund 281	Fund 282	Fund 283	Fund 284	Fund 285	Fund 288	Fund 289	Fund 291	Fund 293	
	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	Maint Dist CFD #23 A1	Maint Dist CFD #23 IA3	TOTAL
Revenues:													
Special Assessment	10,928	138,172	9,564	33,301	54,951	-	43,173	21,694	-	-	-	-	1,713,730
Interest	934	20,474	3,231	5,309	-	8,996	1,394	514	23,476	11,019	2,632	19	150,162
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	1,080
Total Revenue	\$ 11,862	\$ 158,646	\$ 12,795	\$ 38,610	\$ 54,951	\$ 8,996	\$ 44,567	\$ 22,208	\$ 23,476	\$ 11,019	\$ 2,632	\$ 19	\$ 1,864,972
Expenditures:													
Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	3,369	1,502	-	-	-	7,474	-	1,313	109,938	8,506	2,201	-	637,702
Contracts	4,709	12,657	4,204	4,418	6,893	10,596	11,486	5,058	84,395	689	7,646	-	406,871
Maintenance	17,754	220,815	28,574	38,089	272,308	34,490	34,902	8,859	338,965	38,962	6,094	-	2,094,322
Supplies	-	18	-	-	-	-	-	-	-	-	17	-	95
Transfers Out	408	3,059	902	561	4,940	1,573	834	311	4,516	939	11	-	57,219
Total Expenditures	\$ 26,240	\$ 238,051	\$ 33,680	\$ 43,068	\$ 284,141	\$ 54,133	\$ 47,222	\$ 15,541	\$ 537,814	\$ 49,096	\$ 15,969	\$ -	\$ 3,196,209

APPENDIX E

**City of Folsom, California
 Combined Water Funds*
 Revenue and Expense Statement
 Quarter Ended March 31, 2023**

	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	
	3/31/2022	3/31/2023			3/31/2023	\$	%	\$	%
OPERATING REVENUES:									
Charges For Services	12,036,043	13,143,310	17,868,148	19,229,500	19,327,500	98,000	101%	(6,086,190)	68%
TOTAL OPERATING REVENUES	12,036,043	13,143,310	17,868,148	19,229,500	19,327,500	98,000	101%	(6,086,190)	68%
OPERATING EXPENSES:									
Salaries	2,273,681	2,462,160	2,990,693	3,420,072	3,349,072	(71,000)	98%	(957,912)	72%
Benefits	1,622,651	1,757,820	1,440,142	2,384,631	2,421,631	37,000	102%	(626,811)	74%
Utilities	506,324	636,546	566,309	812,500	838,500	26,000	103%	(175,954)	78%
Supplies	663,803	1,023,759	1,259,831	1,420,881	1,382,881	(38,000)	97%	(397,122)	72%
Maintenance and Operation	828,154	743,941	852,055	1,150,760	963,760	(187,000)	84%	(406,819)	65%
Contractual Services	1,265,127	1,606,709	2,025,175	2,788,899	2,288,899	(500,000)	82%	(1,182,190)	58%
Depreciation	3,496,873	3,487,170	4,656,071	-	-	-	-	3,487,170	-
Other Operating Expenses	637,629	772,513	902,933	1,173,478	1,069,478	(104,000)	91%	(400,965)	66%
TOTAL OPERATING EXPENSES	11,294,242	12,490,618	14,693,210	13,151,221	12,314,221	(837,000)	94%	(660,603)	95%
OPERATING INCOME	741,801	652,692	3,174,939	6,078,279	7,013,279		115%	1,196,377	
NONOPERATING REVENUE (EXPENSES):									
Impact Fees	442,937	298,196	491,069	703,605	330,105	(373,500)	47%	(405,409)	42%
Other	15,889	99,472	976,481	(30,397)	382,064	412,461	#####	129,869	-327%
Investment Income	122,803	486,152	(511,785)	197,100	514,100	317,000	261%	289,052	247%
Intergovernmental	-	6,756	50,656	250,000	7,000	(243,000)	3%	(243,244)	3%
Proceeds of Financing	-	-	-	-	-	-	-	-	-
Debt Service Expense	(7,623)	(8,792)	(460,756)	(1,845,822)	(1,845,822)	-	100%	1,837,030	0%
Other Reimbursements	-	-	-	-	-	-	-	-	-
Capital Outlay - Projects	(1,784,082)	(2,630,113)	193,335	(4,446,166)	(4,181,166)	265,000	94%	1,816,054	59%
TOTAL NONOPERATING REVENUE (EXPENSE)	(1,210,076)	(1,748,329)	739,001	(5,171,680)	(4,793,719)	377,961	93%	3,423,351	34%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(468,274)	(1,095,637)	3,913,939	906,599	2,219,560				
CAPITAL CONTRIBUTIONS AND TRANSFERS:									
Transfers In	-	-	186,449	350,000	300,000	(50,000)	86%	(350,000)	0%
Transfers Out	(676,248)	(677,211)	(1,088,643)	(1,256,566)	(1,206,566)	327,961	96%	579,355	54%
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(676,248)	(677,211)	(902,194)	(906,566)	(906,566)				
CHANGE IN NET ASSETS	(1,144,522)	(1,772,848)	3,011,745	33	1,312,994				
NET ASSETS, JULY 1	109,978,103	112,989,848	109,978,103	112,989,848	112,989,848				
NET ASSETS	108,833,581	111,217,000	112,989,848	112,989,881	114,302,842				
RESTRICTED NET ASSETS	(2,597,815)	(3,523,483)	(2,295,280)	(3,523,483)	(3,523,483)				
UNRESTRICTED NET ASSETS	\$ 106,235,766	\$ 107,693,517	\$ 110,694,568	\$ 109,466,398	\$ 110,779,359				

