



# The City of Folsom California

Annual Comprehensive Financial Report  
Fiscal Year Ended June 30, 2023



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

## **Fiscal Year Ended June 30, 2023**

### **CITY OF FOLSOM, CALIFORNIA**

**Prepared by the Office of Management & Budget  
Financial Services Division**

**Stacey Tamagni  
Finance Director**

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INTRODUCTORY SECTION



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**CITY OF FOLSOM, CALIFORNIA**

**TABLE OF CONTENTS**

**INTRODUCTORY SECTION**

Table of Contents ..... i-iv  
Letter of Transmittal..... v-viii  
Certificate of Achievement for Excellence in Financial Reporting – Government  
Finance Officers Association..... ix  
Organizational Chart.....x  
City Council and City Officials.....xi

**FINANCIAL SECTION**

**INDEPENDENT AUDITORS’ REPORT** ..... 1-3

**MANAGEMENT’S DISCUSSION AND ANALYSIS**..... 4-17

**BASIC FINANCIAL STATEMENTS**

Government-wide Financial Statements:  
Statement of Net Position..... 21  
Statement of Activities..... 22-23  
Fund Financial Statements:  
Balance Sheet – Governmental Funds ..... 24-25  
Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position..... 27  
Statement of Revenues, Expenditures, and Changes in Fund Balances –  
Governmental Funds ..... 28-29  
Reconciliation of the Statement of Revenues, Expenditures, and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities..... 31  
Statement of Fund Net Position – Proprietary Funds..... 32  
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds. 33  
Statement of Cash Flows – Proprietary Funds ..... 34-37  
Statement of Fiduciary Net Position – Trust & Custodial Funds..... 38  
Statement of Changes in Fiduciary Net Position – Trust & Custodial Funds ..... 39  
Notes to the Basic Financial Statements ..... 42-92

**REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Changes in the Net Pension Liability and Related Ratios – Last 10 Years ..... 95  
Schedule of Contributions – Last 10 Years..... 97  
Schedule Of Changes in the City’s Net OPEB Liability and Related Ratios ..... 99  
Schedule Of Investment Returns - OPEB .....100  
Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual General Fund .....101  
Schedule of Revenues, Expenditures and Changes in Fund Balance -

**CITY OF FOLSOM, CALIFORNIA**

**TABLE OF CONTENTS**

Budget and Actual Folsom Housing Special Revenue Fund ..... 102

Note to Required Supplementary Information ..... 103

**OTHER SUPPLEMENTARY INFORMATION**

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual Folsom Public Financing Authority Debt Service Fund ..... 105

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual Folsom Ranch Financing Authority Debt Service Fund ..... 106

Note to other supplementary information ..... 107

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

**NON-MAJOR GOVERNMENTAL FUNDS**

Combining Balance Sheet ..... 110

Combining Statement of Revenues, Expenditures and Changes in Fund Balances ..... 111

**NON-MAJOR SPECIAL REVENUE FUNDS**

Combining Balance Sheet ..... 115-118

Combining Statement of Revenues, Expenditures and Changes in Fund Balance ..... 119-122

Planning Services Special Revenue Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual ..... 123

Transportation Tax Special Revenue Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual ..... 124

Park Dedication (Quimby) Special Revenue Fund – Schedule of Revenues,  
Expenditures and Changes in Fund Balance – Budget and Actual ..... 125

Traffic Congestion Special Revenue Fund – Schedule of Revenues,  
Expenditures and Changes in Fund Balance – Budget and Actual ..... 126

Gas Tax Special Revenue Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual ..... 127

Light and Landscape, and Maintenance Districts Special Revenue Fund – Schedule  
of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual ..... 128

Transportation System Management Special Revenue Fund – Schedule of Revenues,  
Expenditures and Changes in Fund Balance – Budget and Actual ..... 129

Community Development Block Grant Special Revenue Fund – Schedule of Revenues,  
Expenditures and Changes in Fund Balance – Budget and Actual ..... 130

Humbug Willow Creek Special Revenue Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual ..... 131

General Plan Amendment Special Revenue Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual ..... 132

**CITY OF FOLSOM, CALIFORNIA**

**TABLE OF CONTENTS**

Tree Planting Special Revenue Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual..... 133

Zoo Special Revenue Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual..... 134

Other Special Revenue Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual..... 135

**NON-MAJOR DEBT SERVICE FUNDS**

Combining Balance Sheet ..... 137-138

Combining Statement of Revenues, Expenditures and Changes in Fund Balance ..... 139-140

1915 Assessment Districts Debt Service Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual..... 141

Community Correctional Facility Debt Service Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual..... 142

City Parks and Signals Debt Service Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual..... 143

General Obligation School Facilities Debt Service Fund – Schedule of Revenues,  
Expenditures and Changes in Fund Balance – Budget and Actual ..... 144

Recreation Facility Debt Service Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual..... 145

**NON-MAJOR CAPITAL PROJECTS FUNDS**

Combining Balance Sheet ..... 147-149

Combining Statement of Revenues, Expenditures and Changes in Fund Balance ..... 151-153

**PERMANENT FUND**

Balance Sheet..... 155

Statement of Revenues, Expenditures and Changes in Fund Balance ..... 156

Wetland/Open Space Maintenance Permanent Fund – Schedule of Revenues, Expenditures  
and Changes in Fund Balance – Budget and Actual..... 157

**NON-MAJOR ENTERPRISE FUNDS**

Combining Statement of Net Position ..... 159

Combining Statement of Revenues, Expenditures and Changes in Fund Net Position ..... 160

Combining Statement of Cash Flows..... 161



**CITY OF FOLSOM, CALIFORNIA**

**TABLE OF CONTENTS**

---

**NON-MAJOR INTERNAL SERVICE FUNDS**

Combining Statement of Net Position .....163  
Combining Statement of Revenues, Expenditures and Changes in Fund Net Position ..... 164  
Combining Statement of Cash Flows..... 165

**CUSTODIAL FUNDS**

Combining Balance Sheet ..... 167-171  
Statement of Changes in Assets and Liabilities ..... 173-177

**STATISTICAL SECTION**

Net Position by Component – Last Ten Fiscal Years .....180  
Changes in Net Position – Last Ten Fiscal Years ..... 181-182  
Fund Balances, Governmental Funds – Last Ten Fiscal Years..... 184  
Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years..... 185-186  
Assessed Value and Estimated Actual Value of Taxable Property  
– Last Ten Fiscal Years..... 187  
Taxable Transactions by Category – Last Ten Calendar Years .....188  
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years.....189  
Principal Property Tax Payers – Current Year and Ten Years Ago .....190  
Property Tax Levies and Collections – Last Ten Fiscal Years..... 192  
Ratio of Outstanding Debt by Type – Last Ten Fiscal Years ..... 193-194  
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years ..... 195  
Debt Capacity Information, Direct and Overlapping – Last Ten Fiscal Years ..... 196  
Legal Debt Margin – Fiscal Year 2017, With Ten Year Trend Analysis ..... 198  
Pledge Revenue Bond Coverage – Last Ten Fiscal Years ..... 199-200  
Demographic and Economic Information – Last Ten Calendar Years .....201  
Principal Employers – Current Fiscal Year.....202  
Government Employment Information – Last Ten Fiscal Years .....203  
Operating Indicators by Function/Program – Last Ten Fiscal Years.....204  
Capital Asset and Infrastructure Statistics by Function/Program  
– Last Ten Fiscal Years..... 205-206  
Miscellaneous Statistics – Last Ten Fiscal Years.....207



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE

December 22, 2023

Honorable Mayor, Members of the City Council, and Citizens  
City of Folsom, California:

The Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023 is submitted for Council review in accordance with Section 3.02.160 of the Folsom Municipal Code and published as a matter of public record for interested citizens. This transmittal letter provides information regarding the economy and the governing structure in Folsom. An overview of the City's financial activities for the fiscal year is discussed in detail in the Management's Discussion and Analysis section of Annual Comprehensive Financial Report. While the independent auditor has expressed an opinion on the financial statements contained in this report, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse; to compile sufficient reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP); and to comply with applicable laws and regulations. As the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

**FOLSOM GOVERNMENT** – The City of Folsom was founded in 1856, incorporated in 1946, and chartered in 1990. Folsom is a “full-service” charter City, serving a population of over 85,498. The city is approximately 110 miles northeast of San Francisco and 20 miles east of Sacramento. The City is located along the eastern end of the Highway 50 corridor in an area of the Sacramento Valley that has experienced considerable growth over the past 15 years.

The City's primary governing body is the City Council, composed of five members who are elected at large and serve four-year terms. The City transitioned to a by-district election system effective with the November 2022 municipal election. The City operates under a Council-Manager form of government, and Council Members annually choose a mayor and vice mayor from among their members. The City Manager is appointed by the City Council and administers the daily affairs of the City and carries out City Council policies.

The City provides a full range of services, including police, fire, emergency medical response, public works, planning, and building inspections. In addition, the City operates a library and various parks and recreation facilities, including a zoo sanctuary and aquatic center. The City also provides water, wastewater, and solid waste utility services.

The Annual Comprehensive Financial Report presents the financial status of the City and its component units, the Folsom Public Financing Authority (FPFA) and the Folsom Ranch Financing Authority (FRFA), which are separable legal entities included in this report because of the significance of their operational or financial relationship with the City. The

FPFA and FRFA are reported on a blended basis as part of the primary government because the boards are composed of City Council Members or they are, in substance, part of the City's operations. The FPFA and FRFA are entities created to issue bonds to finance City projects. Also included in the Annual Comprehensive Financial Report, as a separate Statement of Fiduciary Position, is the activities of the Redevelopment Agency (RDA) Successor Private Purpose Trust Fund and the Folsom Other Post Employment Benefit Obligation Trust Fund.

The Folsom Municipal Code requires that the City Council adopt an annual budget by resolution by fund and program by affirmative vote of at least three members, on or before the last working day of the last month of the current fiscal year for the ensuing fiscal year. Once approved by City Council, this annual budget serves as the foundation for the City's financial planning and control. Budgets are adopted on a basis consistent with GAAP. The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of all funds are included in the annual appropriated budget. The level of budgetary control at which expenditures cannot legally exceed the appropriated amount is at the fund level. This means that expenditures cannot legally exceed the amount appropriated by the City Council. Additional budgetary information can be found in Note 1 to the financial statements or at the City of Folsom's website.

#### ***LOCAL ECONOMY -***

The local economy in the City of Folsom has continued to grow, although at a slower pace than in the years prior to the pandemic. Fiscal Year 2022-23 General Fund revenues increased by \$7.9 million over fiscal year 2021-22, with property taxes up 12.0%, reflecting higher sales prices and new home construction in the Folsom Plan Area. Sales taxes were up slightly, at .7% growth over the prior year. General Fund expenses also increased over the prior year by \$9.3 million. This activity resulted in a decrease to our unassigned fund balance to 21.4% of expenditures, but still meets the Council policy of no less than 15% of expenditures held in the unassigned fund balance.

As of June 30, 2023, California's unemployment rate has inched up over the past year from record low levels a year ago. The California Economic Development Department listed the June 2023 unemployment rate for the State and County at 4.9% and 4.5%, respectively. Folsom's unemployment rate was 3.6%. A comparison to one year ago placed the State and County at 4.0% and 3.7% respectively and Folsom at 2.6%. The number of people employed in Folsom changed from 38,600 in June 2022 to 38,400 in June 2023.

With respect to the local housing market, sales activity in Folsom in fiscal year 2023 shows the number of home sales decreased by 251 when compared to fiscal year 2022, and the median sales price decreased by 4.26%. It is projected that the number of sales and home prices will remain flat in FY 2023-24 because of higher mortgage costs.

Building permits issued in 2023 increased by 2.73% when compared with the number issued in fiscal year 2022. The number of single-family home permits decreased from 1003 in fiscal year 2022 to 695 in fiscal year 2023, while total permits increased by 142 over the same period.

***IMPACTS OF STATE ECONOMY*** - In addition to regional and local impacts, the City continues to monitor the impact of the State of California's fiscal issues. In addition, economic growth in California will likely be impacted by continued efforts by the Federal Reserve to tame inflation.

***LONG-TERM FINANCIAL PLANNING*** – The City prepares a five-year financial plan to project revenue and expenditure trends for the next five years and this is part of the

annual budget. A Five-Year Financial Forecast was developed for fiscal year 2024-25 through fiscal year 2028-29 in the fiscal year 2023-24 budget. A financial forecast, even with fluctuating economic variables, can assist with identification of long-term financial trends, causes of fiscal imbalances, future fiscal challenges, opportunities, and potential requirements, all of which may assist in keeping the City on a continuing path of fiscal sustainability. While it is challenging to accurately forecast revenues due to the variable nature of the revenue sources and their connection to regional, State, national, and international economic conditions, it is possible to identify reasonable financial trends and provide a conceptual financial picture that will be useful to the City's decision-making. The Forecast guides the City as it continues to confront the need to balance expenditures and revenues.

In summary, revenue growth is projected to increase 3.5%-4% each year as sales tax trends continue to flatten. Expenditures are projected to increase roughly 5% per year. Due to the sensitivity of all the revenue and expenditure trends, which is compounded by the potential of an economic slowdown, in any given year, we may be faced with a surplus or a shortage as we prepare the budget for that year. The fiscal environment will have to be closely monitored and managed, as the margins between revenues and expenditures are narrow.

Our goal is to ensure that the financial stability of the City is sustainable into the future. These efforts will be guided by the desire to explore all opportunities for collaboration, partnerships, consolidations, and restructuring, both internally and externally, as a means of enhancing the cost-effectiveness of services and functions to the community. As we have done in the past, the key to sustainability is managing expenditure growth.

**RELEVANT FINANCIAL POLICIES** – The City Council has established a financial and budgetary policy framework which is reviewed and updated as necessary by the City Council. A comprehensive and consistent set of financial and budgetary policies provides a basis for sound financial planning, identifies appropriate directions for service-level developments, aids budgetary decision-making, and serves as an overall framework to guide financial management and operations of the City.

The City's adoption of financial policies also promotes public confidence and increases the City's credibility in the eyes of bond rating agencies and potential investors. Such policies also provide the resources to react to potential financial emergencies in a sensible manner.

**INDEPENDENT AUDIT** - The City of Folsom's financial statements have been audited by Badawi & Associates, a firm of licensed certified public accountants. The goal of the audit is to obtain reasonable assurance that the financial statements are free of material misstatements. Badawi & Associates concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion for the fiscal year ended June 30, 2023, and that the financial statements are presented in conformity with generally accepted accounting principles (GAAP). The independent auditors report is presented as the first component of the financial section of this report.

Federal and state financial assistance received by the City is audited under the provisions of the Single Audit Act of 1996, as amended. The Single Audit was designed to meet the special needs of federal grantor agencies. This report is available in the City's separately issued "Single Audit Report". Copies of this report may be obtained from the City of Folsom's Office of Management and Budget at 50 Natoma Street, Folsom, CA 95630 or on the City's website at [www.folsom.ca.us](http://www.folsom.ca.us).

## **SUMMARY**

**Awards:** The City received the award for the prior fiscal year Annual Comprehensive Financial Report from the Government Finance Officers Association (GFOA) for "excellence in financial reporting" The current certificate appears immediately after the transmittal letter.

The fiscal year 2022-23 Annual Comprehensive Financial Report has been submitted to the GFOA award program and management believes that, once again, it will meet the criteria for this distinguished reporting award.

**Acknowledgement:** The Annual Comprehensive Financial Report reflects the hard work, talent, and commitment of the entire staff of the Office of Management and Budget, and particularly, Terri Hemley, Fawn Ramirez, Adam Devlin, and John Donoghue. Special thanks as well to staff in other City departments who assisted and contributed to the preparation of this report.

Finally, we are very grateful for the dedication and leadership of the Mayor and Council Members who have consistently set prudent financial goals, supported excellence in all aspects of financial management, and challenged us to perform and succeed at the highest levels.

Respectfully submitted,



Elaine Andersen  
City Manager



Stacey Tamagni  
Finance Director/CFO



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Folsom  
California**

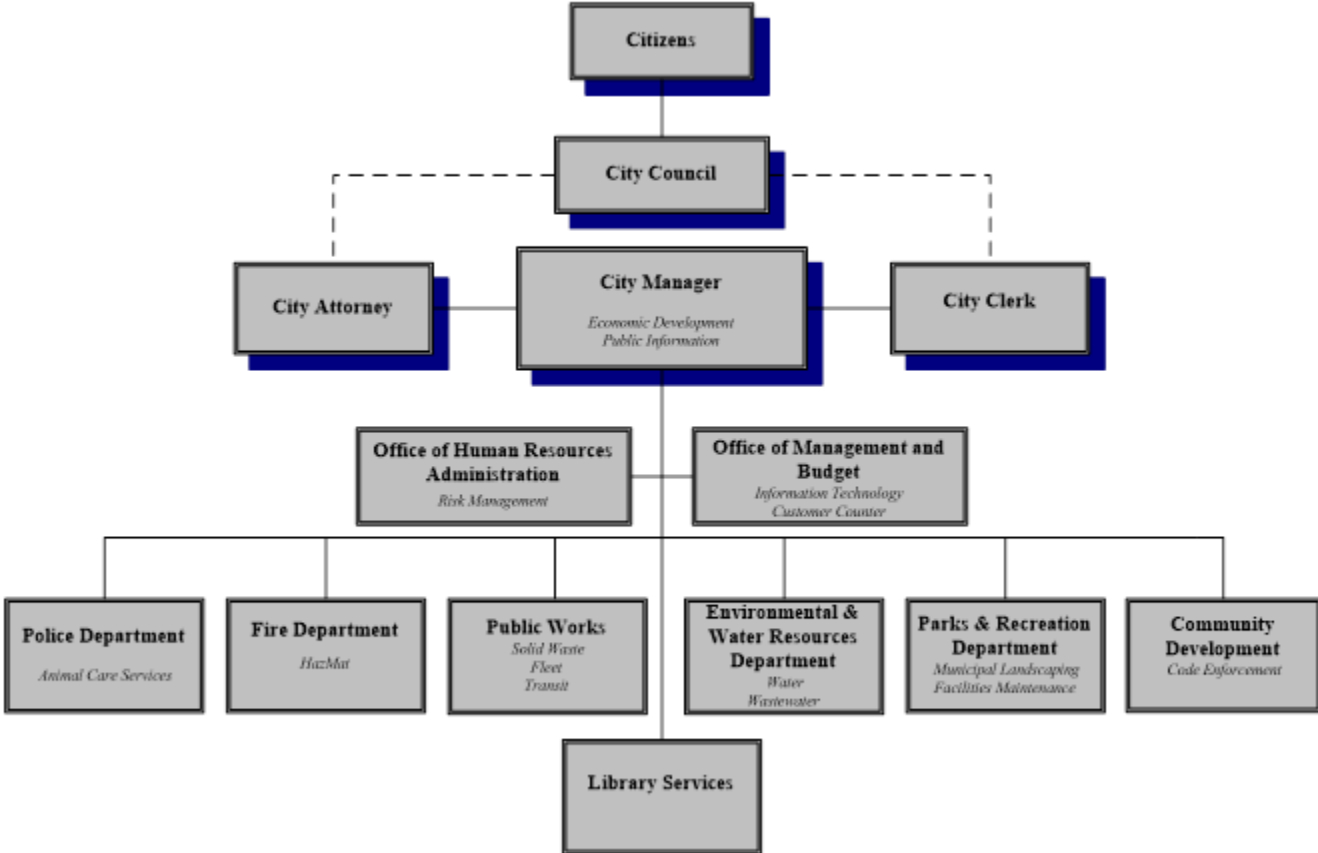
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO

# City Organizational Chart



**CITY OF FOLSOM  
CITY COUNCIL and CITY OFFICIALS**



**Rosario Rodriguez, Mayor**



**YK Chalamcherla,  
Vice Mayor**



**Anna Rohrbough**



**Mike Kozlowski**



**Sarah Aquino**

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**CITY OFFICIALS  
Elaine Andersen, City Manager  
Stacey Tamagni, Finance Director**



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**FINANCIAL SECTION**



CITY OF  
**FOLSOM**  
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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and  
Members of the City Council  
Folsom, California

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Folsom, California (City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4-17, and budgetary comparison information, pension information, and OPEB information on pages 95-103 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The combining and individual fund financial statements and schedules, and other supplementary information on pages 105-177, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

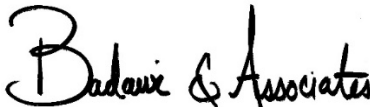
The combining and individual fund financial statements and schedules and other supplementary information on pages 105-177 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and other supplementary information on pages 105-177 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical section included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2023 on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.



Badawi & Associates, CPAs  
Berkeley, California  
December 22, 2023

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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This section of the City's Annual Comprehensive Financial Report presents a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the transmittal letter on page v and the City's basic financial statements.

### FINANCIAL HIGHLIGHTS

- The total assets and deferred outflows of resources of the City exceeded its total liabilities and deferred inflows of resources at the close of the Fiscal Year (FY) 2022-23 by \$590,027,140 (*net position*). Of this amount, \$(89,973,121 is unrestricted, \$118,338,019 is restricted for specific purposes, and \$561,662,242 is the net investment in capital assets.
- Compared to 2022, the City's total net position increased \$70,002,870 or 13.46%, during 2023. The increase in 2023 was mostly due to the \$25.9 million in capital contributions, \$29.2 million in additions to capital assets, an increase in \$20.7 million of new bond issuance, and a \$5.2 million net decrease in pension/OPEB deferred inflows/outflows/liability, offset by a \$9.2 decrease in long term liabilities due to scheduled debt payments.
- The City's total long-term debt increased by \$11.6 million compared to the prior year, or 6.61%. The increase was made up of \$20.7 million of revenue bonds, offset by reductions of \$9.1 million in scheduled principal payments, capital lease payments, and adjustments to compensated absences.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Folsom's basic financial statements. The City of Folsom's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements** consist of the following two financial statements: the Statement of Net Position and the Statement of Activities. Both of these statements were prepared using accounting methods similar to those used by private-sector companies, the economic resources measurement focus and the accrual basis of accounting.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities, on the other hand, provides information on how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused annual and sick leave.

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include

## MANAGEMENT’S DISCUSSION AND ANALYSIS – (Continued)

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general government, public safety, public ways and facilities, community services and culture and recreation. The business-type activities of the City include water, wastewater, solid waste, and facilities augmentation.

Two component units, the Folsom Public Financing Authority and the Folsom Ranch Financing Authority, are included in our basic financial statements and are legally separate entities for which the City is financially accountable and they have the same board as the City Council. Complete financial statements of the Folsom Public Financing Authority and the Folsom Ranch Financing Authority may be obtained from the Office of Management and Budget of the City at 50 Natoma Street, Folsom, CA 95630.

**Fund** - a separate accounting entity with a self-balancing set of accounts.

Focus is on major funds.

Provides information regarding the three major categories of all City Funds:

**Governmental, Proprietary, and Fiduciary.**

### **Fund Financial Statements**

The fund financial statements report on groupings of related funds that are used to maintain control over resources that have been segregated for specific activities or objectives. A fund is a separate accounting entity with a self-balancing set of accounts. Like other state and local governments, the City uses fund accounting to ensure and demonstrate finance related legal compliance. The focus of governmental and proprietary fund financial statements is on major funds. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds** – Governmental funds include most of the City’s basic services and are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near term financing decisions. Reconciliations are prepared for the governmental funds’ Balance Sheet and the governmental funds’ Statement of Revenues, Expenditures and Changes in Fund Balances to facilitate comparisons between governmental funds and governmental activities. The primary differences between the government-wide and fund financial statements relate to noncurrent assets such as land and buildings and improvements, and non-current liabilities, such as bonded debt and amounts owed for compensated absences and capital lease obligations, which are reported in the government-wide statements but not in the fund financial statements.

In FY 2022-23, an increase of \$70,002,870 in net position in the government-wide financial statements was reported. An increase of \$51,600,101 in fund balance was reported in the fund financial statements for FY 22-23. Refer to the “Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities” for details on the factors contributing to this difference.



## MANAGEMENT'S DISCUSSION AND ANALYSIS – (Continued)

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Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, Folsom Housing Special Revenue Fund, Folsom Public Financing Authority Debt

Service Fund, Folsom Ranch Financing Authority Debt Service Fund, FPA Capital Improvement Fund, and the Transportation Improvement Capital Projects Fund which are considered major funds.

The City maintains several individual governmental funds organized according to their type (special revenue, debt service, capital projects, and permanent funds). Data from the remaining governmental funds are combined into a single aggregated presentation and referred to as "Other Non-Major Governmental Funds". Individual fund data for each of these non-major other governmental funds is provided in the form of *combining statements* elsewhere in this report.

**Proprietary funds** are generally used to account for services for which the City charges customers – either outside customers, or internal units of departments of the City. *Proprietary funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. These funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City uses proprietary funds to account for the Water, Wastewater, Solid Waste, and Facilities Augmentation activities.

