

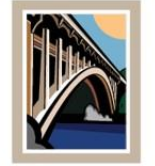
4TH QUARTER FINANCIAL REPORT FISCAL YEAR 2018-19

PRESENTATION TO THE
FOLSOM CITY COUNCIL
SEPTEMBER 10, 2019



CITY OF
FOLSOM

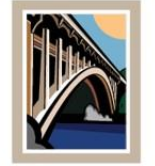
General Fund Summary



CITY OF
FOLSOM

	<u>Appropriated FY18-19</u>	<u>Projected FY18-19</u>
Revenue	\$91,907,543	\$91,289,103
Expenditures	\$91,107,543	\$90,061,691
Change in Fund Balance	\$ 800,000	\$ 1,227,412
Unassigned Fund Balance	\$15,499,123	\$16,963,235
% of Expenditures	17.0%	18.8%

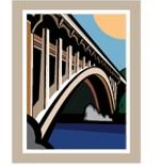
General Fund Major Revenue Sources



CITY OF
FOLSOM

	<u>CAFR FY17-18</u>	<u>Appropriated FY18-19</u>	<u>Projected FY18-19</u>
Property Tax	\$24,537,819	\$25,925,124	\$26,669,898
Sales Taxes	\$22,294,827	\$24,862,534	\$24,921,159
Chgs for Services	\$15,748,738	\$14,830,179	\$16,162,088
Transfers In	\$ 8,217,539	\$11,229,566	\$ 7,522,613

General Fund Revenue Detail



CITY OF
FOLSOM

	<u>CAFR FY17-18</u>	<u>Appropriated FY18-19</u>	<u>Projected FY18-19</u>
Vehicle Lic Fees	\$6,484,423	\$6,612,729	\$6,902,484
Park & Rec Fees	\$4,808,733	\$5,023,000	\$5,018,254
Ambulance Fees	\$3,910,889	\$3,800,000	\$4,053,967
Development Fees	\$4,057,018	\$4,427,999	\$3,926,481
Building Permits	\$1,759,663	\$1,302,500	\$2,023,999

Plan Area Impact Fee Revenue



CITY OF
FOLSOM

Plan Area Specific Plan Fee	\$ 3,053,840
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Stand Alone Fees:

Solid Waste Capital	\$ 115,876
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Corporation Yard Capital	\$ 307,980
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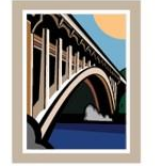
Transit Capital	\$ 325,208
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Highway 50 Improvements	\$ 313,824
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Highway 50 Interchange	\$ 640,268
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General Fund