* 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 March 31, 2023**

	FY 2022	FY 2023	FY 2022	FY 2023	FY23 Forecast	VARIANCE		VARIANCE	
	As of 3/31/2022	As of 3/31/2023	ACTUAL	BUDGET	As of 3/31/2023	Forecast vs Budget		Actual vs Budget	
						\$	%	\$	%
OPERATING REVENUES:									
Charges For Services	7,122,758	9,430,029	8,561,293	10,918,000	11,200,000	282,000	103%	(1,487,971)	86%
Prison Services	56,000	50,400	72,800	67,200	67,200	-	100%	(16,800)	75%
TOTAL OPERATING REVENUES	7,178,758	9,480,429	8,634,093	10,985,200	11,267,200	282,000	103%	(1,504,771)	86%
OPERATING EXPENSES:									
Salaries	1,238,853	1,308,166	1,638,145	1,861,036	1,769,036	(92,000)	95%	(552,871)	70%
Benefits	936,198	995,714	843,775	1,388,527	1,376,527	(12,000)	99%	(392,813)	72%
Utilities	57,586	69,077	88,262	95,000	110,000	15,000	116%	(25,923)	73%
Supplies	201,738	262,858	281,442	549,064	351,064	(198,000)	64%	(286,206)	48%
Maintenance and Operation	167,607	177,240	230,474	328,090	241,090	(87,000)	73%	(150,850)	54%
Contractual Services	156,658	241,636	442,486	816,846	361,846	(455,000)	44%	(575,210)	30%
Depreciation	1,735,638	1,693,353	2,296,648	-	-	-	-	1,693,353	-
Other Operating Expenses	230,042	286,187	434,008	422,380	400,380	(22,000)	95%	(136,193)	68%
TOTAL OPERATING EXPENSES	4,724,319	5,034,232	6,255,240	5,460,943	4,609,943	(851,000)	84%	(426,711)	92%
OPERATING INCOME (LOSS)	2,454,439	4,446,197	2,378,853	5,524,257	6,657,257		121%		
NONOPERATING REVENUE (EXPENSES):								309,912	
Impact Fees	52,037	164,052	58,694	60,000	185,000	125,000	308%	104,052	273.4%
Investment Income	101,712	432,086	(500,810)	156,000	535,000	379,000	343%	276,086	277%
Other	9,233	10,897	626,810	(1,042,198)	216,996	1,259,194	-21%	1,053,095	-1%
Debt Service	-	-	(673)	-	-	-	-	-	-
Capital Outlay - Projects	(1,021,131)	(1,837,396)	60,971	(4,067,671)	(4,593,671)	(526,000)	113%	2,230,275	45%
TOTAL NONOPERATING REVENUE (EXPENSE)	(858,150)	(1,230,360)	244,992	(4,893,869)	(3,656,675)	1,237,194	75%	3,663,509	25%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	1,596,289	3,215,837	2,623,845	630,388	3,000,582				
CAPITAL CONTRIBUTIONS AND TRANSFERS:									
Transfers In	-	-	-	137,755	-	(137,755)		(137,755)	0%
Transfers Out	(516,566)	(543,476)	(704,832)	(768,143)	(768,143)	-	0%	(224,667)	242%
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(516,566)	(543,476)	(704,832)	(630,388)	(768,143)				
CHANGE IN NET ASSETS	1,079,723	2,672,361	1,919,013	-	2,232,439				
NET ASSETS, JULY 1	68,969,695	70,888,708	68,969,695	70,888,708	70,888,708				
NET ASSETS	70,049,418	73,561,068	70,888,708	70,888,708	73,121,147				
RESTRICTED NET ASSETS	(993,015)	(3,263,244)	-	(3,263,244)	(3,263,244)				
UNRESTRICTED NET ASSETS	\$ 69,056,403	\$ 70,297,824	\$ 70,888,708	\$ 67,625,464	\$ 69,857,903				