**Fiduciary funds** are used to account for resources held for the benefit of parties outside the City. The City's trust and custodial funds are reported as fiduciary funds. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. The trust funds are used to account for activity related to the dissolution of the former Redevelopment Agency and for the Other Post Employment Benefits Trust. The accounting used for fiduciary funds is the same as proprietary funds.

**Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. To find a specific note, refer to the Table of Contents.

**Required Supplementary Information** is presented concerning the City's budgetary comparisons for the General Fund, Folsom Housing Special Revenue Fund and the City's post-employment health care benefit schedules to show progress in funding its obligation to provide these benefits, and schedules to show the net pension liability for the City's pension plans, and contributions made to the plans and other post employment liability of the OPEB plan.

**Other Supplementary Information** is presented concerning the City's budgetary comparisons for the Folsom Public Financing Debt Service Fund.

The **combining and individual fund statements and schedules** referred to earlier provide information for non-major governmental funds and fiduciary funds. They are presented immediately following the other supplemental information.

## MANAGEMENT'S DISCUSSION AND ANALYSIS – (Continued)

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of a government's financial position. At June 30, 2023, the City's combined net position (governmental and business-type activities) totaled \$590,027,140, an increase of 13.46% from June 30, 2022. The City's net position is broken out into three categories: net investment in capital assets totaling \$561,662,242 (e.g., land, buildings and improvements, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding, restricted for specific purposes totaling \$118,338,019 and unrestricted totaling \$(89,973,121). The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot typically be used to liquidate these liabilities.

#### Net Position - Primary Government June 30, 2023

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Current and other	\$ 404,592,771	\$342,213,670	\$ 77,011,463	\$62,735,093	\$ 481,604,234	\$404,948,763
Capital assets, net	399,684,631	382,961,533	187,903,240	176,382,998	587,587,871	559,344,531
Total assets	804,277,402	\$725,175,203	264,914,703	\$239,118,091	1,069,192,105	\$964,293,294
<b>Deferred Outflows of Resources</b>						
Deferred outflows related to pensions	46,466,531	20,763,077	10,979,110	3,953,196	57,445,641	24,716,273
Deferred outflows related to OPEB	2,115,198	999,558	185,255	88,687	2,300,453	1,088,245
Deferred amounts on refunding	-	-	482,451	528,177	482,451	528,177
Total	48,581,729	20,763,077	11,646,816	4,481,373	60,228,545	26,332,695
<b>Liabilities</b>						
Long-term liabilities	172,692,952	159,588,160	14,840,659	16,394,762	187,533,611	175,982,922
Other liabilities	283,982,843	210,710,269	53,872,592	35,647,290	337,855,435	246,357,559
Total liabilities	456,675,795	370,298,429	68,713,251	52,042,052	525,389,046	422,340,481
<b>Deferred Inflows of Resources</b>						
Deferred inflows related to pensions	77,647	27,441,765	-	6,028,363	77,647	33,470,128
Deferred inflows related to OPEB	3,954,871	6,491,828	442,917	662,513	4,397,788	7,154,341
Deferred inflows related to Leases	9,407,267	7,427,840	-	-	9,407,267	7,427,840
Deferred amounts on refunding	121,761	208,929	-	-	121,761	208,929
Total	13,561,546	34,142,522	442,917	6,690,876	14,004,463	48,261,238
<b>Net position</b>						
Net investment in capital assets	387,374,177	372,280,617	174,288,065	161,246,778	561,662,242	533,527,395
Restricted	118,208,417	141,687,652	129,602	129,602	118,338,019	141,817,254
Unrestricted	(122,960,805)	(178,899,222)	32,987,684	23,578,843	(89,973,121)	(155,320,379)
Total net position	\$ 382,621,789	\$ 335,069,047	\$ 207,405,351	\$ 184,955,223	\$ 590,027,140	\$ 520,024,270

## MANAGEMENT'S DISCUSSION AND ANALYSIS – (Continued)

**Analysis of Activities:** The following table indicates the changes in net position for governmental and business-type activities:

**Changes in Net Position - Primary Government  
For the Year Ended June 30, 2023**

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
<b>Program revenues</b>						
Charges for services	\$ 63,813,950	\$65,405,446	\$ 54,533,397	\$45,607,707	\$ 118,347,347	\$ 111,013,153
Operating grants and contributions	5,195,430	4,415,825	2,740,748	2,512,675	7,936,178	6,928,500
Capital grants and contributions	38,782,252	28,053,482	8,838,335	1,482,225	47,620,587	29,535,707
<b>General revenues</b>						
Property taxes	37,224,284	33,225,451	-	-	37,224,284	33,225,451
Sales and use tax	28,102,378	27,900,779	-	-	28,102,378	27,900,779
Other taxes	4,760,019	4,949,172	-	-	4,760,019	4,949,172
Investment earnings (loss)	5,622,881	(47,159,517)	1,327,294	(1,247,148)	6,950,175	(48,406,665)
Miscellaneous	5,318,770	1,866,914	-	-	5,318,770	1,866,914
<b>Total Revenues</b>	<b>188,819,964</b>	<b>118,657,552</b>	<b>67,439,774</b>	<b>48,355,459</b>	<b>256,259,738</b>	<b>167,013,011</b>
<b>Expenses</b>						
General government	21,993,578	14,570,235	-	-	21,993,578	14,570,235
Public safety	54,562,107	49,214,434	-	-	54,562,107	49,214,434
Public ways and facilities	33,988,957	30,321,802	-	-	33,988,957	30,321,802
Community services	9,111,893	7,909,070	-	-	9,111,893	7,909,070
Culture and recreation	18,076,120	18,809,703	-	-	18,076,120	18,809,703
Interest and fiscal charges	6,701,685	5,692,263	-	-	6,701,685	5,692,263
Water	-	-	17,486,670	14,980,895	17,486,670	14,980,895
Wastewater	-	-	6,817,673	6,225,992	6,817,673	6,225,992
Solid waste	-	-	17,490,609	14,044,953	17,490,609	14,044,953
<b>Total expenses</b>	<b>144,434,339</b>	<b>126,517,507</b>	<b>41,822,529</b>	<b>35,251,840</b>	<b>186,256,868</b>	<b>161,769,347</b>
Increase/decrease in net position before transfers and extraordinary item	44,385,625	(7,859,955)	25,617,245	13,103,619	70,002,870	5,243,664
Transfers	3,167,117	3,242,412	(3,167,117)	(3,242,412)	-	-
Change in net position	47,552,742	(4,617,543)	22,450,128	9,861,207	70,002,870	5,243,664
Net position, beginning of year	335,069,047	339,686,590	184,955,223	175,094,016	520,024,270	514,780,606
Net position, end of year	\$ 382,621,789	\$ 335,069,047	\$ 207,405,351	\$ 184,955,223	\$ 590,027,140	\$ 520,024,270

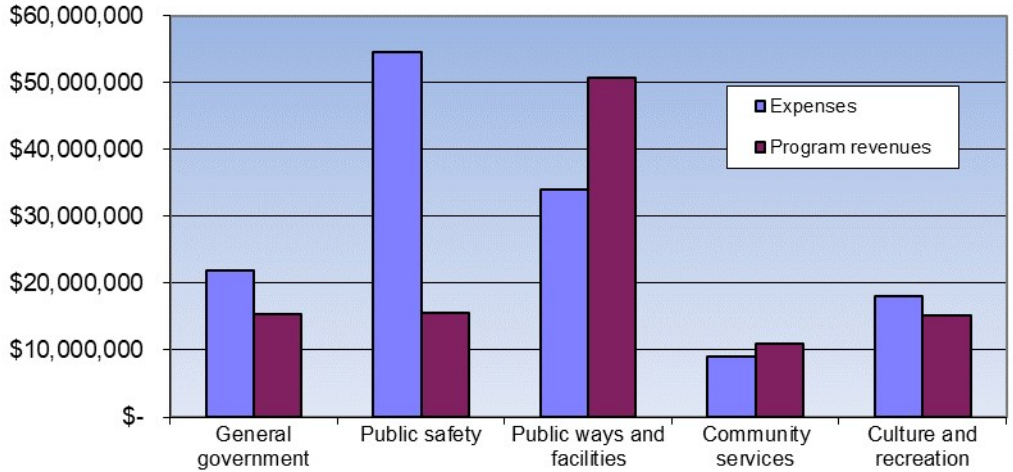
**Governmental activities:** The City's governmental activities rely on several sources of revenue to finance ongoing operations. Charges for Services and Property and Sales Taxes comprised the largest revenue source for the City followed by Capital Grants and Contributions. Charges for Services are revenues that arise from charges to customers or applicants who purchase, use, or directly benefit from the goods, services, or privileges provided. Examples of the types of services that fall under this category include building licenses and permits, business licenses, impact fees and park and recreation fees. Capital Grants and Contributions are monies received from parties outside the City and are generally restricted for use in capital activity.

At the end of FY 202-23, total revenues for the governmental activities, excluding transfers from the business-type activities of \$3.2 million, was \$188,819,964, an increase of approximately \$70.2 million from the previous year mostly due to increases in Investment Earnings due to the GASB 72 adjustment. Expenses totaled \$144,434,339, an increase of \$17.9 million or 14.16% from the prior year. After transfers and special items, revenues exceeded expenses and thus governmental activities increased the City's net position by \$47,552,742.

Overall program revenues increased by approximately \$9.9 million. General revenues saw an overall increase of approximately \$60.2 million. The following chart presents a comparison of expenses by function and the associated program revenues for governmental activities:

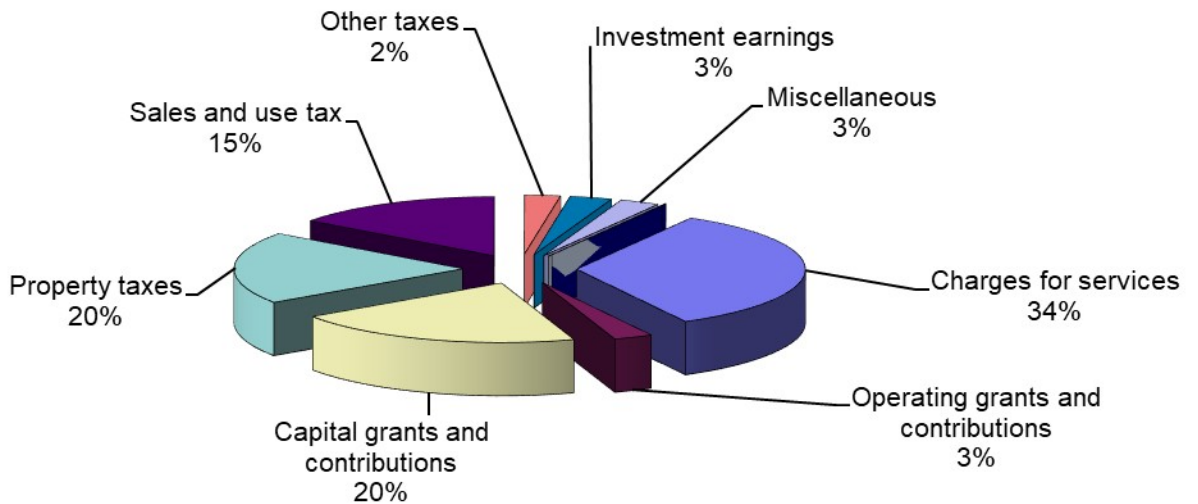
MANAGEMENT’S DISCUSSION AND ANALYSIS – (Continued)

Expenses and Program Revenues – Governmental Activities



The chart below presents the percentage of total revenues by source for governmental activities.

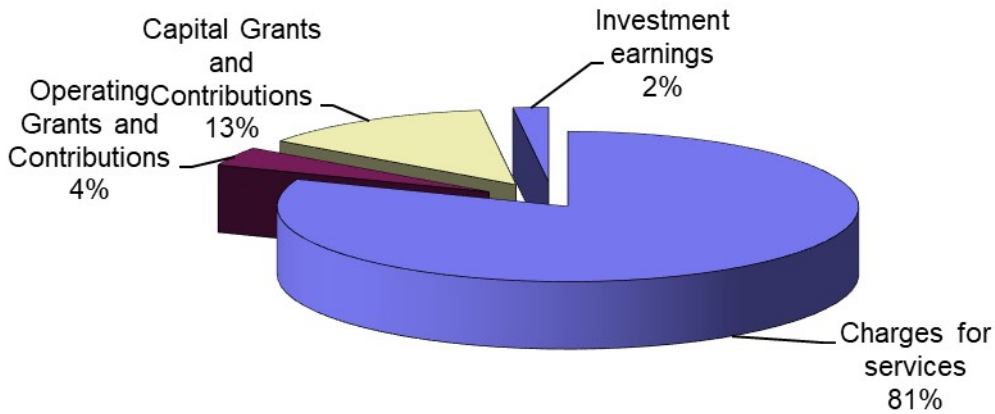
Revenues by Source - Governmental Activities



**Business-type activities:** The City has four business-type activities: Water, Wastewater, Solid Waste, and Facilities Augmentation. In keeping with the intent of recovering all or a significant portion of their cost through user fees and charges, business-type activities reported Charges for Services as their largest source of revenues. Capital Grants and Contributions, as well as Operating Grants and Contributions, were the other revenue sources. Capital Grants and Contributions include revenues received from developers for capital infrastructure.

MANAGEMENT’S DISCUSSION AND ANALYSIS – (Continued)

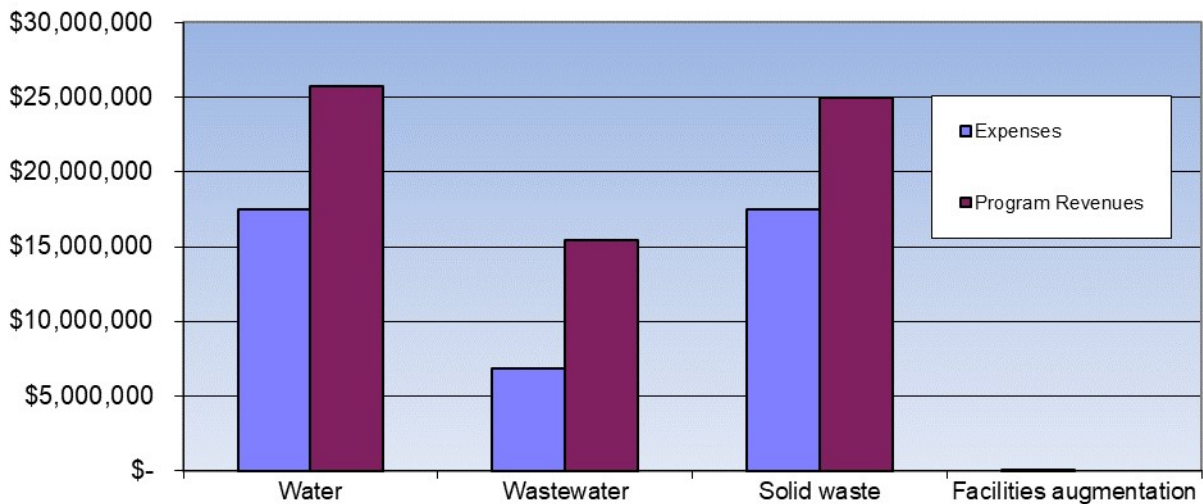
Revenues by Source - Business-Type Activities



Business-type activities increased the City’s net position by \$22,450,128. At the end of FY 2022-23, business-type activities reported total revenues, excluding transfers in from governmental activities, of \$67,439,774, an increase of \$19.1 million from the prior year. Increase is mostly due to a \$7.4 million increase in Capital Contributions when compared to FY 22, a \$8.9 increase in operating revenues due to rate increases that took effect July 2022. Expenses totaled \$41,822,529 an increase of \$6.6 million from the previous year. This increase was mainly due to a \$4.1 million increase in employee services due to changes in MOU’s. The program revenues (Charges for Services, Operating Grants and Contributions, and Capital Grants and Contributions) financed the majority of expenses recorded for the business-type activities. Other factors concerning the finances of the City’s five enterprise funds are discussed in the Proprietary Funds section of the “Financial Analysis of the City’s Funds.”

The following chart shows expenses by function and the associated program revenues for the business-type activities.

Expenses and Program Revenues – Business-Type Activities



## MANAGEMENT’S DISCUSSION AND ANALYSIS – (Continued)

### FINANCIAL ANALYSIS OF THE CITY’S FUNDS

As noted earlier the City uses **fund accounting** to ensure and demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

**Governmental funds:** The focus of the City’s governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available for spending. Such information is useful in assessing the City’s financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and Permanent Funds.

At the end of the current fiscal year, the City’s governmental funds reported combined fund balances of \$344,876,096 an increase of \$51,600,101 during FY 2023. The increase is mostly due to activity in the Transportation Improvement Capital Fund, Folsom Ranch Financing Authority related to bond issuances and related GASB 72 adjustments. Of the total fund balance, \$22,612,757 (6.56%) of this total amount constitutes *unassigned fund balance*, which is available for spending at the City’s discretion. The remainder of the balance is *nonspendable, restricted, committed or assigned* to indicate that it is *not* available for new spending. Refer to Note 12 in the basic financial statements for a detailed breakout of fund balance within the five categories.

Revenues and other financing sources for governmental funds totaled approximately \$184.6 million for the fiscal year ended June 30, 2023, which represents an increase of 38.54% from the fiscal year ended June 30, 2022. The increase is mostly due to the investment earnings related to GASB 72 adjustments. Expenditures and other financing uses for governmental functions totaled \$143.2 million, an increase of 2.07% from the prior year.

### Comparative Analysis of Changes in Fund Balances

The following schedule presents a summary of revenues and other financing sources, expenditures and other financing uses, and the net changes in fund balances for the governmental funds for the current and previous fiscal years.

#### GOVERNMENTAL FUNDS

#### COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2023

	Revenues and Other Financing Sources		Expenditures and Other Financing Uses		Net Change in Fund Balances	
	2023	2022	2023	2022	2023	2022
General Fund	\$ 111,358,164	\$ 103,620,847	\$ 107,512,855	\$ 98,171,224	\$ 3,845,309	\$ 5,449,623
Folsom Housing - Special Revenue Fund	4,447,173	6,447,036	203,947	87,601	4,243,226	6,359,435
Folsom Public Financing Authority	2,379,096	(4,645,626)	7,773,895	6,688,328	(5,394,799)	(11,333,954)
Folsom Ranch Financing Authority	27,278,683	(22,266,161)	6,107,349	4,923,187	21,171,334	(27,189,348)
FPA Capital Improvement	12,008,291	-	1,793,757	-	10,214,534	-
Transportation Improvement Fund	21,615,196	22,701,822	11,966,539	20,244,413	9,648,657	2,457,409
Other Governmental Funds	17,524,275	27,390,382	9,652,435	10,191,446	7,871,840	17,198,936
Total	<u>\$ 196,610,878</u>	<u>\$ 133,248,300</u>	<u>\$ 145,010,777</u>	<u>\$ 140,306,199</u>	<u>\$ 51,600,101</u>	<u>\$ (7,057,899)</u>

In the governmental funds, expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and

## MANAGEMENT'S DISCUSSION AND ANALYSIS – (Continued)

when the revenue is measurable and available. As expenditures increase, revenues increase proportionately, subject to availability. In addition to the effects of expenditure-driven grants, the following information provides significant reasons for the change in fund balance.

### ***Analysis of Major Governmental Funds***

#### **General Fund**

The General Fund is the primary operating fund of the City. At the end of FY 2022-23 there was an increase in fund balance of \$3.8 million which resulted in a nonspendable fund balance of \$1.5 million, an assigned fund balance of \$6.3 million and unassigned fund balance of \$23.0 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 21.4% of total General Fund expenditures and transfers out of \$107,512,855 while total fund balance represents 28.61% of that same amount.

General Fund revenues of \$106.9 million were up \$7.9 million or 7.9% higher than FY 2021-22 revenues of \$99.0 million. The table below provides a revenue comparison between Fiscal Years 2022-23 versus 2021-22.

	2023	2022	\$ Change	% Change
Property taxes	\$ 37,224,284	\$ 33,225,451	\$ 3,998,833	12.0%
Sales & use taxes	28,102,378	27,900,779	201,599	0.7%
Transient occupancy	2,496,365	2,597,968	(101,603)	-3.9%
Real Property transfer	1,027,125	1,057,752	(30,627)	-2.9%
Other	1,236,529	1,293,451	(56,922)	-4.4%
Licenses and permits	4,010,647	4,299,748	(289,101)	-6.7%
Vehicle license fees	8,998,734	8,342,739	655,995	7.9%
Intergovernmental	3,901,461	1,702,834	2,198,627	129.1%
Charges for current services	16,876,236	17,786,469	(910,233)	-5.1%
Fines and forfeitures	133,080	133,772	(692)	-0.5%
Interest	894,692	(951,314)	1,846,006	-194.0%
Miscellaneous	2,002,191	1,642,143	360,048	21.9%
<b>Total</b>	<b>\$ 106,903,722</b>	<b>\$ 99,031,792</b>	<b>\$ 7,871,930</b>	<b>7.9%</b>

Property tax revenues increased 12.0% over the prior fiscal year, due to increasing home value. Intergovernmental revenue increased \$2.2 million or 129.1% over last year due to recognizes spent ARPA funds. Vehicle license fees increased \$655K or 7.9% over the last year.

General fund expenditures of \$107,512,855, excluding transfers out, increased by \$9.3 million or 8.69% over prior year expenditures of \$107,512,855. This is due to increased spending across most functions due to increase in costs for services.

Expenditures	2023	2022	\$ variance	% variance
General government	<b>\$ 19,076,661</b>	\$16,860,675	\$ 2,215,986	13.1%
Public safety	<b>49,702,490</b>	49,333,965	368,525	0.7%
Public ways and facilities	<b>7,876,450</b>	7,047,421	829,029	11.8%
Community services	<b>9,175,089</b>	8,014,879	1,160,210	14.5%
Culture and recreation	<b>14,379,902</b>	15,309,206	(929,304)	-6.1%
Capital Outlay	<b>7,178,969</b>	1,345,429	5,833,540	433.6%
Debt service principal payments	<b>123,294</b>	259,649	(136,355)	-52.5%
<b>Total</b>	<b>\$ 107,512,855</b>	<b>\$98,171,224</b>	<b>\$ 9,341,631</b>	<b>9.5%</b>

## MANAGEMENT’S DISCUSSION AND ANALYSIS – (Continued)

The following shows the ending and net change in fund balance for governmental funds for the current and previous year.

### Comparative Fund Balance - Governmental Funds

	2023	2022	Net Change
General Fund	\$ 30,764,357	\$ 26,919,048	\$ 3,845,309
Folsom Housing - Special Revenue Fund	42,032,267	37,789,041	4,243,226
Folsom Public Financing Authority	31,551,399	36,946,198	(5,394,799)
Folsom Ranch Financing Authority	127,379,929	106,208,595	21,171,334
FPA Capital Improvement	39,150,488	-	39,150,488
Transportation Improvement Fund	25,359,197	15,710,540	9,648,657
Other Governmental Funds	48,638,459	69,702,572	(21,064,113)
Total	<u>\$ 344,876,096</u>	<u>\$ 293,275,994</u>	<u>\$ 51,600,102</u>

### **Folsom Housing Special Revenue Fund**

The Folsom Housing Special Revenue Fund was created in FY 2011-12 after the City elected to retain the Housing function of the former RDA. This fund accounts for the Housing activities of the City that were previously accounted for in the Redevelopment Special Revenue Fund. For FY 2022-2023, the fund reported revenues of \$4.4 million and expenditures and transfers of \$204k, increasing fund balance by \$4.2 million.

### **Folsom Public Financing Authority Debt Service Fund**

The Folsom Public Financing Authority’s (FPFA) governmental debt service fund provides information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Authority’s financing requirements. The Authority’s governmental debt service fund balance decreased \$5.4 million during 2023.

Revenues for FPFA’s governmental functions overall totaled \$2.4 million in FY 2022-23, and represent an increase of \$7.0 million in comparison with the prior fiscal year. This is mostly due to investment earnings related to GASB 72 adjustments. Expenditures for governmental functions, totaling \$7.8 million, an increase of \$1.1 million from the prior fiscal year. For additional information please refer to Note 9 of this report and the separately issued financial statements.

### **Folsom Ranch Financing Authority Debt Service Fund**

The Folsom Ranch Financing Authority’s (FRFA) governmental debt service fund provides information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Authority’s financing requirements. The Authority’s governmental debt service fund balance increased \$27.3 million during 2023. This increase was mostly due to the \$1.4 million investment earning related to GASB 72 adjustments and the new bond issuance of \$20.7 million.

Revenues for FRFA’s governmental functions overall totaled \$6.7 million in FY 2022-23, and represent an increase of \$41.1 million in comparison with the prior fiscal year. This is mostly due to the investment earnings related to GASB 72 adjustments. Expenditures for governmental functions, totaling \$6.1 million, increased by \$1.2 million from the prior fiscal year. For additional information please refer to Note 9 of this report and the separately issued financial statements.