Major Expenditure Categories



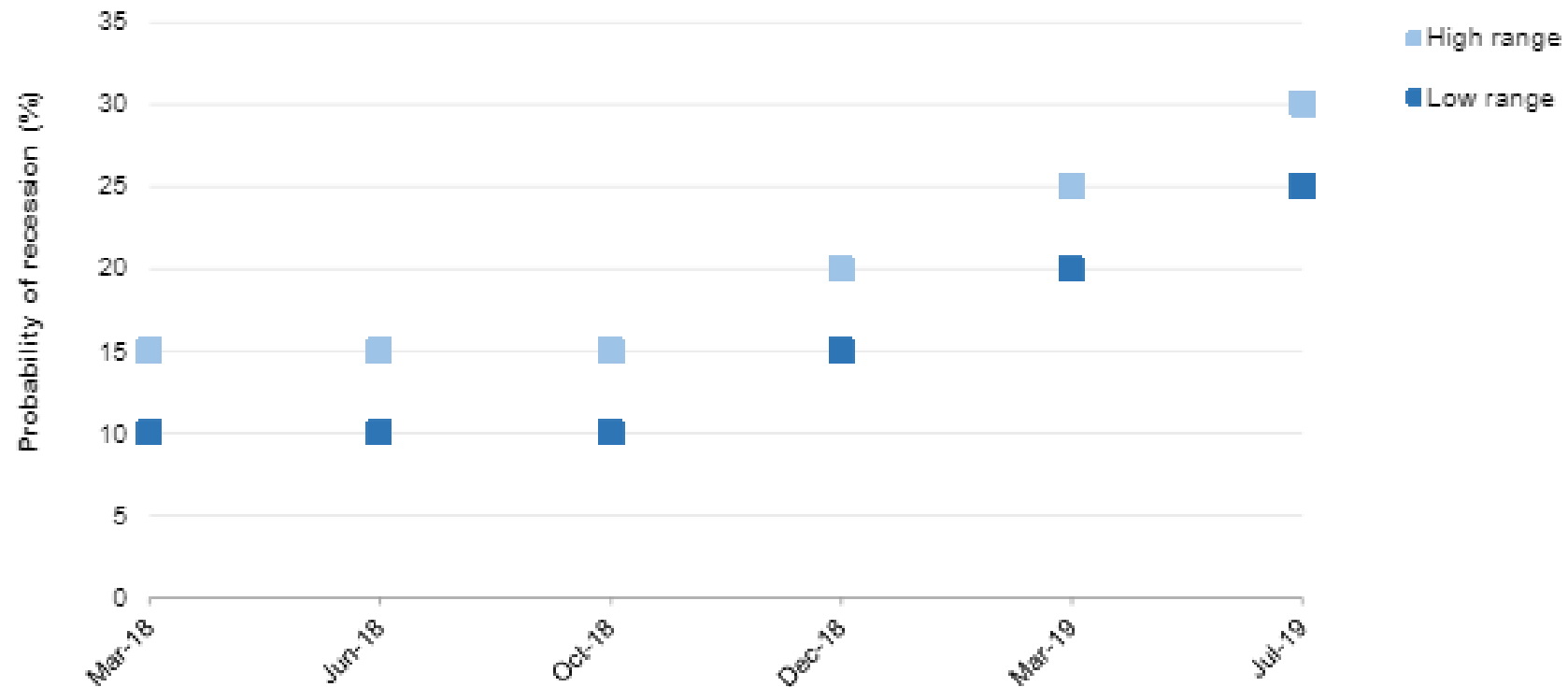
CITY OF
FOLSOM

	<u>Actual FY16-17</u>	<u>Actual FY17-18</u>	<u>Projected FY18-19</u>
Salaries	\$32,945,004	\$34,543,440	\$37,065,727
Benefits	\$23,408,084	\$24,790,522	\$26,866,220
O&M	\$18,194,108	\$21,851,725	\$21,575,568
Capital Outlay	\$ 1,554,461	\$ 1,917,379	\$ 3,645,973
Debt Service	<u>\$ 1,921,059</u>	<u>\$ 2,180,988</u>	<u>\$ 908,203</u>
	\$78,022,716	\$85,284,054	\$90,061,691

Economic Outlook



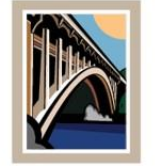
CITY OF
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Source: S&P Global Economic Forecasts. Assessment as of June 2019.

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Economic Outlook



CITY OF
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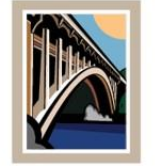
Indicators predictive of an economic slowdown

- Inverted yield curve
- Decrease in manufacturing
- Shortage of qualified labor in some industries
- Economy has been growing at only 2 percent per year for the last 10 years and it is not expected to increase