* 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 March 31, 2023

	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	
	3/31/2022	3/31/2023			3/31/2023	\$	%	\$	%
OPERATING EXPENSES:									
Salaries	2,569,896	2,941,451	3,411,769	4,175,985	3,925,985	(250,000)	94%	(1,234,534)	70%
Benefits	2,109,863	2,327,586	2,069,540	3,183,766	3,134,766	(49,000)	98%	(856,180)	73%
Utilities	29,707	33,644	41,216	37,100	50,100	13,000	135%	(3,456)	91%
Supplies	688,532	1,600,079	1,390,720	1,865,598	2,022,598	157,000	108%	(265,519)	86%
Maintenance and Operation	724,862	960,815	1,120,642	944,533	1,247,533	303,000	132%	16,282	102%
Contractual Services	3,010,809	3,529,229	4,308,295	5,667,087	5,293,087	(374,000)	93%	(2,137,858)	62%
Depreciation	577,833	654,815	890,801	-	-	-	-	654,815	-
Other Operating Expenses	419,632	557,033	698,819	855,905	773,905	(82,000)	90%	(298,872)	65%
TOTAL OPERATING EXPENSES	10,131,133	12,604,651	13,931,803	16,729,974	16,447,974	(282,000)	98%	(4,125,323)	75%
OPERATING INCOME (LOSS)	5,558,615	6,531,281	5,773,483	3,815,026	9,318,026				
NONOPERATING REVENUE (EXPENSE):								2,473,518	
Impact Fees	433,412	288,145	576,666	547,365	396,865	(150,500)	72.5%	(259,220)	53%
Investment Income	42,328	271,618	(235,649)	81,500	280,000	198,500	344%	190,118	333%
Intergovernmental Revenues	51,993	40,474	189,645	422,776	40,776	(382,000)	10%	(382,302)	10%
Other	253,879	226,881	367,259	7,073,127	458,077	(6,615,050)	6%	(6,846,246)	3%
Debt Service-Expense	-	-	(3,015)	-	-	-	-	-	-
Capital Outlay	(799,495)	(801,803)	-	(10,216,599)	(8,508,588)	1,708,011	83%	9,414,796	8%
TOTAL NONOPERATING REVENUE (EXPENSE)	(17,883)	25,316	894,906	(2,091,831)	(7,332,870)	(5,241,039)	351%	2,117,147	-1%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	5,540,733	6,556,596	6,668,389	1,723,195	1,985,156				
CAPITAL CONTRIBUTIONS AND TRANSFERS:									
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	(1,251,638)	(1,228,850)	(1,692,701)	(1,723,195)	(1,723,195)	-	0%	494,345	-249%
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(1,251,638)	(1,228,850)	(1,692,701)	(1,723,195)	(1,723,195)				
CHANGE IN NET ASSETS	4,289,095	5,327,746	4,975,688	-	261,961				
NET ASSETS, JULY 1	(3,972,020)	1,003,668	(3,972,020)	1,003,668	1,003,668				
NET ASSETS	317,075	6,331,414	1,003,668	1,003,668	1,265,629				
RESTRICTED NET ASSETS	(2,923,962)	(7,232,591)	(2,715,045)	(7,232,591)	(7,232,591)				
UNRESTRICTED NET ASSETS	\$ (2,606,887)	\$ (901,177)	\$ (1,711,377)	\$ (6,228,923)	\$ (5,966,962)				

* 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