## MANAGEMENT'S DISCUSSION AND ANALYSIS – (Continued)

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### **Transportation Improvement Capital Projects Fund**

The Transportation Improvement Capital Projects Fund is used to account for long-term major road projects financed through developer mitigation charges and Measure A funding. Expenditures and transfers in the Transportation Improvement Capital Projects Fund were \$12.0 million in FY 2022-23, a decrease of \$8.2 million from the prior fiscal year. This is mainly due to the Highway 50 Southeast Connector Project wrapping up during FY 23 when compared to FY 22.

### **FPA Capital Improvement Fund**

The FPA Capital Improvement Fund is used to account for general capital facilities, library, municipal services center, police, fire, parks, and trails projects in the Folsom Plan Area financed from the collection of Impact fees. Revenues were \$12.0 million in FY 2022-23. Expenditures and transfers in the FPA Capital Improvement Fund were \$1.8 million in FY 2022-23.

### ***Proprietary Funds***

#### **Water Fund**

Net position of the Water Fund increased by \$8.0 million in FY 2022-23. Operating revenue for FY 2022-23 was \$18.9 million, an increase of \$1.6 million due to favorable water usage levels throughout the year. Operating expenses increased \$2.5 million to \$17.0 million primarily due to an increase in GASB 68 adjustment. Net transfers were \$904k, an increase of \$1.4k from prior year levels. As of June 30, 2023, the fund's net position was \$121.0 million, of which \$106.7 million was the net investment in capital assets, while the remaining \$14.3 million was unrestricted.

#### **Wastewater Fund**

Operating revenues were at \$11.7 million, an increase of \$3.1 million from the prior year. This increase is mostly due to a rate increase that occurred in July 2022. Expenses were at \$6.8 million, an increase of \$592k from the prior year. The net result was operating income of \$4.9 million. Other items which affected net position were capital contributions of \$3.5 million and other non-operating revenue of \$647k. The total increase to net position in FY 2022-23 was \$8.4 million, leaving a balance of \$79.3 million. As of June 30, 2023, of the Fund's net position, \$63.1 million was the net investment in capital assets, and the remaining \$16.2 million was unrestricted.

#### **Solid Waste Fund**

Operating revenues were at \$23.9 million, an increase of \$4.2 million from the prior year. This increase is mostly due to a rate increase that occurred in July 2022. Operating expenses were at \$17.5 million, an increase of \$3.4 million. The net result was operating income of \$6.5 million. The total increase to net position in FY 2022-23 was \$6.1 million, leaving a balance of \$7.0 million. As of June 30, 2023, of the Fund's net position, \$4.5 million was the net investment in capital assets, and the remaining \$2.6 million was unrestricted.

The following schedule presents a summary of operating and nonoperating revenues, capital contributions and transfers, operating and nonoperating expenses and transfers, and the net change in net position for the proprietary funds for the current and previous fiscal years.

## MANAGEMENT'S DISCUSSION AND ANALYSIS – (Continued)

	Operating Revenues, Nonoperating Revenues, Capital Contributions & Transfers		Operating Expenses, Nonoperating Expenses & Transfers		Net Change in Net Position	
	2023	2022	2023	2022	2023	2022
	Water	\$ 26,393,227	\$ 18,874,567	\$ 18,390,241	\$ 15,883,089	\$ 8,002,986
Wastewater	15,945,806	8,818,787	7,542,931	6,907,704	8,402,875	1,911,083
Solid Waste	25,198,509	20,661,002	19,129,825	15,702,974	6,068,684	4,958,028
Other Enterprise Funds	3,332	1,103	27,749	485	(24,417)	618
<b>Total</b>	<b>\$ 67,540,874</b>	<b>\$ 48,355,459</b>	<b>\$ 45,090,746</b>	<b>\$ 38,494,252</b>	<b>\$ 22,450,128</b>	<b>\$ 9,861,207</b>

### GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the City Council revised the City budget to adjust appropriations for use of prior year department carryover.

The major changes from the approved budget were increases in expenditure budgets for approved capital expenditures. After taking into account these adjustments, actual expenditures were \$3.4 million over budget. This was mainly due to mid-year labor negotiations increasing labor costs, approved ARPA expenditures and higher costs associated with contracts and supplies due to the current economy with supply chain issues and inflation.

Revenues were \$106.9 million or 111% of budgeted amounts. Property tax revenue exceeded budget by \$1.2 million. Intergovernmental Revenues were \$3.5 million above budget due to the recognition of ARPA revenue, and Charges for Current Services, which was \$5.1 million above budget, was mostly due to increased engineering fees related to development in the Folsom Plan Area and better than expected Parks and Recreation program revenue. A shortfall from budgeted amounts did occur in Other Taxes, which ended the fiscal year at 67% of budget, and Miscellaneous, which ended the fiscal year at 95% of budget.

### CAPITAL ASSET AND DEBT ADMINISTRATION

#### Capital Assets:

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2023, amounted to \$587.6 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, vehicles and equipment and construction in progress. The total increase in the City's capital assets for the current fiscal year was 5.05%, as shown in the following table. Capital assets for the governmental and business-type activities are presented below to illustrate the changes from the prior year:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
	Land	\$ 19,605,947	\$17,604,606	\$ 815,270	\$815,270	\$ 20,421,217
Construction in progress	4,155,242	24,283,554	10,110,956	7,990,015	14,266,198	32,273,569
Buildings	30,721,621	31,358,034	400,008	429,320	31,121,629	31,787,354
Improvements	338,277,465	305,859,130	169,916,707	162,271,689	508,194,172	468,130,819
Equipment	4,154,989	3,500,291	6,566,454	4,723,873	10,721,443	8,224,164
Intangible Asset	2,769,367	355,919	93,846	152,831	2,863,213	508,750
<b>Total capital assets</b>	<b>\$ 399,684,631</b>	<b>\$382,961,534</b>	<b>\$ 187,903,240</b>	<b>\$176,382,998</b>	<b>\$ 587,587,872</b>	<b>\$ 559,344,532</b>

This year's major capital asset additions included the following:

## MANAGEMENT’S DISCUSSION AND ANALYSIS – (Continued)

- Equipment purchases of \$5.6 million for various vehicles and machinery
- Construction expenditures of \$1.8 million for the Street Overlay project
- Construction expenditures of \$1.5 million for Fire Station #34
- Construction expenditures of \$3.8 million for the Capital Southeast Connector Segment D3 project
- Construction expenditures of \$2.8 million for the Scott Road Realignment project
- Construction expenditures of \$1.6 million for the Ashland Water Rehabilitation #2 project
  
- Construction expenditures of \$1.2 million for the Water Treatment Plant Backwash & Recycled Water project
- Construction expenditures of \$3.0 million for the Natoma Alley Rehabilitation & Replacement project

Additional information on the City’s capital assets can be found in Note 6 of this report.

### Long-term debt

As of June 30, 2023, the City had \$172,690,952 of outstanding long-term debt related to governmental activities and \$14,840,659 of long-term debt related to business-type activities, for a total of \$187,531,611. The City’s total long-term debt increased by \$11.5 million compared to the prior year, or 6.56%. The increase was made up of \$20.7 million of revenue bonds, offset by reductions of \$9.1 million in scheduled principal payments, capital lease payments, and adjustments to compensated absences. The City’s debt obligations are in the form of general obligation bonds, certificates of participation, revenue bonds, long-term lease obligations, capital lease obligations, compensated absences, long term loans, and deferred amounts for issuance discounts, premiums and refundings.

At the end of the current fiscal year, the City had total bonded debt outstanding of \$172,445,000. The remainder of the City’s bonded debt represents bonds secured solely by the specified revenue sources.

The following table summarizes the City’s outstanding debt at June 30, 2023:

	Governmental Activities		Business-type Activities		Total		Increase (Decrease) % Change
	2023	2022	2023	2022	2023	2022	
Revenue bonds	\$ 126,955,000	\$ 110,165,000	\$ 5,585,000	\$ 6,395,000	\$ 132,540,000	\$ 116,560,000	14%
Notes from direct borrowings and direct placements	32,075,000	35,220,000	7,830,000	8,473,000	39,905,000	43,693,000	-9%
City Hall & Fire Station Lease Obligation	814,635	1,000,748	-	-	814,635	1,000,748	-19%
Capital lease obligations	124,771	250,065	-	-	124,771	250,065	-50%
Compensated absences	4,243,626	4,084,692	743,034	730,366	4,986,660	4,815,058	4%
Less: Discounts/premiums	8,477,920	8,867,655	682,625	796,396	9,160,545	9,664,051	-5%
<b>Total</b>	<b>\$ 172,690,952</b>	<b>\$ 159,588,160</b>	<b>\$ 14,840,659</b>	<b>\$ 16,394,762</b>	<b>\$ 187,531,611</b>	<b>\$ 175,982,922</b>	<b>7%</b>

Please refer to Note 9 in the Notes to the Basic Financial Statements for more detailed information on long-term debt activity of the City.

### Credit Rating

As of June 30, 2023 the City’s Water Bonds are rated AA/Stable by Standard & Poor’s.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS – (Continued)**

The City typically opted to purchase bond insurance from monoline insurers to enhance its credit rating to AAA. A bond insurance policy guarantees payment of principal and interest on bonds due for payment should the City fail to make a bond payment. With the financial crisis of 2008, many monoline insurers were downgraded, making the purchase of such insurance less advantageous

A large portion of the City's financings have been through the issuance of special assessment district debt. These district bonds, issued per the Mello-Roos Community Facilities act of 1982

and the Marks-Roos Local Bond Pooling Act of 1985, are land secured financings where developments are not yet completed at the time of issuance, and are therefore not rated at the time of the original issuance. However, as these individual developments have matured, many of these financings within the City have been refunded and have subsequently received ratings.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

#### **Economic Factors**

Current economic projections project slowing economic growth as the Federal Reserve works to tame inflation. The City's focus remains on maintaining a prudent reserve balance, while facing continued budget constraints. These constraints include:

- The trend of sales tax growth flattening.
- Rising costs for both operational expenses such as contracts and supplies as well as increased employee wages and benefits costs.
- Aging infrastructure with no dedicated funding source for repair or replacement of these assets.

#### **Next Year's Budget**

The City closed the fiscal year with a total General Fund balance of \$30,764,35, and an unassigned fund balance of \$22,961,939, or 21.4% of expenditures. Revenue growth in coming years is expected to be slow and City management will continue to monitor the General Fund's position and report to Council on a quarterly basis.

The General Fund budget for FY 2023-24 appropriates approximately \$108.6 million, an increase of 5.65% over the prior year final expenditures. General Fund revenue for FY 2023-24 is projected to be \$108.6 million, approximately a \$6.1 million increase from FY 2022-23. Management's efforts will focus on closely monitoring expenses and utilizing existing resources as efficiently and effectively as possible.

### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances. We hope that the preceding information has provided you with a general overview of the City's overall financial status. For questions or comments concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, 50 Natoma Street, Folsom, CA 95630, (916) 461-6000 or visit the City's website at [www.folsom.ca.us](http://www.folsom.ca.us).

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**BASIC FINANCIAL STATEMENTS**



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE

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# CITY OF FOLSOM, CALIFORNIA

## STATEMENT OF NET POSITION JUNE 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and investments	\$ 176,781,373	\$ 69,154,104	\$ 245,935,477
Receivables, net of allowances for uncollectibles	56,875,531	7,856,564	64,732,095
Due from other governments	5,419,893	-	5,419,893
Inventory	497,467	-	497,467
Prepays	2,489,220	-	2,489,220
Deposits	3,181,825	-	3,181,825
Restricted assets - cash and investments	558,508	795	559,303
Investments held in trust	158,788,954	-	158,788,954
Capital assets, net of accumulated depreciation:			
Nondepreciable	23,761,189	8,805,285	32,566,474
Depreciable	<u>375,923,442</u>	<u>179,097,955</u>	<u>555,021,397</u>
Total assets	<u>804,277,402</u>	<u>264,914,703</u>	<u>1,069,192,105</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows related to pensions	46,466,531	10,979,110	57,445,641
Deferred outflows related to OPEB	2,115,198	185,255	2,300,453
Deferred amounts on refunding	-	482,451	482,451
Total deferred outflows of resources	<u>48,581,729</u>	<u>11,646,816</u>	<u>60,228,545</u>
Accounts payable	9,589,200	3,467,038	13,056,238
Wages payable	3,800,176	553,317	4,353,493
Interest payable	2,403,657	30,081	2,433,738
Lease Payable	206,510	93,846	300,356
Subscription Payable	2,499,531	-	2,499,531
Due to other governments	-	5,405,292	5,405,292
Unearned revenue	22,676,784	4,127,892	26,804,676
Long-term liabilities (due within one year):			
Other long-term liabilities due within one year	5,299,209	1,633,637	6,932,846
Long-term liabilities (due in more one year):			
Net pension liability	159,046,232	32,502,684	191,548,916
Net other postemployment benefits (OPEB) liability	83,760,754	7,692,442	91,453,196
Other long-term liabilities due in more than one year	<u>167,393,743</u>	<u>13,207,022</u>	<u>180,600,765</u>
Total liabilities	<u>456,675,795</u>	<u>68,713,251</u>	<u>525,389,046</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred inflows related to pensions	77,647	-	77,647
Deferred inflows related to OPEB	3,954,871	442,917	4,397,788
Deferred inflows related to Leases	9,407,267	-	9,407,267
Deferred amounts on refunding	121,761	-	121,761
Total deferred inflows of resources	<u>13,561,546</u>	<u>442,917</u>	<u>14,004,463</u>
<b>NET POSITION:</b>			
Net investment in capital assets	387,374,177	174,288,065	561,662,242
Restricted for:			
Nonexpendable: Wetlands/Open space	463,719	-	463,719
Capital Projects	21,322,046	-	21,322,046
Debt service	13,546,328	-	13,546,328
Low and moderate income housing	42,032,267	-	42,032,267
Transportation/streets	31,558,869	-	31,558,869
Lighting and landscape assessment districts	8,293,834	-	8,293,834
Other Special Revenue	991,354	-	991,354
Critical facilities	-	129,602	129,602
Unrestricted	<u>(122,960,805)</u>	<u>32,987,684</u>	<u>(89,973,121)</u>
Total net position	<u>\$ 382,621,789</u>	<u>\$ 207,405,351</u>	<u>\$ 590,027,140</u>

The notes to the basic financial statements are an integral part of this statement.



# CITY OF FOLSOM, CALIFORNIA

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT:</b>				
Governmental activities:				
General government	\$ 21,993,578	\$ 12,481,923	\$ 295,276	\$ 2,591,787
Public safety	54,562,107	15,064,367	417,313	97,421
Public ways and facilities	33,988,957	10,569,175	4,312,792	35,875,929
Community services	9,111,893	10,501,091	170,049	209,202
Culture and recreation	18,076,120	15,197,394	-	7,913
Interest and fiscal charges	6,701,685	-	-	-
Total governmental activities	144,434,338	63,813,950	5,195,430	38,782,252
Business-type activities:				
Water	17,486,670	18,889,282	1,509,286	5,339,925
Wastewater	6,817,673	11,698,877	221,010	3,498,410
Solid Waste	17,490,609	23,945,238	1,010,452	-
Facilities Augmentation	27,577	-	-	-
Total business-type activities	41,822,529	54,533,397	2,740,748	8,838,335
<b>TOTAL</b>	<b>\$ 186,256,867</b>	<b>\$ 118,347,347</b>	<b>\$ 7,936,178</b>	<b>\$ 47,620,587</b>

**GENERAL REVENUES:**

- Taxes:
  - Property
  - Sales and use
  - Other
- Investment earnings (loss)
- Miscellaneous

**Transfers**

**Total general revenues and transfers**

**Change in net position**

Net position, beginning of year

**Net position, end of year**

The notes to the basic financial statements are an integral part of this statement.

**Net (Expense) Revenue and  
Changes in Net Position**

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	
			<b>PRIMARY GOVERNMENT:</b>
			Governmental activities:
\$ (6,624,592)	\$ -	\$ (6,624,592)	General government
(38,983,006)	-	(38,983,006)	Public safety
16,768,939	-	16,768,939	Public ways and facilities
1,768,449	-	1,768,449	Community services
(2,870,813)	-	(2,870,813)	Culture and recreation
(6,701,685)	-	(6,701,685)	Interest and fiscal charges
			Total governmental activities
<u>(36,642,707)</u>	<u>-</u>	<u>(36,642,707)</u>	
			Business-type activities:
-	8,251,823	8,251,823	Water
-	8,600,624	8,600,624	Wastewater
-	7,465,081	7,465,081	Solid Waste
-	(27,577)	(27,577)	Facilities Augmentation
			Total business-type activities
<u>-</u>	<u>24,289,951</u>	<u>24,289,951</u>	
<u>(36,642,707)</u>	<u>24,289,951</u>	<u>(12,352,756)</u>	<b>TOTAL</b>
			<b>GENERAL REVENUES:</b>
			Taxes:
37,224,284	-	37,224,284	Property
28,102,378	-	28,102,378	Sales and use
4,760,019	-	4,760,019	Other
5,622,881	1,327,294	6,950,175	Investment earnings (loss)
5,318,770	-	5,318,770	Miscellaneous
<u>3,167,117</u>	<u>(3,167,117)</u>	<u>-</u>	<b>Transfers</b>
<u>84,195,449</u>	<u>(1,839,823)</u>	<u>82,355,626</u>	<b>Total general revenues and transfers</b>
47,552,742	22,450,128	70,002,870	<b>Change in net position</b>
<u>335,069,047</u>	<u>184,955,223</u>	<u>520,024,270</u>	Net position, beginning of year
<u>\$ 382,621,789</u>	<u>\$ 207,405,351</u>	<u>\$ 590,027,140</u>	<b>Net position, end of year</b>

The notes to the basic financial statements are an integral part of this statement.

**CITY OF FOLSOM, CALIFORNIA**

**BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2023**

	<u>General Fund</u>	<u>Folsom Housing Special Revenue Fund</u>	<u>Folsom Public Financing Authority Debt Service Fund</u>	<u>Folsom Ranch Financing Authority Debt Service Fund</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 48,176,872	\$ 11,446,367	\$ 137,446	\$ -
Cash with fiscal agent	-	-	-	-
Receivables	18,433,362	30,618,813	3,721	-
Insurance deposits	4,824	-	-	-
Due from other funds	629,470	-	-	-
Due from other governments	2,344,522	-	-	-
Inventory	497,467	-	-	-
Investments held in trust	-	-	31,409,025	127,379,929
Prepaid Items	1,005,473	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	-
Cash with fiscal agent	-	-	1,207	-
Total assets	<u>\$ 71,091,990</u>	<u>\$ 42,065,180</u>	<u>\$ 31,551,399</u>	<u>\$ 127,379,929</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 5,992,650	\$ 32,913	\$ -	\$ -
Wages payable	2,918,200	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	22,009,516	-	-	-
Total liabilities	<u>30,920,366</u>	<u>32,913</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows related to Leases	9,407,267	-	-	-
Total Deferred Inflows of Resources	<u>9,407,267</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES:</b>				
Nonspendable	1,507,764	-	-	-
Restricted	-	42,032,267	31,551,399	127,379,929
Committed	-	-	-	-
Assigned	6,294,654	-	-	-
Unassigned	22,961,939	-	-	-
TOTAL FUND BALANCES	<u>30,764,357</u>	<u>42,032,267</u>	<u>31,551,399</u>	<u>127,379,929</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<u>\$ 71,091,990</u>	<u>\$ 42,065,180</u>	<u>\$ 31,551,399</u>	<u>\$ 127,379,929</u>

The notes to the basic financial statements are an integral part of this statement.

Transportation Improvement Capital Projects Fund	FPA Capital Improvement	Other Non-Major Governmental Funds	Total Governmental Funds	
ASSETS				
\$ 23,148,872	\$ 37,875,829	\$ 43,692,413	\$ 164,477,799	Cash and cash equivalents
-	-	207,657	207,657	Cash with fiscal agent
1,444,933	138,382	6,071,879	56,711,090	Receivables
-	-	-	4,824	Insurance deposits
-	-	-	629,470	Due from other funds
2,120,024	-	955,347	5,419,893	Due from other governments
-	-	-	497,467	Inventory
-	-	-	158,788,954	Investments held in trust
-	1,483,747	-	2,489,220	Prepaid Items
205,000	-	352,301	557,301	Restricted assets:
-	-	-	1,207	Cash and cash equivalents
-	-	-	-	Cash with fiscal agent
<u>\$ 26,918,829</u>	<u>\$ 39,497,958</u>	<u>\$ 51,279,597</u>	<u>\$ 389,784,882</u>	Total assets
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
\$ 1,559,632	\$ 347,470	\$ 1,605,227	\$ 9,537,892	Accounts payable
-	-	83,891	3,002,091	Wages payable
-	-	284,752	284,752	Due to other funds
-	-	667,268	22,676,784	Unearned revenue
<u>1,559,632</u>	<u>347,470</u>	<u>2,641,138</u>	<u>35,501,519</u>	Total liabilities
DEFERRED INFLOWS OF RESOURCES				
-	-	-	9,407,267	Deferred Inflows related to Leases
-	-	-	9,407,267	
FUND BALANCES:				
-	-	463,719	1,971,483	Nonspendable
25,359,197	39,150,488	38,569,088	304,042,368	Restricted
-	-	6,388,285	6,388,285	Committed
-	-	3,566,549	9,861,203	Assigned
-	-	(349,182)	22,612,757	Unassigned
<u>25,359,197</u>	<u>39,150,488</u>	<u>48,638,459</u>	<u>344,876,096</u>	TOTAL FUND BALANCES
<u>\$ 26,918,829</u>	<u>\$ 39,497,958</u>	<u>\$ 51,279,597</u>	<u>\$ 389,784,882</u>	TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES

The notes to the basic financial statements are an integral part of this statement.

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# CITY OF FOLSOM, CALIFORNIA

## RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2023

*Amounts reported for governmental activities in the statement of net position are different because:*

Total fund balances - total governmental funds (Page 25)	\$ 344,876,096
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds' balance sheet</p>	
Nondepreciable capital assets	23,761,189
Depreciable capital assets, net	375,923,425
Deferred outflows - amount related to pensions	46,466,531
Deferred outflows - amount related to OPEB	2,115,198
Deferred amounts on refunding not in governmental funds	(121,761)
Net unmatured long-term debt	(168,449,326)
Accrued interest	(2,299,736)
<p>Certain accrued liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds as follows:</p>	
Compensated absences	(4,243,626)
Net post-employment benefit liability (OPEB)	(83,760,754)
Net pension liability	(159,046,232)
Lease Payable	(206,510)
Subscription Payable	(2,499,531)
Interest Payable	(103,921)
Deferred inflows - amount related to pensions	(77,647)
Deferred inflows - amount related to OPEB	(3,954,871)
<p>Internal service funds are used by management to charge the costs of fleet management, management information services, facilities costs, and insurance, to individual funds. The assets and liabilities of the Internal Service Funds are included in the governmental activities in the Government-Wide Statement of Net Position.</p>	
	14,243,265
<b>Net position of governmental activities (Page 21)</b>	<b>\$ 382,621,789</b>

The notes to the basic financial statements are an integral part of this statement.

## CITY OF FOLSOM, CALIFORNIA

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Folsom Housing Special Revenue Fund	Folsom Public Financing Authority Debt Service Fund	Folsom Ranch Financing Authority Debt Service Fund
<b>REVENUES</b>				
Taxes:				
Property	\$ 37,224,284	\$ -	\$ -	\$ -
Sales and use	28,102,378	-	-	-
Transient occupancy	2,496,365	-	-	-
Real property transfer	1,027,125	-	-	-
Other	1,236,529	-	-	-
Licenses and permits	4,010,647	-	-	-
Vehicle license fees	8,998,734	-	-	-
Intergovernmental	3,901,461	-	1,235,789	5,262,349
Charges for current services	16,876,236	17,310	-	-
Fines and forfeitures	133,080	4,176,929	-	-
Assessment collections	-	-	-	-
Investment income (loss)	894,692	252,934	1,143,307	1,400,480
Miscellaneous	2,002,191	-	-	-
Total revenues	<u>106,903,722</u>	<u>4,447,173</u>	<u>2,379,096</u>	<u>6,662,829</u>
<b>EXPENDITURES</b>				
Current:				
General government	19,076,661	88,418	387,771	-
Public safety	49,702,490	-	-	-
Public ways and facilities	7,876,450	-	-	-
Community services	9,175,089	-	-	-
Culture and recreation	14,379,902	-	-	-
Capital outlay	7,178,969	-	-	-
Debt service:				
Principal payments	123,294	-	6,351,113	845,000
Interest and fiscal charges	-	-	1,035,011	5,262,349
Total expenditures	<u>107,512,855</u>	<u>88,418</u>	<u>7,773,895</u>	<u>6,107,349</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(609,133)</u>	<u>4,358,755</u>	<u>(5,394,799)</u>	<u>555,480</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bond issuance	-	-	-	20,655,000
Bond discount	-	-	-	(39,146)
Transfers in	4,454,442	-	-	-
Transfers out	-	(115,529)	-	-
Total other financing sources (uses)	<u>4,454,442</u>	<u>(115,529)</u>	<u>-</u>	<u>20,615,854</u>
<b>NET CHANGE IN FUND BALANCES</b>	3,845,309	4,243,226	(5,394,799)	21,171,334
<b>FUND BALANCES, BEGINNING OF YEAR</b>	26,919,048	37,789,041	36,946,198	106,208,595
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 30,764,357</u>	<u>\$ 42,032,267</u>	<u>\$ 31,551,399</u>	<u>\$ 127,379,929</u>

The notes to the basic financial statements are an integral part of this statement.