Positive indicators

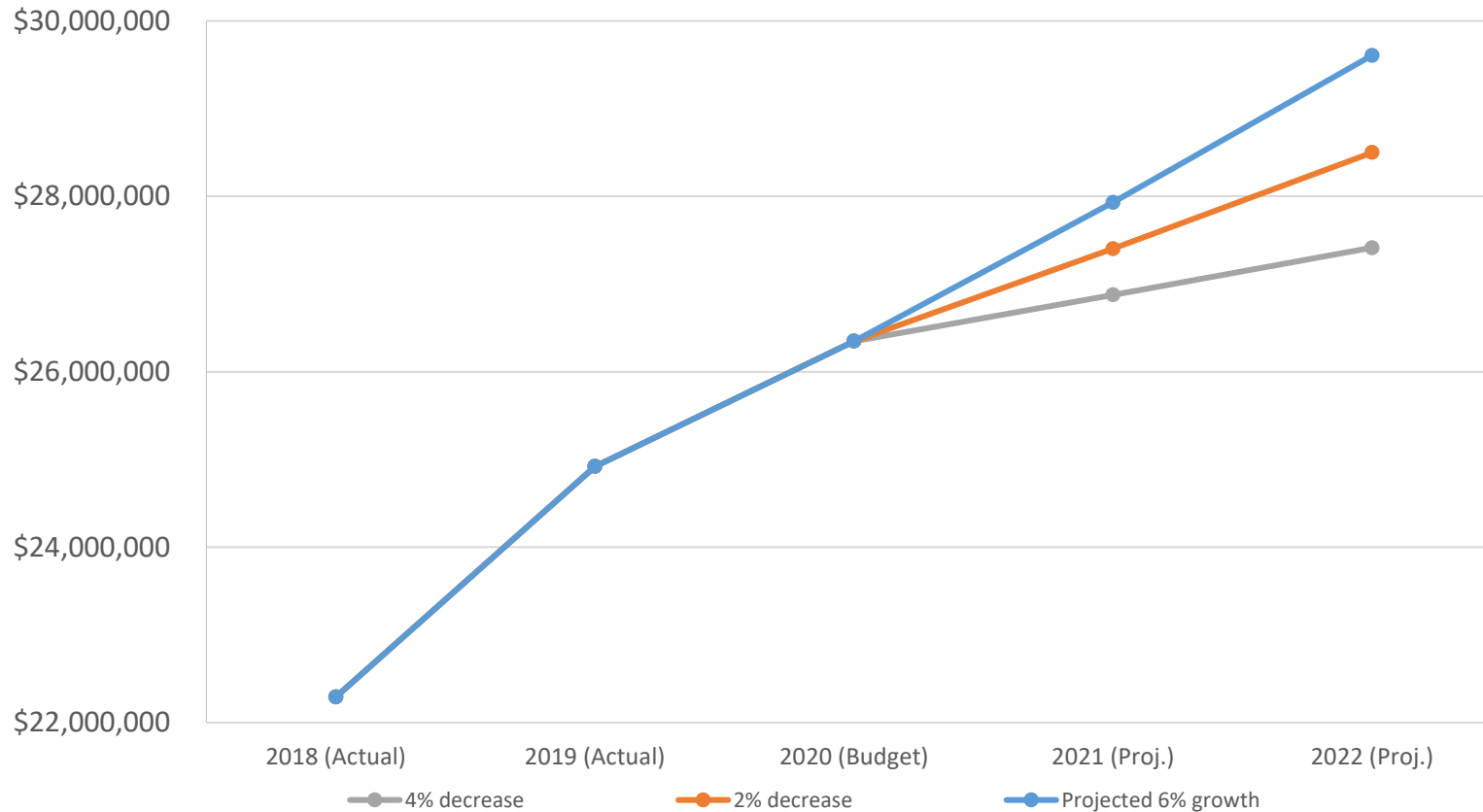
- Low unemployment
- Low interest rates
- Consumers are spending

Economic Outlook



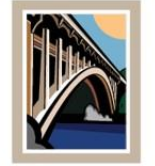
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Sales Tax Vulnerability



- A 2% decrease in sales tax revenue growth (from 6% to 4%) is a \$1.6 million loss to the general fund over two years
- A 4% decrease in sales tax revenue growth (from 6% to 2%) is a \$3.2 million loss over two years

Water Enterprise Fund



CITY OF
FOLSOM

	<u>CAFR FY17-18</u>	<u>Appropriated FY18-19</u>	<u>Projected FY18-19</u>
Charges for Services	\$14,119,233	\$13,995,200	\$13,576,842
Operating Expenses	\$ 9,611,666	\$11,490,116	\$ 9,649,400
Transfers Out	\$ 900,563	\$ 1,043,561	\$ 1,043,561
Debt Service	<u>\$ 2,068,814</u>	<u>\$ 2,014,856</u>	<u>\$ 2,074,296</u>
	\$12,581,043	\$14,548,533	\$12,767,257
Capital Expenses	\$ 3,309,886	\$ 4,120,614	\$ 906,431
Working Capital	\$15,835,079		\$17,725,000