Transportation Improvement Capital Projects Fund	FPA Capital Improvement	Other Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 37,224,284
-	-	-	28,102,378
-	-	-	2,496,365
-	-	-	1,027,125
-	-	-	1,236,529
-	-	7,350	4,017,997
-	-	-	8,998,734
12,062,919	-	4,433,041	26,895,559
6,022,108	11,488,461	12,015,693	46,419,808
-	-	67,333	4,377,342
-	-	69	69
314,152	519,830	900,227	5,425,622
3,216,017	-	100,562	5,318,770
<u>21,615,196</u>	<u>12,008,291</u>	<u>17,524,275</u>	<u>171,540,582</u>
-	-	463,862	20,016,712
-	-	13,800	49,716,290
3,685,155	117,698	6,772,481	18,451,784
-	-	-	9,175,089
-	-	36,392	14,416,294
8,146,133	1,667,599	1,447,636	18,440,337
-	-	-	7,319,407
-	-	-	6,297,360
<u>11,831,288</u>	<u>1,785,297</u>	<u>8,734,171</u>	<u>143,833,273</u>
<u>9,783,908</u>	<u>10,222,994</u>	<u>8,790,104</u>	<u>27,707,309</u>
-	-	-	20,655,000
-	-	-	(39,146)
-	-	-	4,454,442
(135,251)	(8,460)	(918,264)	(1,177,504)
<u>(135,251)</u>	<u>(8,460)</u>	<u>(918,264)</u>	<u>23,892,792</u>
9,648,657	10,214,534	7,871,840	51,600,101
15,710,540	28,935,954	40,766,619	293,275,995
<u>\$ 25,359,197</u>	<u>\$ 39,150,488</u>	<u>\$ 48,638,459</u>	<u>\$ 344,876,096</u>

REVENUES

Taxes:

Property  
Sales and use  
Transient occupancy  
Real property transfer  
Other  
Licenses and permits  
Vehicle license fees  
Intergovernmental  
Charges for current services  
Fines and forfeitures  
Assessment collections  
Investment income (loss)  
Miscellaneous

Total revenues

EXPENDITURES

Current:

General government  
Public safety  
Public ways and facilities  
Community services  
Culture and recreation

Capital outlay

Debt service:

Principal payments  
Interest and fiscal charges

Total expenditures

EXCESS (DEFICIENCY) OF REVENUES

OVER (UNDER) EXPENDITURES

OTHER FINANCING SOURCES (USES)

Bond issuance

Bond discount

Transfers in

Transfers out

Total other financing sources (uses)

NET CHANGE IN FUND BALANCES

FUND BALANCES, BEGINNING OF YEAR

FUND BALANCES, END OF YEAR

The notes to the basic financial statements are an integral part of this statement.



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## CITY OF FOLSOM, CALIFORNIA

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2023

*Amounts reported for governmental activities in the statement of activities are different because:*

Net change in fund balances - total governmental funds (Page 29)	\$	51,600,101
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense. Capital outlays and depreciation expense are as follows:</p>		
Capitalized capital outlays		18,440,337
Depreciation expense		(21,212,474)
<p>Governmental funds do not report contributed capital, whereas this revenue is reported in the Government-Wide Statement of Activities</p>		
		17,082,122
<p>Premiums, discounts, and other charges related to long-term debt are expended in the year of issuance by governmental funds. However, these costs are deferred and amortized in the statement of activities. This amount reflects the amortization of premiums, discounts, and other deferred charges.</p>		
		437,758
<p>Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense is measured as the change in net pension liability and the amortization of deferred outflows and inflows related to pensions. This amount represents the net change in pension related amounts.</p>		
		(5,554,306)
<p>Governmental funds report OPEB contributions as expenditures. However, in the Statement of Activities, OPEB expense is measured as the change in net OPEB liability and the amortization of deferred outflows and inflows related to OPEB. This amount represents the net change in OPEB related amounts.</p>		
		1,079,509
<p>Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>		
Principal repayments on long term debt	7,278,812	
Change in compensated absences	(158,934)	
Issuance of long-term debt	(20,655,000)	
Bond premium	39,146	
Change in accrued interest	<u>(363,730)</u>	(13,859,706)
<p>Internal service funds are used by management to charge the costs of fleet management, management information services, facilities costs, and insurance, to individual funds. The net revenue (expense) of certain activities of the Internal Service Funds is reported with Governmental Activities.</p>		
		<u>(460,599)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (Page 23)</b>	<b>\$</b>	<b><u>47,552,742</u></b>

The notes to the basic financial statements are an integral part of this statement.

# CITY OF FOLSOM, CALIFORNIA

## STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2023

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				Total	Governmental Activities Internal Service Funds
	Water	Wastewater	Solid Waste	Other Non-major Enterprise Funds		
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$ 27,048,571	\$ 26,638,665	\$ 15,334,369	\$ 132,499	\$ 69,154,104	\$ 12,095,917
Receivables, net of allowances	5,333,769	1,817,068	704,396	1,331	7,856,564	164,441
Insurance deposits	-	-	-	-	-	3,177,001
Total current assets	<u>32,382,340</u>	<u>28,455,733</u>	<u>16,038,765</u>	<u>133,830</u>	<u>77,010,668</u>	<u>15,437,359</u>
Noncurrent assets:						
Restricted assets:						
Cash with fiscal agent	795	-	-	-	795	-
Capital assets	203,840,495	95,343,013	15,960,278	-	315,143,786	2,969,601
Accumulated depreciation	(83,532,346)	(32,234,323)	(11,473,877)	-	(127,240,546)	(2,969,584)
Total noncurrent assets	<u>120,308,944</u>	<u>63,108,690</u>	<u>4,486,401</u>	<u>-</u>	<u>187,904,035</u>	<u>17</u>
Total assets	<u>152,691,284</u>	<u>91,564,423</u>	<u>20,525,166</u>	<u>133,830</u>	<u>264,914,703</u>	<u>15,437,376</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows related to pensions	3,841,736	2,386,445	4,750,929	-	10,979,110	-
Deferred outflows related to OPEB	85,244	19,398	80,613	-	185,255	-
Deferred amounts on refunding	482,451	-	-	-	482,451	-
Total deferred outflows of resources	<u>4,409,431</u>	<u>2,405,843</u>	<u>4,831,542</u>	<u>-</u>	<u>11,646,816</u>	<u>-</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	1,730,743	1,150,515	558,203	27,577	3,467,038	51,308
Wages payable	207,027	107,094	239,196	-	553,317	798,085
Interest payable	30,081	-	-	-	30,081	-
Lease Payable	26,896	10,525	56,425	-	93,846	-
Due to other funds	-	-	-	-	-	344,718
Due to other governments	-	5,405,292	-	-	5,405,292	-
Unearned Revenue	4,123,457	-	4,435	-	4,127,892	-
Accrued compensated absences, payable within one year	48,928	13,891	76,818	-	139,637	-
Long term debt, due within one year	1,494,000	-	-	-	1,494,000	-
Total current liabilities	<u>7,661,132</u>	<u>6,687,317</u>	<u>935,077</u>	<u>27,577</u>	<u>15,311,103</u>	<u>1,194,111</u>
Noncurrent liabilities:						
Net pension liability	11,514,182	7,300,924	13,687,578	-	32,502,684	-
Accrued compensated absences, payable after one year	268,136	130,477	204,783	-	603,396	-
Net OPEB liability	3,865,155	521,530	3,305,757	-	7,692,442	-
Long term debt, due after one year net of unamortized premiums/discounts	12,603,626	-	-	-	12,603,626	-
Total noncurrent liabilities	<u>28,251,099</u>	<u>7,952,931</u>	<u>17,198,118</u>	<u>-</u>	<u>53,402,148</u>	<u>-</u>
Total liabilities	<u>35,912,231</u>	<u>14,640,248</u>	<u>18,133,195</u>	<u>27,577</u>	<u>68,713,251</u>	<u>1,194,111</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Deferred inflows related to OPEB	215,916	46,365	180,636	-	442,917	-
<b>NET POSITION</b>						
Net investment in capital assets	106,692,974	63,108,690	4,486,401	-	174,288,065	17
Restricted for critical facilities use	-	-	-	129,602	129,602	-
Unrestricted	14,279,594	16,174,963	2,556,476	(23,349)	32,987,684	14,243,248
Total net position (deficit)	<u>\$ 120,972,568</u>	<u>\$ 79,283,653</u>	<u>\$ 7,042,877</u>	<u>\$ 106,253</u>	<u>\$ 207,405,351</u>	<u>\$ 14,243,265</u>

The notes to the basic financial statements are an integral part of this statement.

**CITY OF FOLSOM, CALIFORNIA**

**STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				Total	Governmental Activities Internal Service Funds
	Water	Wastewater	Solid Waste	Other Non-major Enterprise Funds		
OPERATING REVENUES:						
Charges for services	\$ 18,889,282	\$ 11,698,877	\$ 23,945,238	\$ -	\$ 54,533,397	\$ 19,988,149
OPERATING EXPENSES:						
Employee services	5,994,681	3,233,883	7,270,850	-	16,499,414	20,576,257
Utilities	985,271	109,956	46,542	-	1,141,769	-
Supplies	1,401,651	336,500	1,924,592	-	3,662,743	-
Maintenance and operations	822,075	228,565	1,284,290	-	2,334,930	-
Contractual services	2,079,114	331,313	5,266,778	-	7,677,205	-
Depreciation	4,770,809	2,271,873	1,007,574	-	8,050,256	335
Other	995,921	305,097	687,616	27,577	2,016,211	-
Total operating expenses	17,049,522	6,817,187	17,488,242	27,577	41,382,528	20,576,592
OPERATING INCOME (LOSS)	1,839,760	4,881,690	6,456,996	(27,577)	13,150,869	(588,443)
NONOPERATING REVENUE (EXPENSES):						
Investment income	654,734	426,409	242,819	3,332	1,327,294	197,259
Interest expense	(437,148)	(486)	(2,367)	-	(440,001)	-
Gain/Loss on sale of capital assets	-	-	-	-	-	40,406
Other	1,140,130	1,525	315,338	-	1,456,993	-
Impact Fees	353,900	219,485	573,568	-	1,146,953	-
Intergovernmental revenues	15,256	-	121,546	-	136,802	-
Total nonoperating revenue (expense)	1,726,872	646,933	1,250,904	3,332	3,628,041	237,665
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	3,566,632	5,528,623	7,707,900	(24,245)	16,778,910	(350,778)
CAPITAL CONTRIBUTIONS AND TRANSFERS:						
Capital contributions	5,339,925	3,498,410	-	-	8,838,335	-
Transfers in	-	101,100	-	-	101,100	-
Transfers out	(903,571)	(725,258)	(1,639,216)	(172)	(3,268,217)	(109,821)
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	4,436,354	2,874,252	(1,639,216)	(172)	5,671,218	(109,821)
CHANGE IN NET POSITION	8,002,986	8,402,875	6,068,684	(24,417)	22,450,128	(460,599)
NET POSITION (DEFICIT), BEGINNING OF YEAR,	112,969,582	70,880,778	974,193	130,670	184,955,223	14,703,864
NET POSITION (DEFICIT), END OF YEAR	\$ 120,972,568	\$ 79,283,653	\$ 7,042,877	\$ 106,253	\$ 207,405,351	\$ 14,243,265

The notes to the basic financial statements are an integral part of this statement.

# CITY OF FOLSOM, CALIFORNIA

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	Water	Wastewater	Solid Waste
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers and users	\$ 18,461,370	\$ 13,374,187	\$ 23,675,589
Payments to suppliers	(4,864,330)	(40,610)	(8,707,095)
Payments to employees	(5,630,126)	(3,063,654)	(6,990,368)
Cash received from (paid to) other sources	144,209	(303,572)	(372,278)
Net cash provided by (used for) operating activities	8,111,123	9,966,351	7,605,848
<b>CASH FLOWS FROM NONCAPITAL</b>			
Transfers to other funds	(903,571)	(725,258)	(1,639,216)
Transfers from other funds	-	101,100	-
Impact Fees	353,900	219,485	573,568
Intergovernmental revenues received	15,256	-	121,546
Net cash provided by (used for) noncapital financing activities	(534,415)	(404,673)	(944,102)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition and construction of capital assets	-	-	-
Payments for capital improvement studies	(4,093,428)	(4,115,433)	(2,523,302)
Principal paid on capital debt and leases	(1,453,000)	-	-
Debt Issuance Premium	(113,771)	-	-
Interest paid on capital debt	(395,064)	(486)	-
Capital contributions	-	-	(2,367)
Net cash provided by (used for) capital and related financing activities	(6,055,263)	(4,115,919)	(2,525,669)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest and dividends (paid) on investments	836,707	614,104	340,034
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	2,358,152	6,059,863	4,476,111
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	24,691,214	20,578,802	10,858,258
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 27,049,366	\$ 26,638,665	\$ 15,334,369
<b>Summary:</b>			
Cash and cash equivalents	\$ 27,048,571	\$ 26,638,665	\$ 15,334,369
Restricted assets	795	-	-
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	\$ 27,049,366	\$ 26,638,665	\$ 15,334,369

The notes to the basic financial statements are an integral part of this statement.

BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS			Governmental Activities Internal Service Funds	
Other Non-major Enterprise Funds	Total			
				CASH FLOWS FROM OPERATING ACTIVITIES:
\$ -	\$ 55,511,146	\$ 19,881,337		Receipts from customers and users
-	(13,612,035)	23,925		Payments to suppliers
-	(15,684,148)	(20,618,207)		Payments to employees
-	(531,641)	-		Cash received from (paid to) other sources
-	25,683,322	(712,945)		Net cash provided by (used for) operating activities
				CASH FLOWS FROM NONCAPITAL
(172)	(3,268,217)	(109,821)		Transfers to other funds
-	101,100	(54,814)		Transfers from other funds
-	1,146,953			Impact Fees
-	136,802	-		Intergovernmental revenues
(172)	(1,883,362)	(164,635)		Net cash provided by (used for) noncapital financing activities
				CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:
-	-	40,407		Acquisition and construction of capital assets
-	(10,732,163)	-		Payments for capital improvement studies
-	(1,453,000)	-		Principal paid on capital debt and leases
-	(113,771)	-		Debt Issuance Premium
-	(395,550)	-		Defeasement of Debt
-	(2,367)	-		Capital contributions
-	(12,696,851)	40,407		Net cash provided by (used for) capital and related financing activities
2,508	1,793,353	210,811		CASH FLOWS FROM INVESTING ACTIVITIES:
				Interest and dividends (paid) on investments
2,336	12,896,462	(626,362)		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
130,163	56,258,437	12,722,279		CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR
\$ 132,499	\$ 69,154,899	\$ 12,095,917		CASH AND CASH EQUIVALENTS, END OF YEAR
\$ 132,499	\$ 69,154,104	\$ 12,095,917		Summary:
-	795	-		Cash and cash equivalents
				Restricted assets
\$ 132,499	\$ 69,154,899	\$ 12,095,917		TOTAL CASH AND CASH EQUIVALENTS

Continued on Next Page

The notes to the basic financial statements are an integral part of this statement.

# CITY OF FOLSOM, CALIFORNIA

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	Water	Wastewater	Solid Waste
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating income (loss)	\$ 1,839,760	\$ 4,881,690	\$ 6,456,996
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	4,770,809	2,271,873	1,007,574
Pension Expense	373,986	174,554	275,373
OPEB Expense	(41,935)	(9,554)	(41,953)
Other non-operating income (expense)	1,140,130	1,525	315,338
Increase (decrease) in:			
Accounts receivable	(1,195,080)	(381,238)	(269,649)
Due from other governments	-	-	-
Accounts payable	444,526	973,841	(154,770)
Wages payable	30,258	7,449	34,419
Lease payable	(20,745)	(8,117)	(30,123)
Due to other governments	-	2,208,533	-
Unearned revenue	767,168	(151,985)	-
Accrued compensated absences	2,246	(2,220)	12,643
<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	<b>\$ 8,111,123</b>	<b>\$ 9,966,351</b>	<b>\$ 7,605,848</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>			
Receipt of contributed assets	\$ 5,339,925	\$ 3,498,410	\$ -

The notes to the basic financial statements are an integral part of this statement.

<b>ENTERPRISE FUNDS</b>		<b>Governmental</b>	
<b>Other Non-major</b>		<b>Internal</b>	
<b>Enterprise</b>		<b>Service</b>	
<b>Funds</b>	<b>Total</b>	<b>Funds</b>	
			<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>
\$ (27,577)	\$ 13,150,869	\$ (588,444)	Operating income (loss)
			Adjustments to reconcile operating income to net cash provided (used) by operating activities:
-	8,050,256	336	Depreciation
-	823,913	-	Other non-operating income (expense)
-	(93,442)	-	Other non-operating income (expense)
-	1,456,993	-	Other non-operating income (expense)
-	(1,845,967)	(106,812)	Changes in assets and liabilities:
-	-	-	receivable
			from other governments
27,577	1,291,174	23,925	Increase (decrease) in accounts payable
-	72,126	(41,950)	Increase (decrease) in wages payable
-	(58,985)		Increase (decrease) in lease payable
-	2,208,533	-	to other governments
-	615,183	-	Increase (decrease) in unearned revenue
-	12,669	-	compensated absences
<u>\$ -</u>	<u>\$ 25,683,322</u>	<u>\$ (712,945)</u>	<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>
			<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>
\$ -	\$ 8,838,335	\$ -	Receipt of contributed assets

The notes to the basic financial statements are an integral part of this statement.



# CITY OF FOLSOM, CALIFORNIA

## STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS JUNE 30, 2023

	Other Post Employment Benefits Trust Fund	RDA Successor Private Purpose Trust Fund	Custodial Funds
<b>ASSETS:</b>			
Cash and cash equivalents		\$ 5,766,528	\$ 18,809,834
OPEB Plan Investments:			
Mutual Funds:			
Fixed income securities	\$ 4,386,417		
Domestic equity funds	3,034,369		
International equity funds	912,845		
Real estate partnership	643,963		
Cash equivalents	20,904		
Receivables:			
Accrued interest		23,450	104,182
Loans		1,183,353	
Due from other governments			295,153
Capital assets			
Non-depreciable		133,967	
Depreciable		59,767	
Less: accumulated depreciation		(59,767)	
Restricted assets:			
Cash with fiscal agent			40,127,018
Total assets	8,998,498	7,107,298	59,336,187
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred amount on refunding		6,559,356	
<b>LIABILITIES:</b>			
Accounts payable	20,904	80	7,215,081
Interest payable		588,245	
Long-term liabilities:			
Due within one year		2,405,000	
Due in more than one year		40,916,584	
Total liabilities	20,904	43,909,909	7,215,081
<b>NET POSITION:</b>			
Net position restricted for OPEB benefits	\$ 8,977,594		
Total net position (deficit) held in trust		\$ (30,243,255)	
Restricted for individuals, organizations, and other governments			\$ 52,121,106

The notes to the basic financial statements are an integral part of this statement.

# CITY OF FOLSOM, CALIFORNIA

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	Other Post Employment Benefits Trust Fund	RDA Successor Private Purpose Trust Fund	Custodial Funds
ADDITIONS:			
Tax increment revenues		\$ 3,683,214	
Assessment collections		-	\$ 17,065,508
Mello-Roos Bonds		-	20,658,957
Transportation Fees			5,890,144
Contributions from the City	\$ 5,340,526	-	-
Investment earnings	627,250	133,466	1,381,813
	5,967,776	3,816,680	44,996,423
DEDUCTIONS:			
Benefit payments	4,840,526		
Payments of assessment to bond holders			26,291,068
Expenses	-	375,736	8,290,900
Interest and fiscal charges	-	1,394,805	-
Transfers out	-	-	-
	4,840,526	1,770,541	34,581,967
CHANGE IN NET POSITION	1,127,250	2,046,139	10,414,455
NET POSITION (DEFICIT), BEGINNING OF YEAR	7,850,344	(32,289,394)	41,706,650
NET POSITION (DEFICIT), END OF YEAR	\$ 8,977,594	\$ (30,243,255)	\$ 52,121,106

The notes to the basic financial statements are an integral part of this statement.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS**



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE

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# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity** – The City of Folsom, California (City) was incorporated in 1946 under the general laws of the State of California. The City’s charter was adopted on March 6, 1990. The City operates under a Council-Manager form of government consisting of five elected council members including the mayor and a council appointed City Manager. The City provides the following services as authorized by its charter: public safety (Police and Fire), highways and streets, water, wastewater, solid waste, storm water utility, public improvements, parks and recreation, planning and zoning and general administration.

As required by accounting principles generally accepted in the United States of America these financial statements present the government and its component unit, an entity for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the government’s operations and so financial data from these entities are combined with financial data of the primary government. The blended component unit has a year-end of June 30.

#### **Blended Component Units**

In order to facilitate the financing of public improvements, as well as other facilities and improvements which will be funded through the issuance of tax exempt bonds, the City Council established two joint powers authorities. One with the Folsom Redevelopment Agency (RDA), known as the **Folsom Public Financing Authority (FPFA)** on September 19, 1988, and one with the Folsom South of 50 Parking Authority, known as the **Folsom Ranch Financing Authority (FRFA)** on March 10, 2015. They were established pursuant to the provisions of the joint powers laws of the state of California, as set forth in Article 1, Chapter 5, Division 7 of Title 1 of the California Government Code (commencing with Government Code Section 6500). Recent legislative changes required the dissolution of the RDA but it has been determined by legal counsel that the changes do not affect the FPFA and its continued existence and no change in the structure is required.

The FPFA and the FRFA are authorized, but not limited, to issue bonds pursuant to the provisions of the Marks-Roos Local Bond Pooling Act of 1985, as set forth in Article 4, Chapter 5, Division 7, Title 1, of the California Government Code (commencing with Government Code Section 6584) for the purpose of financing facilities and improvements. The FPFA and the FRFA are reported in the City’s fund financial statements as debt service funds. Capital leases between the primary government and blended component units are eliminated. Amounts held for repayment of the local obligation bonds are reported as investments held in trust of the FPFA and FRFA.

The City accounts for the various debt service and capital projects funds resulting from the bonds issued. The long-term borrowing is used to provide the interim financing for accomplishing the purposes described above. The Authority’s primary source of revenue for repayment of the debt, other than loans and advances from the City, are from the assessment of a “special tax” against the property owners within the district and project areas. Collections of the special tax are deposited with the fiscal agent for the debt service of the bonds.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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Separate audited component unit financial statements for the FPFA and FRFA may be obtained from the administration office as follows: Folsom Public Financing Authority or Folsom Ranch Financing Authority of the City of Folsom, 50 Natoma Street, Folsom, CA 95630.

**Fiduciary-type Component Unit** - The **City of Folsom OPEB Trust** is used to account for contributions and investment income restricted to pay medical premium benefits for retired City employees. The investment fund is governed by the City of Folsom Retirement Board of Authority. The Plan's benefit payments are restricted to eligible employees who retired from the City of Folsom eligible for the Other Post-Employment benefits. Contribution provisions are established by the City Council. Eligibility, administration and certain other tasks are the responsibility of the Folsom Retirement Board of Authority.

**Joint Powers Agencies** - The City also has ownership interests in the Northern California Cities Self Insurance Fund (NCCSIF). This entity has not met the component unit criteria stated above, and its financial information is not combined with that of the City, although the City's deposit in this entity has been included in the financial statements as insurance deposits.

**Government-wide and Fund Financial Statements** - The government-wide financial statements (i.e. the statement of net position and statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been eliminated from the government-wide financial statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type* activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements.

### **Measurement Focus, Basis of Accounting and Basis of Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements are met.

Fiduciary funds, however, are unlike other funds as they are used to account for assets that the City holds on behalf of others as their agent. The City reports Custodial funds, which use the

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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economic resources measurement focus, an OPEB Trust fund, and a private-purpose trust fund, which use the economic resources measurement focus. The fiduciary funds use the accrual method of accounting to report assets and liabilities

Revenues are recognized for utility funds based on billings rendered to customers. The City accrues revenues for services provided but not yet billed at the end of a monthly fiscal period.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under this method, revenues are recognized when measurable and available. Taxes (other than sales taxes), interest, and charges for services are accrued when the receipt occurs within sixty days of the end of the accounting period so as to be both measurable and available. Licenses, permits, fines, forfeitures and other revenues are considered to be measurable and available only when cash is received by the City. Sales tax are accrued when their receipt occurs within one-hundred twenty days of the end of the accounting period. Grant revenues are accrued when their receipt occurs within one-hundred eighty days of the end of the accounting period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. Proceeds of general long-term debt and capital leases are reported as other financing sources.

The City reports the following major governmental funds:

The **General Fund** is the primary operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Folsom Housing Special Revenue Fund** is used to account for the restricted or committed revenues and expenditures of a portion of the City's Low-Income Housing activities. Revenues are received from loan repayments, interest earnings and Inclusionary Housing Fees.

The **Folsom Public Financing Authority Debt Service Fund** is used to account for the proceeds of specific revenues that are legally restricted for expenditures for specified purposes, including housing and community development.

The **Folsom Ranch Financing Authority Debt Service Fund** is used to account for the proceeds of specific revenues that are legally restricted for expenditures for specified purposes, including housing and community development.

The **Transportation Improvement Capital Projects Fund** is used to account for long-term major road projects financed from developer mitigation charges and Measure A funding.

The **FPA Capital Improvement Fund** is used to account for general capital facilities, library, municipal services center, police, fire, parks, and trails projects in the Folsom Plan Area financed from the collection of Impact fees.

The City reports the following major enterprise funds:

**Water Enterprise Fund** is used to account for water utility operations of the City.



# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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**Wastewater Enterprise Fund** is used to account for wastewater utility operations of the City.

**Solid Waste Enterprise Fund** is used to account for solid waste utility operations of the City. Additionally, the City reports the following fund types:

**Internal Service Funds**, made up of the Equipment Replacement, Risk Management Compensated Leaves funds, are used to account for replacement of general governmental equipment and administration of employee benefits.

**Fiduciary Funds:** Custodial funds account for assets held in custodial funds by the City as an agent for various bonded assessment districts. The Private Purpose Trust fund is for reporting activity of the Redevelopment Successor Private Purpose Trust Fund. The OPEB Trust Fund is used to account for Other Post-Employment Benefits.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are exchange or exchange-like transactions between functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenue. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principle operating revenues of the City's enterprise funds and internal service funds are charges to customers or other funds for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

### **Budgetary Data**

The City's annual budget is adopted by the City Council on or before the last working day of the last month of the fiscal year on a basis consistent with U.S. generally accepted accounting principles. If the City Council fails to adopt the budget by this date the budget proposed by the City Manager shall be deemed adopted. The City Manager may transfer monies between departments and divisions, and programs and accounts within departments and divisions, but only the Council by resolution may transfer monies between funds and from un-appropriated balances or fund balances to any fund or appropriation account. The level of control (i.e., the level at which expenditures may not legally exceed appropriation) is the fund. All appropriations remaining at year-end lapse, except purchases in progress, open project appropriations and unexpended grant appropriations.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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Budget information is adopted on an annual basis for the General Fund, special revenue funds and debt service funds. The budget is adopted on a project length basis for capital projects funds. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- A. Department Heads prepare a budget request based upon the previous year's expenditures.
- B. Meetings are held between the Department Heads, Chief Financial Officer, and the City Manager for the purpose of reviewing and prioritizing budget requests.
- C. The City Manager submits the proposed city budget to the City Council, who makes decisions regarding department budgets.
- D. Transfers between funds and changes in the total budget must be approved by the City Council.

### Financial Statement Elements

**Cash, Cash Equivalents and Investments** – City investments are recorded at fair value, in accordance with generally accepted accounting principles. The City pools cash resources from all funds in order to facilitate the management of cash and achieve the goal of obtaining the highest yield with the greatest safety and least risk. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms.

The City participates in an external investment pool managed by the State of California titled California Local Agency Investment Fund (LAIF), established under California State Statute, which has invested a portion of the pool funds in Structured Notes and Asset-Backed Securities. LAIF is not registered with the Securities and Exchange Commission. LAIF falls under the regulatory oversight of the State of California. Based on information obtained from the State of California, the investment in LAIF has been recorded at fair value.

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of 90 days or less to be cash and cash equivalents. Cash and cash equivalents include: LAIF, demand deposits, short-term highly liquid investments including Treasury bills, commercial paper, certificates of deposit, money market funds, and cash management pools. Cash held with fiscal agents with a maturity of three months or greater are not included as cash and cash equivalents.

In accordance with generally accepted accounting principles, certain disclosure requirements, if applicable, for Deposits and Investment Risks are specified in the following areas:

- Interest Rate Risk
- Credit Risk
- Custodial Credit Risk
- Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**Property Taxes** - Article XIII of the California Constitution (Proposition 13) limits ad valorem taxes on real property to one percent of value plus taxes necessary to pay indebtedness approved by voters prior to July 1, 1978. The Article also established the 1975/76 assessed valuation as the base and limits annual increases to the cost of living, not to exceed two percent, for each year thereafter. Property may also be reassessed to full market value after sale, transfer of ownership, or completion of new construction. The State is prohibited under the Article from imposing new ad valorem, sales, or transactions taxes on real property. Local government may impose special taxes (except on real property) with the approval of two-thirds of the qualified electors. Property taxes are receivable and recorded in the fiscal year for which the tax is levied. Revenue is recognized when measurable and available. Property taxes collected in advance are recorded as deferred revenue and recognized in the year they become available. The County of Sacramento levies, bills and collects property taxes for the City. Property taxes paid to the City by the County within 60 days after the end of the fiscal year are "available" and are, therefore, recognized as revenue.

Secured and unsecured property taxes are levied based on the assessed value as of March 1, the lien date, of the preceding fiscal year. Secured property tax is levied on September 30 and due in two installments, on November 1 and February 1. Collection dates are December 10 and April 10, which are also the delinquent dates.

**Receivables and Payables** – Taxes (other than sales taxes) related to the current fiscal year are accrued as revenue and accounts receivable and considered available if received within sixty days of year-end. Federal and State grants are considered receivable and accrued as revenue when reimbursable costs are incurred under the accrual basis of accounting in the government-wide statement of net position. Loans receivable represent lending to support low and moderate income housing units. The amount recognized as revenue under the modified accrual basis is limited to the amount that is deemed measurable and collectible.

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a reservation of fund balance for noncurrent assets in governmental funds to indicate they do not constitute resources available for appropriation.

**Inventories**– General fund inventories are recorded as expenditures when consumed rather than when purchased. These inventories are valued at average cost using the first-in first-out method. Inventories, as reported in the fund financial statements, are offset by a nonspendable fund balance to indicate they do not constitute resources available for appropriation.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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**Insurance deposits** – Amounts advanced by the City to the insurance joint powers authority to provide for payment of claims within the City’s self-insured retention layer (“banking layer”) are accounted for using the deposit method and are reported as insurance deposits in the City’s risk management fund to the extent that cumulative payments to the pool are more than cumulative paid and unpaid claims. To the extent that cumulative payments to the pool are less than required to pay cumulative paid and unpaid claims, the City would report an outstanding claim liability. These advances are refundable to the extent that outstanding claims and expenses under the terms of its contract have been satisfied.

**Land held for resale** – Represents land acquired by the Folsom Housing Special Revenue Fund for low and moderate income housing. The asset is valued at net realizable value.

**Restricted Assets** - Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. In addition, funds have been restricted for future facilities augmentation costs.

**Investments Held in Trust** - Represent the investments held for repayment of special assessment district’s debt.

**Capital Assets** – Capital assets, which include land, buildings, improvements, equipment, infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) and intangible assets (e.g. easements), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. The City defines capital assets, as assets with an initial, individual cost of more than \$5,000. Capital assets are recorded at historical cost. Donated or contributed assets are recorded at their acquisition value.

The costs of normal maintenance and repairs that do not add value to the asset or materially extend assets lives are not capitalized.

Costs of assets sold or retired (and related amounts of accumulated depreciation) are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement of the related fund. In governmental funds, the sale of general capital assets is included in the statement of revenues, expenditures and changes in fund balances as proceeds from sale.

Capital assets are depreciated using the straight-line method over the following useful lives:

	<u>Years</u>
Specialty equipment and vehicles	3-20
Computer and office equipment	3-7
Construction equipment	10-20
Buildings, facilities and improvements	10-40
Roads (surface only)	10-20
Utility underground systems	33-40
Bridges	30-50
Software	3-7
Easements (includes land underneath roadways)	Indefinite
Land	Indefinite

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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**Compensated Absences** – Compensated absences are recorded in accordance with GAAP. Only vested or accumulated compensated absences that are expected to be due or mature are reported as an expenditure and fund liability of the governmental fund that will pay it. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Amounts of vested or accumulated compensated absences that are not expected to be liquidated with expendable available financial resources are reported in the governmental activities of the Government-Wide Financial Statement. Vested or accumulated compensated absences of proprietary funds are recorded as an expense and liability of those funds as the benefits accrue to employees.

All employees currently earn a combined annual leave in lieu of vacation and sick leave, in an amount determined by their representing labor group or contract. Management employees receive ten days of management leave annually, which does not carry over. Overtime may be accrued by non-management employees as compensatory time. Some employees retain sick leave banks earned prior to the annual leave implementation. It is City policy that an employee may carry over accrued vacation and sick leave into the following calendar year. Upon termination, employees are entitled to a lump-sum payment for accrued annual leave hours and compensatory time.

Sick leave is deemed to be vested upon minimum PERS retirement age. Accumulated vested sick leave is paid according to the Memorandum of Understanding covering each employee. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Long-term Obligations** - In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of bond premium or discount. Bond issuance costs, other than prepaid insurance, are expensed in the year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**Deferred Outflows/Inflows of Resources** – In addition to assets, the statement of net position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. One is the deferred outflow related to pensions reported in the Statement of Net Position - Governmental Activities and Business-type activities, described in detail in Note 13. Second is the deferred amount on refunding reported in the Statement of Net Position - Proprietary Funds. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The City has three items that qualify for reporting in this category. The first one is deferred inflow related to pensions reported in the Statement of Net Position - Governmental Activities and Business-type activities, described in detail in Note 13. The second is a deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The last one is deferred inflows related to OPEB reported in the Statement of Net Position - Governmental Activities and Business-type activities, described in detail in Note 14.

**Encumbrances** – Encumbrance accounting, under which purchase orders, and other commitments for the expenditure of funds are recorded in order to reserve that portion of fund balance, is employed in the governmental fund types. Encumbrances are reported as assigned, restricted, or committed fund balance since they do not constitute expenditures or liabilities.

**Fund Equity** – The City has established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The City established the following classifications and definitions of fund balance:

**Nonspendable** – Resources that cannot be spent because they are not in an expendable form (e.g. prepaid asset, inventory) or must be maintained intact (e.g. endowment principal).

**Restricted** – Resources that are constrained to specific purposes by an external provider (e.g. grantors, contributors, governmental laws and regulations) or by constitutional provisions or enabling legislation.

**Committed** – Resources with self-imposed limitations, evidenced by the City's formal action (ordinance), and require both the approval of the highest level of decision making authority (City council) and the same formal action to remove or modify the limitations. Includes legally enforceable multi-year contracts not yet spent and specific agreements approved but not yet executed.

**Assigned** – Resources with self-imposed limitations but do not require approval by the highest level of decision making authority or the same level of formal action to remove or modify limitations. This responsibility has been delegated to the Finance Director/CFO by the City Council.

**Unassigned** – Resources that cannot be reported in any other classification. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The City's spending priority is to spend restricted fund balance first, followed by committed, assigned and unassigned fund balance.

Refer to Note 12 for additional details regarding the City's classification of fund balance.

**Use of Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Pensions** – For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City’s California Public Employees’ Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Postemployment Benefits Other Than Pensions (OPEB)** – For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City of Folsom Retiree Health Plan and additions to/deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis. For this purpose, benefits payments are recognized currently due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

### **Effect of New Governmental Accounting Standards Board (GASB) Pronouncements -**

#### ***Effective in Current Fiscal Year***

GASB Statement 91, Conduit Debt Obligations – The objective of this statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this statement did not apply to the City for the current fiscal year.

GASB Statement 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements – The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The requirements of this statement did not apply to the City for the current year.

GASB Statement No. 92, Omnibus 2020 - The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this statement did not apply to the City for the current fiscal year.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements – The objective of this statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for the City’s year ending June 30, 2023.

### 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments totaled \$478,985,612 as of June 30, 2023, for the primary government and fiduciary funds. Each fund's portion of this total is reflected in the balance sheet accounts entitled Cash and cash equivalents, cash with fiscal agent, investments held in trust, restricted cash and cash equivalents and restricted cash with fiscal agent. The City maintains a cash and investment pool that is available for use by all funds. Each fund’s portion of the pool is displayed on the balance sheet (governmental funds) and the statement of net position (proprietary funds and fiduciary funds) as “cash and investments or cash equivalents”

Total City deposits and investments at fair value as of June 30, 2023 are reported below and on the following page:

	Governmental Activities	Business-Type Activities	Total	Fiduciary Funds Statements of Net Position	Total
Cash, cash equivalents and investments	\$ 176,781,373	\$ 69,154,104	\$ 245,935,477	\$ 24,576,362	\$ 270,511,839
Investments held in trust	158,788,954	-	158,788,954	-	158,788,954
OPEB Plan Investments	-	-	-	8,998,498	8,998,498
Restricted cash and investments	558,508	795	559,303	40,127,018	40,686,321
	<u>\$ 336,128,835</u>	<u>\$ 69,154,899</u>	<u>\$ 405,283,734</u>	<u>\$ 73,701,878</u>	<u>\$ 478,985,612</u>



# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

	Fair Value
<b>City treasury deposits:</b>	
Deposits	\$ 5,302,834
Petty cash	7,477
	5,310,311
<b>Total city treasury deposits:</b>	5,310,311
<b>City treasury investments</b>	
Certificate of Deposit	16,132,816
Commercial Paper	31,965,025
Corporate Notes (Bank of America)	1,747,500
Corporate Notes (Bank of America)	1,886,000
Corporate Notes (Bank of Montrel)	1,809,200
Corporate Notes (Bank of Montrel)	2,605,440
Corporate Notes (Barclays)	1,978,600
Corporate Notes (Citigroup)	1,959,200
Corporate Notes (Inter-American)	991,590
Corporate Notes (Intl Finance Corp)	1,943,040
Corporate Notes (JP Morgan)	937,290
Corporate Notes (Morgan Stanley)	985,270
Corporate Notes (Morgan Stanley)	1,241,932
Corporate Notes (Pacific Life GF II)	1,367,805
Corporate Notes (Royal Bank of Canda)	2,926,200
Corporate Notes (State Street Corp)	992,390
Federal Farm Credit Bank (FFCB)	18,603,010
Federal Home Loan Bank (FHLB)	35,952,856
Federal Home Loan Mortgage (FHLMC)	14,822,650
Federal National Mortgage (FNMA)	5,802,620
US Treasury Note	3,907,740
Local Agency Investment Fund (LAIF)	19,728,039
California Class	28,217,642
Money market mutual funds (WF)	7,966,324
Municipal obligations (City)	63,781,608
Municipal obligations (FRFA)	127,379,928
Municipal obligations (FPFA)	31,409,025
<b>Total city treasury investments</b>	429,040,741
<b>Cash and investments with fiscal agents</b>	
JPA (CAMP)	211,975
Money Market Mutual Fund	35,424,087
OPEB Plan Investments - Mutual Funds	8,998,498
	44,634,560
<b>Total cash and investments with fiscal agents</b>	44,634,560
<b>Total investments</b>	473,675,301
<b>Total cash and investments</b>	\$ 478,985,612

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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**Cash Deposits** – At June 30, 2023, the recorded amount of the City’s deposits was \$5,302,834 and the bank balance was \$5,388,630. As of June 30, 2023, the City’s deposits with financial institutions in excess of federal depository insurance limits was held in uncollateralized accounts.

The California Government Code requires California banks and savings and loan associations to secure the City’s cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus collateral for cash deposits is considered to be held in the City’s name. The market value of pledged governmental securities must equal at least 110% of the City’s cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City’s total cash deposits. The City has waived collateral requirements for cash deposits that are fully insured up to \$250,000 by the FDIC.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on a monthly basis to the various funds based on month-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

### **Investments**

The table below identifies the investment types that are authorized for the City by California Government Code Section 53601 (or the City’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City’s investment policy.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of portfolio *	Maximum Investment in One issuer
Local Agency Investment Fund (LAIF)	N/A	100%	\$75m per account
Bonds Issued by the City	5 years	100%	None
U.S. Treasury Bills, Notes and Bonds	5 years	100%	None
Registered State Warrants, Treasury Notes or Bonds of the State	5 years	100%	None
Bonds, Notes or Warrants of any Local Agency within the State	5 years	100%	None
Federal Agency Securities or U.S. Government Sponsored Enterprise Obligations	5 years	100%	None
Supranational Obligations	5 years	30%	None
Bankers Acceptances	180 days	40%	30%
Commercial Paper	270 days	40%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Non-negotiable Certificates of Deposit	5 years	100%	None
Placement Service Deposits and Certificates of Deposit	5 years	50%	None
Repurchase agreements	1 year	100%	None
Reverse Repurchase agreements	92 days	20%	None
Medium Term Notes	5 years	30%	None
Mutual Funds and Money Market Mutual Funds	N/A	20%	None
Mortgage Backed or Consumer Pass-through Securities	5 years	20%	None
Shares of Beneficiary Interest issued by a JPA	N/A	100%	None
Collateralized Bank Deposits	5 years	100%	None
Bank/Time Deposits	5 years	100%	None
Pooled Investment Funds	N/A	100%	None
Public Bank Obligations	5 years	100%	None
Voluntary Investment Program Fund	N/A	100%	None

\* Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

**Investments Authorized by Debt Agreements** - Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Entity's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of portfolio	Maximum Investment in One issuer	Revenue Bonds										BTA			
				2012 FPFA ST REF BONDS					2017 FPFA ST REF BONDS					2019 Water	2021 Water	2016 RDA	
				2015 FRFA (CFD 17)	2016 FRFA (CFD 18)	2017 FRFA (CFD 19)	2018 FRFA (CFD 20)	2019 FRFA (CFD 21)	2020 FRFA (CFD 23 IA1)	2021 FRFA (CFD 21)	2022 FRFA (CFD 23 IA1)						
U.S. Treasury Obligations	None	None	None	x	x	x	x	x	x	x	x	x	x	x	x	x	x
U.S. Agency Securities	None	None	None	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Banker's Acceptances	360 days	None	None	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Commercial paper	270 days	None	None	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Money market mutual funds	N/A	None	None	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Municipal obligations	None	None	None	x	x	n/a	n/a	n/a	n/a	n/a	x	x	x	n/a	n/a	x	x
Pre-refunded municipal obligations	None	None	None	n/a	n/a	n/a	n/a	n/a	n/a	n/a	x	n/a	n/a	n/a	x	n/a	n/a
State obligations	None	None	None	x	x	n/a	n/a	n/a	x	x	x	x	x	x	x	x	n/a
Investment agreements - *	None	None	None	x	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	x	x	x	x
California Asset Management Program (CAMP)	None	None	None	n/a	n/a	x	x	x	x	x	x	n/a	x	x	x	x	n/a
Local Agency Investment Fund (LAIF)	None	None	None	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Other *, *1	None	None	None	n/a	n/a	x	x	x	x	x	x	n/a	x	x	n/a	x	x
Cash (insured at all times by FDIC)	None	None	None	x	x	x	x	x	x	x	x	x	x	n/a	n/a	n/a	n/a
Deposit Accounts (FDIC Insured) *3	None	None	None	x	x	x	x	x	x	x	x	x	x	n/a	n/a	x	x
Certificates of deposit	None	None	None	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

\* With notice to Standard & Poor's and/or approved in writing by the Bond Insurer and supported by opinions of counsel.

\*1 including repurchase agreements

\*2 No securities may be purchased on margin, adequate monies to meet cash flow requirements, and no more than 50% of City's total cash be invested for longer than one year.

\*3 In Banks which have capital and surplus of at least \$10,000,000.

**Interest Rate Risk** – As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy requires that at least 50 percent of the City's investment portfolio mature in less than one year. An additional limitation is that investments with a maturity of more than five years must be specifically authorized by the City Council as required by government code. One of the ways that the City of Folsom manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion is maturing or coming close to maturing evenly over time as necessary to provide cash flow and liquidity needed for operations. At June 30, 2023, the City Treasury had the following investment maturities:

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

### City Treasury

Investment Type	Fair Value	Investment Maturities (In Years)							
		Less than 1	1 to 2	2 to 3	3 to 4	4 to 5	5 to 10	10 to 15	More than 15
Certificate of Deposit	\$ 16,132,816	\$ 2,443,659	\$ 3,806,297	\$ 3,348,119	\$ 2,510,953	\$ 4,023,788	\$ -	\$ -	\$ -
Commercial Paper	31,965,025	31,965,025	-	-	-	-	-	-	-
Corporate Notes	102,460,333	44,571,930	19,475,555	21,116,123	12,115,273	5,181,452	-	-	-
California Class	28,217,642	28,217,642	-	-	-	-	-	-	-
LAIF	19,728,039	19,728,039	-	-	-	-	-	-	-
Money Market Mutual Funds	7,966,324	7,966,324	-	-	-	-	-	-	-
Municipal Obligations (City)	63,781,608	10,806,496	12,493,578	14,978,953	13,168,487	12,334,094	-	-	-
Municipal Obligations (FRFA)	127,379,928	720,437	894,439	1,235,315	874,481	3,068,929	10,582,489	18,599,673	91,404,166
Municipal Obligations (FPFA)	31,409,025	74,924	-	-	-	-	31,334,101	-	-
<b>Total</b>	<b>\$ 429,040,741</b>	<b>\$ 146,494,477</b>	<b>\$ 36,669,868</b>	<b>\$ 40,678,509</b>	<b>\$ 28,669,195</b>	<b>\$ 24,608,264</b>	<b>\$ 41,916,590</b>	<b>\$ 18,599,673</b>	<b>\$ 91,404,166</b>

### Fiscal Agent

Investment Type									
JPA (CAMP)	\$ 211,975	\$ 211,975	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Money Market Mutual Fund	35,424,087	35,424,087	-	-	-	-	-	-	-
OPEB Plan Assets - Mutual Funds	8,998,498	8,998,498	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 44,634,560</b>	<b>\$ 44,634,560</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Grand Total</b>	<b>\$ 473,675,301</b>	<b>\$ 191,129,036</b>	<b>\$ 36,669,868</b>	<b>\$ 40,678,509</b>	<b>\$ 28,669,195</b>	<b>\$ 24,608,264</b>	<b>\$ 41,916,590</b>	<b>\$ 18,599,673</b>	<b>\$ 91,404,166</b>

**Credit Risk** - Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSRO's). It is in the City's policy to limit its investments in these investment types to an "A" rating or higher issued by NRSRO's, including raters Standard & Poor's, and Moody's Investors Services. At June 30, 2023, the City's credit risks, expressed on a percentage basis, are as follows:

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

Credit Quality Distribution for Securities with Credit Exposure as Percentage of Total Investments

Investment Type	Moody's Credit Rating	S & P's Rating	% of Investments
Certificate of Deposit	Not rated	Not rated	2.50%
Commercial Paper	P1	A1 to A1+	8.77%
Corporate Notes (Bank of America)	A2	A-	0.51%
Corporate Notes (Bank of America)	A2	A-	0.51%
Corporate Notes (Bank of Montreal)	A2	Not rated	0.51%
Corporate Notes (Bank of Montreal)	A2	Not rated	0.51%
Corporate Notes (Bank of New York Mellon)	A1	A	0.25%
Corporate Notes (Barclays)	A1	A	0.51%
Corporate Notes (Intl Finance Corp)	Aaa	AAA	0.50%
Corporate Notes (Pacific Life GF II)	Aa3	AA-	0.38%
Corporate Notes (PNC Bank)	A3	A-	0.51%
Corporate Notes (Royal Bank of Canada)	Aa1	AA-	0.76%
Corporate Notes (US Bank of Cincinnati)	A1	AA-	0.63%
Corporate Notes (Wells Fargo & Co.)	A1	BBB+	0.25%
Federal Farm Credit Bank (FFCB)	Aaa	AA+	2.26%
Federal Home Loan Bank (FHLB)	Aaa	AA+	4.00%
Federal Home Loan Mortgage (FHLMC)	Aaa	AA+	1.38%
Federal National Mortgage (FNMA)	Aaa	AA+	0.47%
US Treasury Note	Aaa	AA+	0.50%
Local Agency Investment Fund (LAIF)	Not rated	Not rated	17.28%
Money market mutual funds (WF)	Aaa-mf	AAAm	7.61%
Municipal obligations (City)	Aaa to A11	AAA to A-	13.28%
Municipal Obligations (FRFA)	Not rated	Not rated	26.83%
Municipal Obligations (FPFA)	Not rated	Not rated	9.26%
JPA (CAMP)	Not rated	AAAm	0.05%
1) Not all series rated			100.0%

**Concentration of Credit Risk** – The California Government Code and the investment policy of the City contains limitations on the amount that can be invested in any one issuer. To mitigate credit risk in the investment portfolio, the City diversifies investments by security type and issuer. With the exception of U.S. Treasury securities, the Local Agency Investment Fund and bonds issued by the City, no more than 50% of the City's total investment portfolio can be invested in a single security type or with a single issuer.