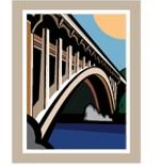
Wastewater Enterprise Fund



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	<u>CAFR FY17-18</u>	<u>Appropriated FY18-19</u>	<u>Projected FY18-19</u>
Charges for Services	\$6,780,004	\$6,547,200	\$6,619,793
Operating Expenses	\$4,062,185	\$4,844,607	\$3,446,526
Transfers Out	\$ 715,717	\$ 686,947	\$ 686,947
Debt Service	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
	\$4,777,902	\$5,531,554	\$4,133,473
Capital Expenses	\$2,109,190	\$6,290,855	\$ 463,407
Working Capital	\$8,514,279		\$11,820,000

Solid Waste Enterprise Fund



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FOLSOM

	<u>CAFR FY17-18</u>	<u>Appropriated FY18-19</u>	<u>Projected FY18-19</u>
Charges for Services	\$10,840,441	\$10,559,000	\$10,654,978
Operating Expenses	\$ 9,259,897	\$ 9,400,118	\$ 9,120,184
Transfers Out	\$ 1,254,469	\$ 1,362,461	\$ 1,362,461
Debt Service	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
	\$10,514,366	\$10,762,579	\$10,482,645
Capital Expenses	\$ 400,586	\$ 1,093,082	\$ 1,032,380 (Encumbered)
Working Capital	\$ 5,040,745		\$ 5,769,620

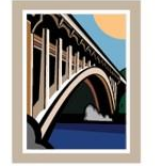
Risk Management Internal Service Fund



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	<u>CAFR FY17-18</u>	<u>Appropriated FY18-19</u>	<u>Projected FY18-19</u>
Charges for Services	\$17,549,062	\$17,797,808	\$17,287,573
Operating Expenses	\$16,401,551	\$17,797,808	\$17,007,220
Unrestricted Net Position	\$ 7,995,939	\$10,762,579	\$ 8,474,975
Major Expense Categories			
▪ Active Employee Health	\$ 7,247,984	\$ 8,348,533	\$ 7,332,508
▪ Retiree Health	\$ 4,592,733	\$ 4,561,367	\$ 4,627,348
▪ Workers Comp	\$ 2,028,983	\$ 2,187,706	\$ 2,205,453
▪ Liability Insurance	\$ 1,704,086	\$ 1,374,309	\$ 1,798,575

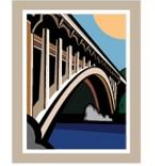
Trail Grant Fund Special Revenue Fund



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FOLSOM

	<u>CAFR FY17-18</u>	<u>Appropriated FY18-19</u>	<u>Projected FY18-19</u>
Revenue	\$2,737,183	\$6,274,647	\$2,080,456
Transfers In	\$ 40,063	\$ 125,643	\$ 207,278
Expenses	\$2,452,182	\$6,400,290	\$2,588,303
Fund Balance	(\$ 793,809)	(\$793,809)	(\$1,094,377)

CIP Highlights



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Parks & Recreation:

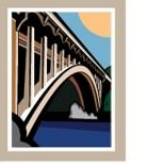
- Lake Natoma Class 1 Trail –Phase II (\$1,523,120)
- Oak Parkway Trail Undercrossing (\$1,534,282)
- Econome Park Project (\$1,023,041)

Public Works:

- Greenback-Madison Paving (\$2,144,312)
- Traffic Signal Improvements (\$2,311,723)
- Iron Point Railroad Crossing Modification Project (\$725,800)

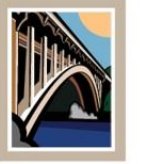
Water/Wastewater:

- ARC Sewer Access R&R (\$148,278)
- Greenback Sewer & Lift Station Improvements (\$231,229)
- GSWC Inter-Tie Booster Pump Station Project (\$208,141)



CITY OF
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QUESTIONS / COMMENTS



CITY OF
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