As of June 30, 2023, investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of **total entity investments** are as follows:

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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Issuer	Investment Type	Amount
Mangini - CFD 19	Municipal Obligations	\$ 28,843,285
Empire Ranch - CFD 10	Municipal Obligations	21,250,088
CFD 19 Series 19	Municipal Obligations	14,132,653
Russell Ranch - CFD 20	Municipal Obligations	13,427,332
CFD 23 IA1 - Series 22	Municipal Obligations	12,156,978
CFD 23 IA1 - Series 20	Municipal Obligations	11,743,941
CFD 20 - Series 22	Municipal Obligations	11,655,052
CFD 21 Series 21	Municipal Obligations	10,825,856
Empire Ranch - CFD 14	Municipal Obligations	10,084,014
WRSR - CFD 21	Municipal Obligations	9,948,981
CFD 23 IA3 - Series 22	Municipal Obligations	8,946,070

**Investments in Local Agency Investment Funds** - The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in the pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized costs of that portfolio, as calculated monthly). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The City's investment in LAIF included a portion of the pool funds invested in collateralized mortgage obligations, mortgage backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. These investments included the following:

Structured Notes are debt securities (other than asset backed securities) whose cash flow characteristics (coupon rate, redemption amount or state maturity) depend on one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2023, the City had \$19,728,039 invested in LAIF, which had invested 2.78% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 1.88% in the previous year. The LAIF fair value factor of .984828499 was used to calculate the fair value of the investments in LAIF.

**Investments in CAMP** - The City is a voluntary participant in the California Asset Management Program (CAMP). Oversight of CAMP is provided by a Board of Trustees, which consists of seven trustees. The trustees are appointed to the Board of Trustees from members of the governing body, officers, or full-time employees of a public agency that is a participant in the trust and approved annually by the participants. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by CAMP for the entire CAMP portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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accounting records maintained by CAMP, which are recorded on an amortized cost basis. Information regarding the amount of dollars invested in derivatives by CAMP was not available

**Fair Value Measurements** – Statement No. 72 of the Government Accounting Standards Board (“GASB”) *Fair Value Measurements and Application*, sets the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB 72 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the City’s own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the City’s own data.

The asset’s level with the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The determination of what constitutes observable requires judgment by the City’s management. City management considers observable data to be that market data which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City management’s perceived risk of that investment.

Deposits and withdrawals in governmental investment pools, such as LAIF are made on the basis of \$1 and not fair value. Accordingly, the City’s proportionate share in these types of investments is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

The following is a description of the valuation methods and assumptions used by the City to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at June 30, 2023. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. City management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.



# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy. The City's Level 1 investments primarily consist of investments in U.S. Treasury Notes. When quoted prices in active markets are not available, fair values are based on evaluated prices received from the City's Custodian of Assets, Trustee or Fiscal Agent.

For investments classified within Level 2 of the fair value hierarchy, the City's custodians generally use a multidimensional relational model. Inputs to their pricing models are based on observable inputs in active markets. The inputs to the pricing models are typically benchmark yields, reported trades, broker-dealer quotes, issuer spreads, and benchmark securities, among others.

The City's Level 3 investments primarily consist of debt investments, valued using the income approach to measuring fair value. This approach converts future amounts to a single current amount using a discounted cash flow.

As of June 30, 2023, the City has the following recurring fair value measurements:

Investments by Fair Value Level	Balance at June 30, 2023	Fair Value Measurements on a Recurring Basis Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>City Pooled Investments</b>				
Certificate of Deposit	\$ 16,132,816	\$ -	\$ 16,132,816	\$ -
Commercial Paper	31,965,025	-	31,965,025	-
Corporate Notes	23,371,457	-	23,371,457	-
Municipal Obligations (City)	63,781,608	-	63,781,608	-
Municipal Obligations (FRFA)	127,379,928	-	-	127,379,928
Municipal Obligations (FPFA)	31,409,025	-	-	31,409,025
Federal Farm Credit Bank (FFCB)	18,603,010	-	18,603,010	-
Federal Home Loan Bank (FHLB)	35,952,856	-	35,952,856	-
Federal Home Loan Mortgage (FHLMC)	14,822,650	-	14,822,650	-
Federal National Mortgage (FNMA)	5,802,620	-	5,802,620	-
US Treasury Note	3,907,740	-	3,907,740	-
<b>Investments Not Measured at Fair Value or Subject to Fair Value Hierarchy</b>				
Local Agency Investment Funds	19,728,039			
California Class	28,217,642			
Money Market Mutual Funds	7,966,324			
Total Investments Not Measured at Fair Value or Subject to Fair Value Hierarchy	55,912,005			
<b>Total City's Pooled Investments</b>	<b>429,040,741</b>			
<b>Investments Held with Fiscal Agent Not Measured at Fair Value</b>				
JPA (CAMP)	211,975			
Money Market Mutual Funds	35,424,087			
<b>Investments Held with Fiscal Agent by Fair Value Level</b>				
OPEB Plan Investments - Mutual Funds	8,998,498	-	8,998,498	-
<b>Total Investments Held with Fiscal Agents</b>	<b>44,634,560</b>			
<b>Total Investments</b>	<b>\$ 473,675,301</b>	<b>-</b>	<b>\$ 223,338,281</b>	<b>158,788,954</b>

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

### 3. RECEIVABLES

Receivables as of June 30, 2023, consist of the following:

<b>Governmental Activities</b>	General	Folsom Housing Special Revenue Fund	Folsom Public Financing Authority Debt Service Fund Fund	Transportation Improvement Capital Projects Fund	FSPA Capital Improvement	Other Governmental Funds	Internal Service Funds	Total
	Receivables, net							
General accounts	\$ 8,846,776	\$ 258	\$ -	\$ 1,331,060	\$ 138,382	\$ 845,209	\$ 131,344	\$ 11,293,029
Lease	9,407,267	-	-	-	-	-	-	9,407,267
Interest	179,319	43,735	3,721	113,873	-	497,496	33,097	871,241
Long-term loans	-	30,574,820	-	-	-	4,729,174	-	35,303,994
<b>Total</b>	<b>\$ 18,433,362</b>	<b>\$ 30,618,813</b>	<b>\$ 3,721</b>	<b>\$ 1,444,933</b>	<b>\$ 138,382</b>	<b>\$ 6,071,879</b>	<b>\$ 164,441</b>	<b>\$ 56,875,531</b>

<b>Business-Type Activities</b>	Water	Wastewater	Solid Waste	Other Enterprise	Total
	Receivables, net				
General accounts	\$ 1,819,519	\$ 108,545	\$ 49,244	\$ -	\$ 1,977,308
Utilities	3,349,995	1,588,645	578,073	-	5,516,713
Interest	164,255	119,878	77,079	1,331	362,543
<b>Total</b>	<b>\$ 5,333,769</b>	<b>\$ 1,817,068</b>	<b>\$ 704,396</b>	<b>\$ 1,331</b>	<b>\$ 7,856,564</b>

Long Term Loans and Lease receivables are not expected to be collected within one year.

### 4. INTERFUND RECEIVABLES/PAYABLES

Interfund receivables and payables are as follows at June 30, 2023:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Humbug Willow Creek Special Revenue*	\$ 119,948
General Fund	Fire Capital Improvement*	164,804
General Fund	Compensated Leaves**	344,718
		<b>\$ 629,470</b>

\* Non-major governmental fund

\*\* Internal Service Fund

All balances reported as “due to/due from” are short-term loans to cover temporary cash shortages as of June 30, 2023, and will be repaid in early fiscal year 2024.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

### 5. TRANSFERS

Transfers report the nonreciprocal contribution from one fund to another. The following is a summary of transfers for the year ended June 30, 2023:

Transfers out	Transfers in		
	General	BTA-Wastewater	Total
Folsom Housing	\$ 115,529	\$ -	\$ 115,529
Transportation Improvement Fund	135,251	-	135,251
FPA Capital Improvement	8,460	-	8,460
Other governmental funds	918,264	-	918,264
Water Enterprise	903,571	-	903,571
Wastewater Enterprise	725,258	-	725,258
Solid Waste Enterprise	1,639,216	-	1,639,216
Other enterprise funds	172	-	172
Internal Service Fund	8,721	101,100	109,821
<b>Total</b>	<b>\$ 4,454,442</b>	<b>\$ 101,100</b>	<b>\$ 4,555,542</b>

During the year various interfund transfers listed above were made to finance expenditures and service debt. Transfers into the City's General fund mostly consisted of: (1) Cost allocation plan \$3.7 million, (2) Salaries and benefits \$4.5k, and (3) Project and capital transfers from Other Governmental funds \$725k.

### 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

Governmental activities:	July 1, 2022	Transfers	Additions	Deletions	Adjustments	June 30, 2023
Capital assets, not being depreciated						
Land	\$ 17,604,606	\$ -	\$ 2,001,341	\$ -	\$ -	\$ 19,605,947
Construction in progress	24,283,554	(32,441,714)	12,313,401	-	-	4,155,242
Total capital assets, not being depreciated	41,888,160	(32,441,714)	14,314,743	-	-	23,761,189
Capital assets, being depreciated:						
Buildings	83,581,660	358,639	963,110	-	-	84,903,409
Improvements	598,687,543	32,083,075	17,869,316	-	-	648,639,935
Equipment	24,664,423	-	2,375,290	(315,730)	-	26,723,982
Total capital assets, being depreciated	706,933,627	32,441,714	21,207,716	(315,730)	-	760,267,326
Less accumulated depreciation for:						
Buildings	(52,223,626)	-	(1,958,161)	-	-	(54,181,788)
Improvements	(292,828,413)	-	(17,534,056)	-	-	(310,362,470)
Equipment	(21,164,132)	-	(1,720,591)	315,730	-	(22,568,993)
Total accumulated depreciation	(366,216,172)	-	(21,212,809)	315,730	-	(387,113,251)
Intangible Asset	501,913	-	-	-	2,988,756	3,490,669
Less Amortization	(145,994)	-	(575,308)	-	-	(721,302)
Total intangible asset with amortization	355,919	-	(575,308)	-	2,988,756	2,769,367
Governmental activities capital assets, net	\$ 382,605,615	\$ -	\$ 13,734,342	\$ -	\$ 2,988,756	\$ 399,684,631

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

Business-type activities:	July 1, 2022	Transfers	Additions	Deletions	June 30, 2023
Capital assets, not being depreciated					
Land	\$ 815,270	\$ -	\$ -	\$ -	\$ 815,270
Construction in progress	7,990,015	(5,401,582)	7,522,523	-	10,110,956
Total capital asset, not being depreciated	8,805,285	(5,401,582)	7,522,523	-	10,926,226
Capital assets, being depreciated:					
Buildings	528,554	-	-	-	528,554
Improvements	264,645,164	5,401,582	8,838,335	-	278,885,081
Equipment	21,573,845	-	3,209,639	(190,060)	24,593,424
Total capital assets, being depreciated	286,747,562	5,401,582	12,047,974	(190,060)	304,007,059
Less accumulated depreciation for:					
Buildings	(99,234)	-	(29,313)	-	(128,546)
Improvements	(102,373,475)	-	(6,594,900)	-	(108,968,374)
Equipment	(16,849,972)	-	(1,367,058)	190,060	(18,026,970)
Total accumulated depreciation	(119,322,681)	-	(7,991,270)	190,060	(127,123,891)
Intangible Asset	210,501	-	-	-	210,501
Less Amortization	(57,670)	-	(58,985)	-	(116,655)
Total intangible asset with amortization	152,831	-	(58,985)	-	93,846
Business-type activities capital assets, net	\$ 176,230,167	\$ -	\$ 11,520,242	\$ -	\$ 187,903,240

Depreciation expense was charged to functions/programs of the City as follows:

<b>Governmental activities:</b>	
General government	\$ 651,145
Public safety	1,713,250
Public works	15,664,265
Community Services	-
Culture and recreation	3,759,122
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of assets	335
Total depreciation expense - governmental activities	<u>\$ 21,788,117</u>
<b>Business-type activities:</b>	
Water	\$ 4,770,809
Wastewater	2,271,873
Solid waste	1,007,573
Other enterprise funds	-
Total depreciation expense - business-type activities	<u>\$ 8,050,255</u>

The current year increase in Capital Contributions is due to a significant amount of development activity, primarily in the Folsom Plan Area. Developer Contributions for Sewer, Water, Streets, Drainage accepted by the City were \$3,498,410, \$5,339,925, \$7,792,957, and \$4,179,165 respectively.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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### Intangible Assets -

In FY 2022, the City implemented GASB No. 87, Leases, and recognized the value of copiers leased and two modular building units leased for the Corp Yard and the Street Maintenance Division. In FY 2023, the City implemented GASB 96, Subscriptions, and recognized the value of subscription services with Axon which provides services for Police and Microsoft for Information Technology subscription.

As of June 30, 2023, the City has a subscription agreement with Microsoft. The subscription was entered into on September 30, 2021 and will continue through September 2024. The City has an option to extend for an additional three years after the initial agreement which the City has decided to do. The intangible asset is being amortized over 5 years, the term of the current lease. Terms of this lease are described in Note 8.

As of June 30, 2023, the City has a subscription agreement with Axon. The subscription was entered into on August 4, 2021 and will continue through July 2025. The City has an option to extend for an additional five years after the initial agreement which the City will most likely decided to do. The intangible asset is being amortized over 5 years, the term of the current lease. Terms of this lease are described in Note 8.

As of June 30, 2023, the City had one lease agreement for copiers. The lease was entered into on September 24, 2019 and will continue through September 2024. The City will wait until a later time to determine if it plans on renewing the lease. The intangible asset is being amortized over 5 years, the term of the current lease. Terms of this lease are described in Note 7.

As of June 30, 2023, the City had leased a modular building unit for the Corp Yard. The lease was entered into on August 1, 2019 with a commencement date of November 1, 2019 once the unit was delivered and will continue until November 2024. The City will wait until a later time to determine if it plans on renewing the lease. The intangible asset is being amortized over 5 years, the term of the current lease. Terms of this lease are described in Note 7.

As of June 30, 2023, the City had leased a modular building unit for the Streets Maintenance Division. The lease was entered into on October 15, 2017 and was amended on March 29, 2019 and will continue until December 31, 2024. The City will wait until a later time to determine if it plans on renewing the lease. The intangible asset is being amortized over 5 years, the term of the current lease. Terms of this lease are described in Note 7.

## 7. LEASES

### Leases Payable

**Modular 64\*48 Unit-** In August 2019, the City entered into a five-year Lease Agreement as lessee for the use of a 64\*48 Modular Building Unit. An initial lease liability was recorded in the amount of \$85,651. As of June 30, 2023, the value of the lease liability is \$44,396. The City is required to make monthly principal and interest payments of \$1,888. The lease has an interest rate of 3.25%. The value of the right to use asset as of June 30, 2022 of \$42,151 with accumulated amortization of \$41,254 is included in the intangible assets on the Business-type activities table found in note 6 above.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

**Modular 24\*60 Unit-** In October 2017, the City entered into a five-year Lease Agreement as lessee for the use of a 24\*60 Modular Building Unit. In March 2019, an amendment was made to the original lease, extending the lease until December 31, 2024. An initial lease liability was recorded in the amount of \$93,178. As of June 30, 2023, the value of the lease liability is \$44,621. The City is required to make monthly principal and interest payments of \$2,202. The lease has an interest rate of 3.25%. The value of the right to use asset as of June 30, 2023 of \$48,918 with accumulated amortization of \$48,557 is included in the intangible assets on the Governmental activities table found in note 6 above.

**Copiers-** In September 2019, the City entered into a five-year Lease Agreement as lessee for the use of various copiers. An initial lease liability was recorded in the amount of \$533,585. As of June 30, 2023, the value of the lease liability is \$211,339. The City is required to make monthly principal and interest payments of \$14,396. The lease has an interest rate of 3.25%. The value of the right to use asset as of June 30, 2023 of \$322,246 with accumulated amortization of \$322,246 is included in the intangible assets on the Governmental & Business type activities table found in note 6 above.

The future principal and interest lease payments as of June 30, 2023 are as follows:

Year Ending June 30	Governmental activities		Business-type activities	
	Principal	Interest	Principal	Interest
2024	\$ 154,535	\$ 4,229	\$ 61,421	\$ 1,657
2025	51,975	601	32,425	763
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
Total	\$ 206,510	\$ 4,830	\$ 93,846	\$ 2,420

### Leases Receivable

#### General Fund

In December 2021, the City entered into a ten-year lease agreement for the use of a city owned building. The city recognized \$174,728 in lease revenue and \$67,072 in interest revenue during the current fiscal year. As of June 30, 2023 the City's lease payment for this lease is \$2,139,966. Also, the City has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources is \$ 2,139,996.

The City has currently entered into a total of ten lease agreements with various telecommunication companies for use of city own land to install Cellular Towers. The initial lease agreements vary between 20-30 years. The city recognized \$182,049 in lease revenue and \$251,961 in interest revenue during the current fiscal year. As of June 30, 2023, the City's receivable for lease payments is \$7,267,271. Also, the City has a deferred inflow of resources

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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associated with these leases that will be recognized as revenue over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources is \$ 7,267,271.

The future revenue payments as of June 30, 2023 are as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 353,221	\$ 279,676	\$ 632,897
2025	417,505	268,899	686,404
2026	448,619	256,184	704,802
2027	485,375	242,527	727,902
2028	467,637	227,758	695,395
2029-2033	2,106,896	929,294	3,036,191
2034-2038	1,477,641	686,889	2,164,531
2039-2043	1,912,157	433,502	2,345,659
2044-2048	1,423,287	1,337,344	2,760,631
2049-2050	314,930	12,754	327,684
Total	\$ 9,407,267	\$ 4,674,827	\$ 14,082,095

## 8. SUBSCRIPTIONS

### Subscription Payable

**Axon-** In August 2021, the City entered into a five-year Subscription Agreement as lessee for the use of a Axon, Evidence, Axon Fleet, Officer Safety Plans, Technology Assurance Plans, and TASER 7 plan. There is an option to extend for an additional five years that the City will likely choose. An initial subscription liability was recorded in the amount of \$1,933,338. As of June 30, 2023, the value of the subscription liability is \$1,675,648. The City is required to make an annual principal and interest payment of \$257,690. The subscription has an interest rate of 4.85%. The accumulated amortization as of June 30, 2023 of \$214,815 is included in the intangible assets on the Governmental activities table found in note 6 above.

**Microsoft-** In September 2021, the City entered into a three-year Subscription Agreement as lessee for the use of a Enterprise 6 Enterprise Enrollment. There is an option to extend for an additional three years. An initial subscription liability was recorded in the amount of \$1,055,418. As of June 30, 2023, the value of the subscription liability is \$823,882. The City is required to make an annual principal and interest payment of \$231,535. The subscription has an interest rate of 4.85. The accumulated amortization as of June 30, 2023 of \$211,084 is included in the intangible assets on the Governmental activities table found in note 6 above.

The future principal and interest subscription payments as of June 30, 2023 are as follows:

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

Year Ending June 30	Governmental activities	
	Principal	Interest
2024	\$ 367,998	\$ 121,227
2025	385,846	103,379
2026	404,559	84,666
2027	424,180	65,045
2028	213,218	44,472
2029-2031	703,730	69,339
Total	\$ 2,499,531	\$ 488,128

### 9. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities for the year ended June 30, 2023:

Governmental activities:	June 30, 2022	Additions	Reductions	June 30, 2023	Amount due within one year
	Revenue bonds	\$ 110,165,000	\$ 20,655,000	\$ (3,865,000)	\$ 126,955,000
Notes from direct borrowings and direct placements	35,220,000	-	(3,145,000)	32,075,000	2,985,000
City Hall & Fire Station Lease Obligation	1,000,748	-	(186,113)	814,635	191,820
Capital lease obligations	250,065	-	(123,294)	126,771	126,771
Compensated absences	4,084,692	4,448,784	(4,289,850)	4,243,626	985,618
Landfill closure liability (Note 16)	-	-	-	-	-
Long-Term loan	-	-	-	-	-
Add: Discounts/premiums, net	8,867,655	(39,146)	(350,590)	8,477,920	-
Governmental activities long-term liabilities	\$ 159,588,160	\$ 25,064,638	\$ (11,959,847)	\$ 172,692,952	\$ 5,299,209

Business-type activities	June 30, 2022	Additions	Reductions	June 30, 2023	Amount due within one year
	Revenue bonds	\$ 6,395,000	\$ -	\$ (810,000)	\$ 5,585,000
Notes from direct borrowings and direct placements	8,473,000	-	(643,000)	7,830,000	654,000
Compensated absences	730,366	992,361	(979,693)	743,034	139,637
Add: Issuance discounts/premiums, net	796,396	-	(113,771)	682,625	-
Business-type activities long-term liabilities	\$ 16,394,762	\$ 992,361	\$ (2,546,464)	\$ 14,840,659	\$ 1,633,637



# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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### Revenue Bonds

#### Governmental Activities:

In September 2015, the Folsom Ranch Financing Authority issued the Folsom Ranch Financing Authority Special Tax Revenue Bonds, Series 2015A in the amount of \$6,675,000 with interest rates of 2.00% to 4.625%. The Series 2015A Special Tax Revenue Serial Bonds mature beginning September 1, 2016 through September 1, 2025 with principal payments ranging from \$125,000 to \$165,000. Term Bond sinking fund requirements begin September 1, 2026 through September 1, 2030 with principal payments ranging from \$170,000 to \$200,000; September 1, 2031 through September 1, 2035 with principal payments ranging from \$210,000 to \$245,000; and September 1, 2036 through September 1, 2045 with principal payments ranging from \$260,000 to \$390,000. The bonds were issued to finance the purchase of special tax bonds (the "Local Obligations") of Community Facilities District No. 17. The purchase price of the Local Obligations was used to finance certain public facilities constituting water facilities, fund a debt service account, and pay certain costs of issuance. The 2015A Special Tax Bonds are eligible for optional redemption on interest payment dates on or after March 1, 2016 at 103% and declining to 100% if called on September 1, 2025 or any interest payment date thereafter. \$ 5,725,000

In August 2017, the Folsom Ranch Financing Authority issued the Folsom Ranch Financing Authority Special Tax Revenue Bonds, Series 2017 in the amount of \$28,530,000 with interest rates of 3.00% to 5.00%. The Special Tax Revenue Term Bond maturing September 1, 2022 has sinking fund requirements that begin September 1, 2019 and go through September 1, 2022 with principal payments ranging from \$135,000 to \$245,000. Future Term Bond sinking fund requirements begin September 1, 2023 through September 1, 2027 with principal payments ranging from \$285,000 to \$490,000; September 1, 2028 through September 1, 2032 with principal payments ranging from \$550,000 to \$825,000; September 1, 2033 through September 1, 2037 with principal payments ranging from \$905,000 through \$1,280,000; and September 1, 2038 through September 1, 2047 with principal payments ranging from \$1,350,000 to \$2,095,000. The bonds were issued to finance the purchase of special tax bonds (the "Local Obligations") of Community Facilities District No. 19. The purchase price of the Local Obligations was used to finance the acquisition of certain public facilities, fund a debt service reserve fund, fund capitalized interest, and pay certain costs of issuance. The 2017 Special Tax Bonds are eligible for optional redemption on interest payment dates on or after September 1, 2027 at 100%. 27,775,000

In June 2018, the Folsom Ranch Financing Authority issued the Folsom Ranch Financing Authority Special Tax Revenue Bonds, Series 2018 in the amount of \$13,255,000 with interest rates of 3.00% to 5.00%. The Special Tax Revenue Term Bond maturing September 1, 2023 has sinking fund requirements that begin September 1, 2020 and go through September 1, 2023 with principal payments ranging from \$65,000 to \$100,000. The Special Tax Revenue Serial Bonds maturing in 2024 and 2025 have principal payments of \$135,000 and \$155,000 respectively. Future Term Bond sinking fund requirements begin September 1, 2026 through September 1, 2028 with principal payments ranging from \$175,000 to \$225,000; September 1, 2029 through September 1, 2033 with principal payments ranging from \$255,000 to \$385,000; September 1, 2034 through September 1, 2038 with principal payments ranging from \$425,000 through \$595,000; and September 1, 2039 through September 1, 2048 with principal payments ranging from \$625,000 to \$970,000. The bonds were issued to finance the purchase of limited obligation special tax bonds (the "Local Obligations") of Community Facilities District No. 20. The purchase price of the Local Obligations was used to finance the acquisition of certain public facilities, fund a debt service reserve account, fund capitalized interest, and pay certain costs of issuance. The 2018 Special Tax Bonds are eligible for optional redemption on any date on or after September 1, 2025 through August 31, 2026 at 103%; on or after September 1, 2026 through August 31, 2027 at 102%; on or after September 1, 2027 through August 31, 2028 at 101%; on or after September 1, 2028 at 100%. 13,010,000

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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In August 2019, the Folsom Ranch Financing Authority issued the Folsom Ranch Financing Authority Special Tax Revenue Bonds, Series 2019 in the amount of \$14,040,000 with interest rates of 2.00% to 5.00%. The Series 2019 Special Tax Revenue Serial Bonds mature beginning September 1, 2020 through September 1, 2029 with principal payments ranging from \$55,000 to \$245,000. The Special Tax Revenue Term Bond maturing September 1, 2034 has sinking fund requirements that begin September 1, 2030 and go through September 1, 2034 with principal payments ranging from \$270,000 to \$410,000. Future Term Bond sinking fund requirements begin September 1, 2035 through September 1, 2039 with principal payments ranging from \$455,000 to \$590,000; September 1, 2040 through September 1, 2044 with principal payments ranging from \$620,000 to \$755,000; and September 1, 2045 through September 1, 2049 with principal payments ranging from \$790,000 through \$960,000. In addition, there is a \$495,000 term bond maturing 2049 with sinking fund payments ranging from \$5,000 September 1, 2020 through \$30,000 September 1, 2049. The bonds were issued to finance the purchase of limited obligation special tax bonds (the "Local Obligations") of Community Facilities District No. 19. The purchase price of the Local Obligations was used to finance the acquisition of certain public facilities, deposit to a debt service reserve fund, fund capitalized interest, and pay certain costs of issuance. The 2019 Special Tax Bonds are eligible for optional redemption on any date on or after September 1, 2026 through August 31, 2027 at 103%; on or after September 1, 2027 through August 31, 2028 at 102%; on or after September 1, 2028 through August 31, 2029 at 101%; on or after September 1, 2029 at 100%.

13,805,000

In December 2019, the Folsom Ranch Financing Authority issued the Folsom Ranch Financing Authority Special Tax Revenue Bonds, Series 2019 in the amount of \$9,695,000 with interest rates of 3.00% to 5.00%. The Series 2019 Special Tax Revenue Serial Bonds mature beginning September 1, 2021 through September 1, 2030 with principal payments ranging from \$45,000 to \$185,000. The Special Tax Revenue Term Bond maturing September 1, 2035 has sinking fund requirements that begin September 1, 2031 and go through September 1, 2035 with principal payments ranging from \$210,000 to \$310,000. Future Term Bond sinking fund requirements begin September 1, 2036 through September 1, 2039 with principal payments ranging from \$340,000 to \$440,000; September 1, 2040 through September 1, 2044 with principal payments ranging from \$460,000 to \$560,000; and September 1, 2045 through September 1, 2049 with principal payments ranging from \$585,000 through \$715,000. The bonds were issued to finance the purchase of limited obligation special tax bonds (the "Local Obligations") of Community Facilities District No. 21. The purchase price of the Local Obligations was used to finance the acquisition and construction of certain public facilities, deposit to a reserve account, fund capitalized interest, and pay certain costs of issuance. The 2019 Special Tax Bonds are eligible for optional redemption on any date on or after September 1, 2026 through August 31, 2027 at 103%; on or after September 1, 2027 through August 31, 2028 at 102%; on or after September 1, 2028 through August 31, 2029 at 101%; on or after September 1, 2029 at 100%.

9,595,000

In October 2020, the Folsom Ranch Financing Authority issued the Folsom Ranch Financing Authority Special Tax Revenue Bonds, Series 2020 in the amount of \$12,925,000 with interest rates of 3.00% to 4.00%. The Series 2020 Special Tax Revenue Serial Bonds mature beginning September 1, 2022 through September 1, 2030 with principal payments ranging from \$105,000 to \$260,000. The Special Tax Revenue Term Bond maturing September 1, 2035 has sinking fund requirements that begin September 1, 2031 and go through September 1, 2035 with principal payments ranging from \$285,000 to \$395,000. Future Term Bond sinking fund requirements begin September 1, 2036 through September 1, 2040 with principal payments ranging from \$430,000 to \$570,000; September 1, 2041 through September 1, 2045 with principal payments ranging from \$595,000 to \$695,000; and September 1, 2046 through September 1, 2050 with principal payments ranging from \$725,000 through \$845,000. The bonds were issued to finance the purchase of limited obligation special tax bonds (the "Local Obligations") of Community Facilities District No. 23, Improvement Area 1. The purchase price of the Local Obligations was used to finance the acquisition and construction of certain public facilities, deposit to a debt service reserve fund, fund capitalized interest to September 1, 2021, and pay certain costs of issuance. The 2020 Special Tax Bonds are eligible for optional redemption on any date on or after September 1, 2027 through August 31, 2028 at 103%; on or after September 1, 2028 through August 31, 2029 at 102%; on or after September 1, 2029 through August 31, 2030 at 101%; on or after September 1, 2030 at 100%.

12,820,000

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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In April 2021, the Folsom Ranch Financing Authority issued the Folsom Ranch Financing Authority Special Tax Revenue Bonds, Series 2021 in the amount of \$11,815,000 with interest rates of 3.00% to 4.00%. The Special Tax Revenue Serial Bonds mature beginning September 1, 2022 through September 1, 2041 with principal payments ranging from \$100,000 to \$535,000. The Special Tax Revenue Term Bond maturing September 1, 2046 has sinking fund requirements that begin September 1, 2042 and go through September 1, 2046 with principal payments ranging from \$560,000 to \$655,000. A future Term Bond has sinking fund requirements that begin September 1, 2047 through September 1, 2050 with principal payments ranging from \$680,000 to \$765,000. The bonds were issued to finance the purchase of limited obligation special tax bonds (the "Local Obligations") of Community Facilities District No. 21. The purchase price of the Local Obligations was used to finance the acquisition and construction of certain public facilities, deposit to a reserve fund, fund capitalized interest to September 1, 2021, and pay certain costs of issuance. The 2021 Special Tax Bonds are eligible for optional redemption on any date on or after September 1, 2027 through August 31, 2028 at 103%; on or after September 1, 2028 through August 31, 2029 at 102%; on or after September 1, 2029 through August 31, 2030 at 101%; on or after September 1, 2030 at 100%.

11,715,000

In May 2022, the Folsom Ranch Financing Authority issued the Folsom Ranch Financing Authority Special Tax Revenue Bonds, Series 2022 in the amount of \$11,855,000 with interest rates of 3.00% to 5.00%. The Special Tax Revenue Serial Bonds mature beginning September 1, 2023 through September 1, 2034 with principal payments ranging from \$45,000 to \$265,000. The Special Tax Revenue Term Bond maturing September 1, 2042 has sinking fund requirements that begin September 1, 2035 and go through September 1, 2042 with principal payments ranging from \$295,000 to \$520,000. A future Term Bond has sinking fund requirements that begin September 1, 2043 and go through September 1, 2052 with principal payments ranging from \$545,000 to \$845,000. The bonds were issued to finance the purchase of limited obligation special tax bonds (the "Local Obligations") of Community Facilities District No. 23, Improvement Area No. 1. The purchase price of the Local Obligations was used to finance the acquisition and construction of certain public facilities, fund a debt service reserve account, fund capitalized interest to September 1, 2022, and pay certain costs of issuance. The 2022 Special Tax Bonds are eligible for optional redemption on any date on or after September 1, 2029 through August 31, 2030 at 103%; on any date on or after September 1, 2030 through August 31, 2031 at 102%; on any date on or after September 1, 2031 through August 31, 2032 at 101%; or on any date on or after September 1, 2032 at 100%.

11,855,000

In August 2022, the Folsom Ranch Financing Authority issued the Folsom Ranch Financing Authority Special Tax Revenue Bonds, Series 2022 in the amount of \$9,430,000 with interest rates of 3.00% to 5.00%. The Special Tax Revenue Serial Bonds mature beginning September 1, 2025 through September 1, 2032 with principal payments ranging from \$70,000 to \$170,000. The Special Tax Revenue Term Bond maturing September 1, 2037 has sinking fund requirements that begin September 1, 2033 and go through September 1, 2037 with principal payments ranging from \$190,000 to \$280,000. A future Term Bond that matures September 1, 2042 has sinking fund requirements that begin September 1, 2038 and go through September 1, 2042 with principal payments ranging from \$305,000 to \$420,000. The final Term Bond matures September 1, 2052 and has sinking fund requirements that begin September 1, 2043 and go through September 1, 2052 with principal payments ranging from \$440,000 to \$680,000. The bonds were issued to finance the purchase of limited obligation special tax bonds (the "Local Obligations") of Community Facilities District No. 23, Improvement Area No. 3. The purchase price of the Local Obligations was used to finance the acquisition and construction of certain public facilities, fund a debt service reserve account, fund capitalized interest to September 1, 2023, and pay certain costs of issuance. The 2022 Special Tax Bonds are eligible for optional redemption on any date on or after September 1, 2029 through August 31, 2030 at 103%; on any date on or after September 1, 2030 through August 31, 2031 at 102%; on any date on or after September 1, 2031 through August 31, 2032 at 101%; or on any date on or after September 1, 2032 at 100%.

9,430,000

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

In December 2022, the Folsom Ranch Financing Authority issued the Folsom Ranch Financing Authority Special Tax Revenue Bonds, Series 2022 in the amount of \$11,225,000 with interest rates of 4.00% to 5.00%. The Special Tax Revenue Serial Bonds mature beginning September 1, 2024 through September 1, 2034 with principal payments ranging from \$60,000 to \$265,000. The Special Tax Revenue Term Bond maturing September 1, 2037 has sinking fund requirements that begin September 1, 2035 and go through September 1, 2037 with principal payments ranging from \$295,000 to \$360,000. A future Term Bond that matures September 1, 2042 has sinking fund requirements that begin September 1, 2038 and go through September 1, 2042 with principal payments ranging from \$395,000 to \$480,000. Another future Term Bond that matures September 1, 2047 has sinking fund requirements that begin September 1, 2043 and go through September 1, 2047 with principal payments ranging from \$500,000 to \$615,000. The final Term Bond matures September 1, 2052 and has sinking fund requirements that begin September 1, 2048 and go through September 1, 2052 with principal payments ranging from \$645,000 to \$790,000. The bonds were issued to finance the purchase of limited obligation special tax bonds (the "Local Obligations") of Community Facilities District No. 20. The purchase price of the Local Obligations was used to finance the acquisition and construction of certain public facilities, fund a debt service reserve account, fund capitalized interest to September 1, 2023, and pay certain costs of issuance. The 2022 Special Tax Bonds are eligible for optional redemption on any date on or after September 1, 2029 through August 31, 2030 at 103%; on any date on or after September 1, 2030 through August 31, 2031 at 102%; on any date on or after September 1, 2031 through August 31, 2032 at 101%; or on any date on or after September 1, 2032 at 100%.

11,225,000

**Total Governmental Revenue Bonds**

\$ 126,955,000

**Business-type activities:**

In October 2019, the Folsom Public Financing Authority issued the 2019 Water Revenue Refunding Bonds for \$8,780,000 with an interest rate of 4.00%. The bonds mature beginning December 1, 2019 through 2028. The bonds were issued to provide funds to refund the 2009 Water Bonds on a current basis and to pay certain costs of issuance.

\$ 5,585,000

**Total Business-type activities Revenue Bonds**

\$ 5,585,000

Annual debt service requirements to maturity for the revenue bonds are as follows:

Year Ending June 30	Governmental activities		Business-type activities	
	Principal	Interest	Principal	Interest
2024	\$ 1,010,000	\$ 6,047,344	\$ 840,000	\$ 206,600
2025	1,225,000	5,930,375	880,000	172,200
2026	1,475,000	5,876,975	910,000	136,400
2027	1,660,000	5,813,131	945,000	99,300
2028	1,880,000	5,735,941	985,000	60,700
2029-2033	13,115,000	27,108,350	1,025,000	20,500
2034-2038	20,875,000	23,151,141	-	-
2039-2043	29,500,000	17,155,431	-	-
2044-2048	36,745,000	9,187,394	-	-
2049-2053	19,470,000	1,854,400	-	-
Total	<u>\$ 126,955,000</u>	<u>\$ 107,860,482</u>	<u>\$ 5,585,000</u>	<u>\$ 695,700</u>

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

### Notes from Direct Borrowings and Direct Placements

#### Governmental Activities:

In July 2017, the Folsom Public Financing Authority privately placed with BBVA Compass Bank the Folsom Public Financing Authority Special Tax Revenue Bonds, Series 2017A in the amount of \$44,075,000 with an interest rate of 2.67%, and Taxable Series 2017B in the amount of \$2,810,000 with an interest rate of 4.11%. The Series 2017A Special Tax Revenue Bonds mature beginning September 1, 2018 through September 1, 2032 with principal payments ranging from \$1,085,000 to \$5,105,000. The Taxable Series 2017B Special Tax Revenue Bonds mature beginning September 1, 2018 through September 1, 2028 with principal payments ranging from \$140,000 to \$435,000. The bonds were issued to finance and purchase five separate issues of special tax refunding bonds of three existing community facilities districts and pay certain costs associated with issuance. Both the Series 2017A Bonds and Taxable Series 2017B Bonds may be called at the option of the City on any interest payment date beginning September 1, 2022 at 100%.

\$ 32,075,000

#### Total Governmental Notes from Direct Borrowing and Direct Placements

\$ 32,075,000

#### Business-type activities:

In June 2021, the Folsom Public Financing Authority privately placed with Key Government Finance, Inc. the Water Revenue Refunding Bonds, Series 2021 for \$9,116,000 with an interest rate of 1.76%. The bonds mature beginning December 1, 2021 through 2033. The bonds were issued to provide funds to refund the 2013 Water Bonds on a current basis and to pay certain costs of issuance.

\$ 7,830,000

#### Total Business-type activities Notes from Direct Borrowings and Direct Placements

\$ 7,830,000

Year Ending June 30	Governmental activities		Business-type activities	
	Principal	Interest	Principal	Interest
2024	\$ 2,985,000	\$ 843,949	\$ 654,000	\$ 131,828
2025	3,000,000	761,313	664,000	120,249
2026	5,205,000	647,636	674,000	108,495
2027	5,350,000	501,183	688,000	96,530
2028	5,505,000	350,509	701,000	84,327
2029-2033	10,030,000	440,211	3,675,000	231,581
2034	-	-	774,000	6,800
Total	<u>\$ 32,075,000</u>	<u>\$ 3,544,801</u>	<u>\$ 7,830,000</u>	<u>\$ 779,809</u>

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

### Fire Station Obligation

In March 2012, the City of Folsom entered into a Site Lease Agreement with the Folsom Public Financing Authority leasing the properties on which sit Folsom City Hall and the Folsom Central Business District Fire Station to the Authority in exchange for a one time rental payment of \$10,538,467. That amount, along with reserve funds on hand, was used to prepay \$2,596,022 of the 2001 City of Folsom Certificates of Participation and redeem the \$7,797,444 of the FPFA Refunding Lease Revenue Bonds, with the additional amount paying costs of issuance. Concurrently, the Folsom Public Financing Authority entered into a Facilities Lease Agreement with the City of Folsom leasing Folsom City Hall and the Central Business District Fire Station to the City in exchange for scheduled yearly Base Rental Payments to the Authority. The Facility Lease was subsequently assigned by FPFA to the Bank of Nevada. Subsequently, the Folsom Public Financing Authority entered into an Assignment Agreement with the Bank of Nevada assigning the Authority's right to receive the Base Rental Payments to the Bank of Nevada in exchange for \$10,538,467. The Base Rental Payments are split into two payments. The \$7,910,564 lease relating to Folsom City Hall has a tax-exempt interest rate of 2.65% and has a final payment on October 1, 2017. The \$2,671,587 lease relating to the Folsom Central Business District Fire Station has a tax-exempt interest rate of 3.45% and has a final payment on October 1, 2026.

**Total City Hall & Fire Station Lease Obligation** \$ 814,635

Year Ending June 30	Lease Obligation	
	Governmental Activities	
	Principal	Interest
2024	\$ 191,820	\$ 26,465
2025	202,123	19,759
2026	207,095	12,743
2027	213,597	3,685
Total	<u>\$ 814,635</u>	<u>\$ 62,651</u>

### Capital Obligations

#### Governmental activities:

\$1,137,894 Lease secured by one 2015 Pierce Velocity 100' Tiller payable in annual installments of \$130,346 beginning August, 2014 through August, 2023 with an interest rate of 2.82%.

\$ 126,771

The assets acquired through capital obligation are as follows:

	Governmental Activities
Machinery & Equipment	\$ 2,255,565
Less: Accumulated Depreciation	(2,084,882)
Total	<u>170,684</u>

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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The future minimum obligations and the net present value of these minimum payments as of June 30, 2023, were as follows:

<u>Fiscal year ending</u>	<u>Governmental Activities</u>
2024	130,346
2025	-
2026	-
2027	-
2028	-
Total minimum lease payments	<u>130,346</u>
Less: amount representing interest	<u>(3,575)</u>
Present value of minimum lease payments	<u>\$ 126,771</u>

### **Compensated Absences**

The City's policy relating to compensated absences is described in Note 1. There is no fixed payment schedule for compensated absences. In prior years, compensated absences have been liquidated primarily by the General Fund and proprietary funds.

### **10. PLEDGE OF FUTURE REVENUES**

The Folsom Public Financing Authority Water Revenue Bonds Series 2019 and Series 2021 are limited parity obligations payable solely from revenues consisting of installment payments to be made by the City under an installment purchase contract. The obligation of the City to make installment payments constitutes a special obligation of the City payable solely from the net revenues of the water system and certain other funds as provided in the installment purchase contract. Net revenues for any fiscal year are the gross income and revenue received, including all charges, fees, and rates and all connection fees, less the maintenance and operations costs. \$8,780,000 in Series 2019 Bonds were issued primarily to refund the 2009 Water Revenue Bonds, which were issued to refund the 1998 Water Revenue Bonds, which were used to previously upgrade the treatment facilities. \$9,116,000 in Series 2021 Bonds were issued primarily to refund the 2013 Bonds, which were issued primarily to refund the 2005A Water Revenue Bonds, which were issued to finance a portion of the costs of the 2005 Water Project, which consisted of improvements designed to increase the capacity of the existing water treatment from a peak capacity of 40 mgd to a peak capacity of 50 mgd as well as to upgrade disinfection facilities. The total principal and interest remaining to be paid on the bonds is \$14,890,509 through fiscal year 2034. Principal and interest paid for the current year and total customer net revenues were \$1,835,822 and \$8,046,873 respectively.

### **11. DEBT WITH NO CITY COMMITMENT**

Special assessment Districts in various parts of the City have issued debt under the 1915 Bond Act and Mello-Roos Special Tax Act to finance infrastructure improvements and facilities within their boundaries. The 1915 Act Bonds are not a general obligation of the City and neither the faith and credit nor the taxing power of the City, the State of California, or any political subdivision thereof is pledged to the payment of any debt service for these districts. The City is

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

the collecting and paying agent for the debt issued by these Districts, but has no direct or contingent liability or moral obligation for the payment of this debt. Therefore, this debt is not included in general long-term debt of the City. The outstanding balance of each of these issues as of June 30, 2023 is as follows:

Description	Issue Date	Maturity Date	June 30, 2023
Community Facilities District No. 7 Broadstone II, Series 2011	8/2/11	9/1/24	-
Community Facilities District No. 7 Broadstone II, Series 2012	7/12/12	9/1/21	-
Community Facilities District No. 8 The Parkway, Series 2012	7/12/12	9/1/21	-
Community Facilities District No. 10, Empire Ranch, Series 2017	7/11/17	9/1/28	21,585,000
Community Facilities District No. 10, Empire Ranch, Series 2020	7/23/20	9/1/24	3,238,000
Community Facilities District No. 11 Willow Springs, Series 2017	7/11/17	9/1/23	75,000
Community Facilities District No. 14 Parkway II, Series 2017	7/11/17	9/1/32	10,415,000
Community Facilities District No. 16, The Islands at Parkshore IA1, Series 2018	3/15/18	9/1/48	5,525,000
Community Facilities District No. 16, The Islands at Parkshore IA2, Series 2019	7/18/19	9/1/49	3,050,000
Community Facilities District No. 17 Willow Hill Pipeline Proj., Series 2015	9/3/15	9/1/45	5,725,000
Community Facilities District No. 19, Mangini Ranch, Series 2017	8/23/17	9/1/47	27,775,000
Community Facilities District No. 19, Mangini Ranch, Series 2019	8/7/19	9/1/49	13,805,000
Community Facilities District No. 20, Russell Ranch, Series 2018	6/5/18	9/1/48	13,010,000
Community Facilities District No. 20, Russell Ranch, Series 2022	12/8/22	9/1/52	11,225,000
Community Facilities District No. 21, WRSR, Series 2019	12/19/19	9/1/49	9,595,000
Community Facilities District No. 21, WRSR, Series 2021	4/21/21	9/1/50	11,715,000
Community Facilities District No. 23 IA1, Folsom Ranch, Series 2020	10/30/20	9/1/50	12,820,000
Community Facilities District No. 23 IA1, Folsom Ranch, Series 2022	5/11/22	9/1/52	11,855,000
Community Facilities District No. 23 IA3, Folsom Ranch, Series 2022	8/10/22	9/1/52	9,430,000
			\$ 170,843,000

The following schedule reflects the outstanding balance of Tax Allocation Bonds formally held by the City. These were transferred to the Successor Agency as of January 31, 2012 and are reported in the Private Purpose Trust Fund statement.

Description	Issue Date	Maturity Date	June 30, 2023
Successor Agency to the Former Redevelopment Agency, Central Folsom Redevelopment Project TABS, Series 2016A (Tax Exempt)	10/5/16	8/1/36	\$ 26,790,000
Successor Agency to the Former Redevelopment Agency, Central Folsom Redevelopment Project TABS, Series 2016B (Federally Taxable)	10/5/16	8/1/35	13,875,000
Owner Participation Agreement			650,169
Less: Issuance discounts/premiums, net			2,006,415
			\$ 43,321,584

## 12. CLASSIFICATION OF NET POSITION/FUND BALANCE

In the Government-wide Financial Statements, net position is classified in the following categories.

**Net Investment in Capital Assets** – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

**Restricted Net Position** – This category represents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Investments held in trust represent assets held for future special assessment debt service. This category also includes amounts



# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

restricted for Debt service, Low and moderate income housing, Transportation/streets, Lighting and landscape assessment districts and Critical facilities.

**Unrestricted Net Position** – This category represents the net position of the City, which are not restricted for any project or other purpose.

In the Fund Financial Statements, Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 1 for a description of these categories). A detailed schedule of fund balances at June 30, 2023 follows:

	General Fund	Folsom Housing Special Revenue Fund	Folsom Public Financing Authority Debt Service Fund	Folsom Ranch Financing Authority	Transportation Improvement Capital Projects Fund	FPA Capital Improvement	Other Non-Major Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>								
Inventory	\$ 497,467	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 497,467
Insurance deposits	4,824	-	-	-	-	-	-	4,824
Prepaid Items	1,005,473	-	-	-	-	-	-	1,005,473
Endowment principal	-	-	-	-	-	-	463,719	463,719
Total nonspendable fund balance	1,507,764	-	-	-	-	-	463,719	1,971,483
<b>Restricted for:</b>								
Debt Service	-	-	31,551,399	127,379,929	-	-	1,298,234	160,229,562
Police training and equipment	-	-	-	-	-	-	668,711	668,711
Police capital projects	-	-	-	-	-	-	1,325,562	1,325,562
Fire capital projects	-	-	-	-	-	-	-	-
General capital improvements	-	-	-	-	-	-	2,166,944	2,166,944
FPA capital improvements	-	-	-	-	-	39,150,488	-	39,150,488
Light rail transportation improvements	-	-	-	-	-	-	1,063,128	1,063,128
Drainage capital projects	-	-	-	-	-	-	1,176,528	1,176,528
CFD 10 improvements	-	-	-	-	-	-	2,597,195	2,597,195
Park capital improvements	-	-	-	-	-	-	6,862,153	6,862,153
Zoo improvements	-	-	-	-	-	-	195,179	195,179
Lighting and Landscape districts	-	-	-	-	-	-	8,306,479	8,306,479
Transportation projects	-	-	-	-	25,359,197	-	6,199,672	31,558,869
Community Development Block Grant	-	-	-	-	-	-	127,464	127,464
Folsom Specific Plan Area infrastructure	-	-	-	-	-	-	20,661	20,661
2011 Non-Housing Bond Proceeds	-	-	-	-	-	-	153,350	153,350
Transit Capital Improvement	-	-	-	-	-	-	4,655,312	4,655,312
Corp Yard Capital Improvement	-	-	-	-	-	-	1,765,161	1,765,161
Loans receivable	-	30,577,749	-	-	-	-	-	30,577,749
Low and Moderate Income Housing	-	11,454,518	-	-	-	-	-	11,454,518
Total restricted fund balance	-	42,032,267	31,551,399	127,379,929	25,359,197	39,150,488	38,581,733	304,055,013
<b>Committed for:</b>								
Transportation projects	-	-	-	-	-	-	235,856	235,856
Tree mitigation	-	-	-	-	-	-	1,233,011	1,233,011
Low income housing	-	-	-	-	-	-	2,273,832	2,273,832
Park improvements	-	-	-	-	-	-	2,645,586	2,645,586
Total committed fund balance	-	-	-	-	-	-	6,388,285	6,388,285
<b>Assigned to:</b>								
Purchase orders	6,294,654	-	-	-	-	-	-	6,294,654
Purpose of fund	-	-	-	-	-	-	3,566,549	3,566,549
Total assigned fund balance	6,294,654	-	-	-	-	-	3,566,549	9,861,203
<b>Unassigned fund balance:</b>	22,961,939	-	-	-	-	-	(361,827)	22,600,112
Total fund balances	\$30,764,357	\$ 42,032,267	\$ 31,551,399	\$ 127,379,929	\$ 25,359,197	\$ 39,150,488	\$ 48,638,459	\$ 344,876,096

### 13. PENSION PLAN

#### A. General Information about the Pension Plans

**Plan Descriptions** – All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

are established by State statute and may be amended by City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website: [www.calpers.ca.gov](http://www.calpers.ca.gov)

**Benefits Provided** – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment with the retirement formula for Miscellaneous of 2.7% @ 55 for existing “classic” members, 2% @ 55 for “new” members with a start date on or after July 1, 2010 and 2% @ 62 for “new” members with a start date on or after January 1, 2013. The retirement formula for Safety is 3% @ 50 for “classic” members, 2% @ 50 for “new” members with a start date on or after July 1, 2010 and 2.7% @ 57 for “new” members with a start date on or after January 1, 2013. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2023, are summarized as follows:

	<b>Miscellaneous</b>		
Hire Date	Classic - Prior to June 30, 2010	New - On or after July 1, 2010	New - On or after January 1, 2013
Formula	2.7% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55	50-63	52-67
Monthly benefits, as a % of annual salary	2.0% to 2.7%	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	8.0%	7.0%	7.50%
Required employer contribution rates	11.640%	45.240%	45.240%
Unfunded Liability Contribution	\$ 8,432,018	-	-
	<b>Safety</b>		
Hire Date	Classic - Prior to June 30, 2010	New - On or after July 1, 2010	New - On or after January 1, 2013
Formula	3% @ 50	2% @ 50	2.7% @ 57
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55	50-55	50-57
Monthly benefits, as a % of annual salary	3.00%	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rates	9.0%	9.0%	11.25%
Required employer contribution rates	19.070%	54.370%	54.370%
Unfunded Liability Contribution	\$ 6,423,377	-	-

**Employees Covered** – At June 30, 2023, the following employees were covered by the benefit terms for each Plan:

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

	<u>Miscellaneous</u>	<u>Safety</u>
Inactive employees or beneficiaries currently receiving benefits	463	152
Inactive employees entitled to but not yet receiving benefits	286	73
Active employees	292	148
Total	<u>1,041</u>	<u>373</u>

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. In 2022, the employer contribution to CalPERS was \$10,886,274 and \$9,789,430 for the Miscellaneous and Safety Plan, respectively.

### B. Net Pension Liability

The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2021	June 30, 2021
Measurement Date	June 30, 2022	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.50%	2.50%
Payroll Growth	2.80%	2.80%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return	7.0%	7.0%
Mortality Rate Table	Based on CalPERS Experience Study	Based on CalPERS Experience Study

(1) Net of pension plan investment and administrative expenses; includes inflation

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2022 valuation were based on the results of a 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can found on the CalPERS website.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

**Change of Assumption** – For the measurement date of June 30, 2022 the accounting discount rate remained at 6.90 percent.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>Current Target Allocation</u>	<u>Real Return</u>
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.25%
Treasury	5.0%	0.27%
Mortgage-backed securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	0.59%
	<u>100.0%</u>	

**Discount Rate** – The discount rate used to measure the total pension liability was 6.90% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90 percent will be applied to all plans in the Public Employees

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

### C. Changes in the Net Pension Liability

The changes in the Net Pension Liability, measured as of June 30, 2022, for each Plan follows:

	<b>Miscellaneous</b>		
	<b>Increase (Decrease)</b>		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2022</b>	\$ 257,521,192	\$ 198,354,598	\$ 59,166,594
<b>Changes in the year:</b>			
Service Cost	\$ 4,568,455	\$ -	\$ 4,568,455
Interest on the total pension liability	18,269,904	-	18,269,904
Changes in assumptions	9,270,766	-	9,270,766
Differences between actual and expected experience	2,153,844	-	2,153,844
Contribution - employer	-	9,966,474	(9,966,474)
Contribution - employee	-	1,834,324	(1,834,324)
Net investment income	-	(15,168,020)	15,168,020
Benefit payments, including refunds of employee contributions	(12,897,624)	(12,897,624)	-
Administrative expense	-	(123,563)	123,563
<b>Net changes</b>	<u>21,365,345</u>	<u>(16,388,409)</u>	<u>37,753,754</u>
<b>Balance at June 30, 2023</b>	<u>\$ 278,886,537</u>	<u>\$ 181,966,189</u>	<u>\$ 96,920,348</u>
	<b>Safety</b>		
	<b>Increase (Decrease)</b>		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2022</b>	\$ 231,156,696	\$ 171,274,442	\$ 59,882,254
<b>Changes in the year:</b>			
Service Cost	\$ 5,347,890	\$ -	\$ 5,347,890
Interest on the total pension liability	16,489,459	-	16,489,459
Changes in assumptions	10,437,990	-	10,437,990
Differences between actual and expected experience	(96,585)	-	(96,585)
Contribution - employer	-	8,928,192	(8,928,192)
Contribution - employee	-	1,724,412	(1,724,412)
Net investment income	-	(13,113,470)	13,113,470
Benefit payments, including refunds of employee contributions	(10,388,759)	(10,388,759)	-
Administrative expense	-	(106,694)	106,694
<b>Net changes</b>	<u>21,789,995</u>	<u>(12,956,319)</u>	<u>34,746,314</u>
<b>Balance at June 30, 2023</b>	<u>\$ 252,946,691</u>	<u>\$ 158,318,123</u>	<u>\$ 94,628,568</u>
<b>Balance at June 30, 2023 - Both Plans</b>	<u>\$ 531,833,228</u>	<u>\$ 340,284,312</u>	<u>\$ 191,548,916</u>

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** – The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
1% Decrease	5.90%	5.90%	5.90%
Net Pension Liability	\$ 134,137,866	\$ 130,669,382	\$ 264,807,248
Current Discount Rate	6.90%	6.90%	6.90%
Net Pension Liability	\$ 96,920,348	\$ 94,628,568	\$ 191,548,916
1% Increase	7.90%	7.90%	7.90%
Net Pension Liability	\$ 66,095,899	\$ 65,111,266	\$ 131,207,165

**Pension Plan Fiduciary Net Position** – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

### D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2023, the City recognized pension expense of \$13,796,866 for the Miscellaneous plan and \$13,249,685 for the Safety plan, for a total pension expense of \$27,046,551. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Safety</u>		<u>Miscellaneous</u>		<u>Total</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in assumption	\$ 8,391,325	\$ -	\$ 6,073,950	\$ -	\$ 14,465,275	\$ -
Differences between actual and expected experience	2,337,723	77,647	1,979,549	-	4,317,272	77,647
Net differences between projected and actual earnings						
on plan investments	8,399,999	-	9,587,390	-	17,987,389	-
Pension contributions subsequent to measurement date	9,789,430	-	10,886,274	-	20,675,705	-
Total	<u>\$28,918,477</u>	<u>\$ 77,647</u>	<u>\$28,527,163</u>	<u>\$ -</u>	<u>\$57,445,641</u>	<u>\$ 77,647</u>

\$10,886,274 (misc) and \$9,789,430 (safety) reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

Year ended June 30,	Amortization	
	Safety	Misc
2023	\$ 4,435,597	\$ 6,112,696
2024	4,019,930	4,994,037
2025	3,285,977	775,168
2026	7,107,126	5,758,988
2027	202,770	-
Total	<u>\$ 19,051,400</u>	<u>\$ 17,640,889</u>

### 14. POST-EMPLOYMENT HEALTH CARE BENEFITS

#### EMPLOYER/PLAN REPORTING

Basis of Accounting - Employees are not required to contribute to the plan. Employer contributions are recognized when due and when a formal commitment is made to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan Description – The City of Folsom Retiree Health Program is a single-employer defined benefit healthcare plan administered by Benefit Trust Company. The City provides medical, dental and vision insurance benefits to eligible retirees. Benefit provisions are established and may be amended by City labor agreements, which are approved by the City Council. On November 27, 2007, the Council adopted a resolution authorizing the City Manager to establish a Futuris Public Entity Investment Trust and a Retirement Board of Authority (BOA). The BOA is made up of the Mayor, one at large Council member, City Manager, Finance Director, and the Human Resources Director. The BOA has delegated authority of the OPEB trust to Benefit Trust Company (BTC) per the Futuris Trust Administrative Services Agreement. Upon signing the agreement, BTC has been deemed to have executed the Trust and during the term of this Agreement, BTC further agreed to serve as a discretionary trustee, with fiduciary oversight and authority over the operations and management of the Trust.

Plan Membership - At June 30, 2023, the Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	407
Inactive plan members entitles to but not yet receiving benefit payments	0
Active plan members	110
Total	<u>517</u>

Benefits Provided - The Plan provides medical, dental and vision insurance benefits to eligible retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the plan. Benefit provisions are established and may be amended by City labor agreements, which are approved by the City Council.

Contributions - The contribution requirements of plan members and the City are established and may be amended by City Council. The Council establishes rates based on an actuarially

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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determined rate. For year ended June 30, 2023, the City contributed \$5,340,526 to the plan, for current premiums.

### Investments

Investment Policy - The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Board of Authority. It is the policy of the Retirement Board of Authority to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's adopted asset allocation policy as of June 30, 2023:

Asset Class	Target Allocation
Global Equities & Real Estate	50%
Global Fixed Income	50%
Total	100%

Rate of return - For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 7.53 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

### Concentration of investments:

As of June 30, 2023, investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of **total entity investments** are as follows:

Issuer	Investment Type	Amount
Blackrock Total Return - K	Mutual Fund - Fixed Income	\$ 872,677
Guggenheim Investments Invest. Grade Bond Fd	Mutual Fund - Fixed Income	440,253
Guggenheim Investments FDS TR Macro	Mutual Fund - Fixed Income	874,773
Prudential GBL Total Return Fund	Mutual Fund - Fixed Income	441,910
Prudential Funds Total Return Bond CL Q	Mutual Fund - Fixed Income	877,093
Western Asset Core Plus Bond IS	Mutual Fund - Fixed Income	879,711

### Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by actuarial valuation as of June 30, 2023.

Actuarial Assumptions - The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:



# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	5.50%
Investment Rate of Return	5.5% (1)
General Inflation	2.75%
Payroll increase	2.80%
Mortality	2021 CalPERS pension plan valuation
Retirement Age	2021 CalPERS pension plan valuation
Healthcare Cost Trend Rate	6.75%

(1) Net of pension plan investment and administrative expenses, including inflation

Mortality rates were based on the 2021 CalPERS pension valuation for Miscellaneous Employees, 2021 CalPERS Mortality Safety Employees tables created by CalPERS.

The long-term expected rate of return on OPEB plan investments was determined by looking at rolling periods of time for all asset classes in combination to appropriately reflect correlation between asset classes. That means that the average returns for any asset class don't necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. Geometric means were used. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Global Equities & Real Estate	4.75%
Global Fixed Income	1.75%

Discount rate - The discount rate used to measure the total OPEB liability was 5.5 percent. The discount rate is based on the index rate of the 20 year, tax exempt rate using the Bond Buyer 20 Index.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

### Changes in the Net OPEB Liability

	OPEB Plan Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) =(a) - (b)
June 30, 2022	\$ 96,507,729	\$ 7,850,344	\$ 88,657,385
Changes recognized for the measurement period:			
Service Cost	\$ 1,162,729		\$ 1,162,729
Interest	5,240,542	-	5,240,542
Differences between actual and expected experience	1,925,121	-	1,925,121
Changes in assumptions	435,195	-	435,195
Changes in benefit terms			-
Contribution - employer	-	5,340,526	(5,340,526)
Contribution - employee	-	-	-
Expected Investment Income		627,250	(627,250)
Investment Gains/Losses	-	-	-
Expected Benefit payments	(4,840,526)	(4,840,526)	-
Net changes	3,923,061	1,127,250	2,795,811
Balance at June 30, 2023	\$ 100,430,790	\$ 8,977,594	\$ 91,453,196

Sensitivity of the net OPEB liability to changes in the discount rate - The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.5 percent) or 1-percentage-point higher (6.5 percent) than the current discount rate:

	1% Decrease 4.50%	Current Discount Rate 5.50%	1% Increase 6.5%
Net OPEB liability	\$104,143,898	\$91,453,196	\$80,956,550

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates - The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.5 percent) or 1-percentage-point higher (7.5 percent) than the current healthcare cost trend rates:

	1% Decrease 5.50%	Healthcare Cost Trend Rate 6.50%	1% Increase 7.5%
Net OPEB liability	\$80,468,316	\$91,453,196	\$104,736,498

### OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the City recognized OPEB expense of \$4,167,576. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 290,130	\$ 209,228
Net difference between expected and actuarial experience	1,283,414	4,188,560
Net differences between projected and actual earnings on OPEB plan investments	726,909	-
<b>Total</b>	<b>\$ 2,300,453</b>	<b>\$ 4,397,788</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30:	Deferred (Inflows) of Resources
2024	(1,793,287)
2025	(685,109)
2026	417,444
2027	(36,383)
2028	-

### 15. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

There are no significant reductions in insurance coverage from prior years and there have been no settlements exceeding the insurance coverage for each of the past five fiscal years.

The City has joined together with other Cities in the State of California to participate in Northern California Cities Self Insurance Fund (NCCSIF), a joint powers agency which provides the City with a shared risk layer of coverage above the self-insured \$100,000 retention for liability and workers' compensation. In addition, NCCSIF provides claims servicing to the City for the banking layer, which represents the City's self-insurance. The NCCSIF is composed of 18 member cities and is governed by a board of directors appointed by the member cities. The governing board has authority over budgeting and financing. The workers' compensation and general liability programs are administered by third-party administrators.

NCCSIF is a governmental joint powers authority formed in July 1978, pursuant to the Government Code of the State of California, commencing with Section 6500. The purpose is to create a common pool of funds to be used to meet obligations of the parties to provide workers' compensation benefits for their employees and to provide excess liability insurance. The Authority provides pooled claims processing administrative services, risk management services, and actuarial studies. The City of Folsom Council members do not have significant oversight responsibility, since they evenly share all factors of risk and responsibility with the other cities. However, ultimate liability for payment of claims and insurance premiums resides with member cities. The Authority is empowered to make supplemental assessments as needed to eliminate

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

deficit positions of member cities. If the JPA becomes insolvent, the City is responsible only to the extent of any deficiency in its shared equity balance.

Upon termination of the JPA agreement, all property of the authority will vest in the respective parties which theretofore transferred, conveyed or leased said property to the Authority. Any surplus of funds will be returned to the parties in proportion to actual equity balances of each entity.

The Authority establishes claims liabilities based on estimates of the ultimate cost of claims (including future claims settlement expenses) that have been reported but not settled, plus estimates of claims that have been incurred but not reported. Because actual claims costs depend on various factors, the claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision of inflation is implicit in the calculation of estimated future claims costs. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. Settled claims have not exceeded insurance coverage for each of the past five fiscal years.

The City's deposit for its banking layer administered by NCCSIF of \$3,177,001 and \$2,942,482 as of June 30, 2023 and 2022 is recorded in the risk management fund as insurance deposits, respectively. The insurance deposit is net of any outstanding claims liability. Activity for the fiscal years ended June 30, 2023 and 2022 is as follows:

	Balance 6/30/2021	Deposits & Other income	Investment Income & FMV change	Claims paid Net of refunds	Claims Admin. & other exp.	Balance 6/30/2022
General Liability	\$ 1,639,460	\$ 717,312	\$ (122,371)	\$ (450,953)	\$ (431,453)	\$ 1,351,995
Workers' Compensation	1,213,182	1,364,825	(286,736)	(372,259)	(328,525)	1,590,487
<b>Total</b>	<b>\$ 2,852,642</b>	<b>\$ 2,082,137</b>	<b>\$ (409,107)</b>	<b>\$ (823,212)</b>	<b>\$ (759,978)</b>	<b>\$ 2,942,482</b>

	Balance 6/30/2022	Deposits & Other income	Investment Income & FMV change	Claims paid Net of refunds	Claims Admin. & other exp.	Balance 6/30/2023
General Liability	\$ 1,351,995	\$ 548,188	\$ 14,862	\$ (695,573)	\$ (258,892)	\$ 960,580
Workers' Compensation	1,590,487	1,404,853	25,051	(678,723)	(125,247)	2,216,421
<b>Total</b>	<b>\$ 2,942,482</b>	<b>\$ 1,953,041</b>	<b>\$ 39,913</b>	<b>\$ (1,374,296)</b>	<b>\$ (384,139)</b>	<b>\$ 3,177,001</b>

The following is summary financial information of the NCCSIF for the liability and workers' compensation program for the fiscal year ended June 30, 2023:

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

	Liability	Workers' Compensation	Total
Assets	\$ 22,525,180	\$ 59,472,080	\$ 81,997,260
Liabilities	15,268,997	40,851,161	56,120,158
Net assets	<u>\$ 7,256,183</u>	<u>\$ 18,620,919</u>	<u>\$ 25,877,102</u>
Revenues	\$ 16,798,109	\$ 12,906,477	\$ 29,704,586
Expenses	17,065,927	11,517,893	28,583,820
Operating income	(267,818)	1,388,584	1,120,766
Investment income	126,963	227,713	354,676
Net income	(140,855)	1,616,297	1,475,442
Net position, beginning of year	7,397,038	17,004,622	24,401,660
Net position, end of year	<u>\$ 7,256,183</u>	<u>\$ 18,620,919</u>	<u>\$ 25,877,102</u>

The NCCSIF audited financial statements for the period ended June 30, 2023 are available on the City's website.

### Coverage Limits:

Amount	Coverage provider	Payment Source
LIABILITY CLAIMS:		
\$ - \$ 100,000	Self-Insured	Banking layer
100,001 500,000	Northern California Cities Self Insurance Fund	Shared risk pool
500,001 40,000,000	California Joint Powers Risk Management Authority	Shared risk pool
WORKERS' COMPENSATION:		
\$ - \$ 100,000	Self-Insured	Banking layer
100,001 500,000	Northern California Cities Self Insurance Fund	Shared risk pool
500,001 40,000,000	California Joint Powers Risk Management Authority	Shared risk pool

## 16. COMMITMENTS

### Facilities Augmentation Fund - Folsom South Area Facilities Plan -

For the purpose of implementing the Folsom South Area Facilities Plan of the Public Facilities Element of the General Plan of the City of Folsom, a Facilities Augmentation Fee (FAF) and Critical and General Facilities Augmentation Funds have been established for the purpose of funding the construction of both General and Critical Facilities. Such fees are intended to augment existing City fees and thereby provide the necessary means for financing the construction of the facilities identified in the Folsom South Area Facilities Plan and shall be imposed upon each parcel of real property within a specified area. "General Facilities" are those water delivery, sewer, roadway and drainage improvements identified in the Folsom South Area Facilities Plan as prerequisites for development in the Folsom South Area. "Critical Facilities" are the following facilities which are identified in the Folsom South Area Facilities

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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Plan: improvements to the treatment and water storage facilities, upgrading of the sewer pump station facilities and provision for an additional sewage outflow main.

The amount of the FAF will be revised annually, to be effective on January 1 of each year commencing January 1, 1984. Critical facilities fees are due and payable at time of recording of any final subdivision or parcel map covering property within the specified area.

A property owner/developer shall be entitled to credits against the FAF. A property owner/developer who has installed and paid for, or subjected its property to assessment liens to cover the cost of installing general and/or critical facilities shall receive a credit against that portion of the FAF attributable to general and/or critical fees. If the credit exceeds the portion of the FAF attributable to general facilities, the difference shall be reimbursed to the property owner/developer. If the credit exceeds the portion of the FAF attributable to critical facilities, the excess may, in the discretion of the City Council, be credited against the portion of the FAF attributable to general facilities. Otherwise, the amount shall be reimbursed to the property owner/developer. No interest shall be paid upon the amount, which the property owner/developer is due from general facilities account. Reimbursement to developers shall have priority over the use of general facilities fees for the construction of general facilities.

During the year ended June 30, 2023 the City received \$0 of critical facilities fees. The City, at June 30, 2023 had \$132,499 available for reimbursement of general facilities credits.

### **Annexation Agreement -**

The City of Folsom annexed the Alder Creek Development as of January 1, 1993. This annexation consists of 310 acres. The annexation facilitated the development of an Auto-Mall on approximately 56 acres. The site is immediately adjacent to the Folsom Boulevard and Highway 50 freeway exit. The retail sales tax produced by the taxable sales of all of the businesses within this area is shared, 50% to the City and 50% to Sacramento County through a property tax exchange agreement.

## **17. CONTINGENT LIABILITIES**

**General Liability** – There are various claims and legal actions pending against the City for which no provision has been made to the financial statements. In the opinion of the City Attorney and City Management, liabilities arising from these claims and legal actions, if any, will not be material to these financial statements.

The City has received federal grants for specific purposes that are subject to review and audit by the federal government. Although such audits could result in expenditure disallowances under grant terms, any required reimbursements are not expected to be material.

The City is self-insured and participates in a Public Entity Risk Pool. Details of this are covered in Note 15.

**Arbitrage Rebate** - Rebatable arbitrage is defined by the Internal Revenue Service Code Section 148 as earnings on investments purchased from the gross proceeds of a bond issue that are in excess of the amount that would have been earned if the investments were invested at a yield equal to the yield on the bond issue. The rebatable arbitrage must be paid to the federal government. The City estimates that rebatable arbitrage liability, if any, will be immaterial to its overall financial condition.

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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### 18. LANDFILL CLOSURE/POSTCLOSURE

The City landfill opened in 1974 and ceased operation in the spring of 1986. The landfill closure was completed on January 8, 1997 as per California Code of Regulations (CCR), Title 14, Chapter 3, Articles 7 and 8, and CCR, Title 23, Chapter 15. Landfill closure included installing a clay and soil cap, with vegetative cover. A small paved parking area was built on a portion of the closed landfill. The cost of closure was \$425,201. Financial assurance for the landfill closure and post closure care is described in the City's Water Quality Monitoring and Response Plan dated November 1992. Since the landfill did not accept waste after 1986, the funding for closure costs is not allocated on the basis of landfill capacity as required under the Code of Federal Regulations (CFR), Title 40, Parts 257 and 258, Subtitle D, Section 66796.22.

Three groundwater monitoring wells were installed in 1984. Three additional groundwater monitoring wells and six gas monitoring wells were installed in 1995 and in May 2001, a seventh groundwater monitoring well was installed. Annual maintenance costs following closure were estimated to be \$5,000. Postclosure care includes cleanup of any substance or material releases, semiannual monitoring, and routine maintenance. Actual costs since closure in 1997 have been significantly higher and are anticipated to remain at a higher level than originally estimated. In the prior year, it was estimated that the postclosure care period would continue for nineteen years.

During FY 2009, the City initiated a "clean closure" of the inactive landfill in accordance with Title 27 of the California Code of Regulations. Clean closure is a process where the waste in the inactive landfill is removed, sorted and characterized for recycling or offsite disposal, resulting in a clean property. The City initiated the clean closure to address the impacts to groundwater and to reduce postclosure monitoring costs. The clean closure was completed in November 2009 and received certification of clean closure in accordance with Title 27 requirements from the respective oversight agencies in January 2010. The City remains responsible for continued postclosure groundwater monitoring and must demonstrate compliance with the prescribed monitoring requirements for 3 consecutive years. During FY 2013, a review conducted by one of the respective oversight agencies noted that while the corrective action performed is working, the City will need to continue to perform postclosure groundwater monitoring in order to achieve full compliance. During FY 2017, the oversight agency informed the City that the current groundwater monitoring and reporting program would likely not result in site closure within the next 10 years, or by 2027. To expedite closure, the City proposed an alternative closure strategy that was accepted. This strategy focused on a comprehensive reevaluation of the hydrogeological conditions by surrounding the site with a new monitoring system. The oversight agency has concurred that the City has now completed all 12 monitoring events through September 2020 under the new monitoring system. In a letter dated January 26, 2021, the Central Valley Regional Water Quality Control Board staff concluded that the City complied with the requirements of the Waste Discharge Requirements and Title 27 demonstrating clean closure of the landfill.

In October 2021, the Sacramento County Recorder's Office recorded the Deed Notification Covenant between the City and the Central Valley Regional Water Quality Control Board regarding future use of the property. On June 13, 2022, Regional Board staff recommended rescission of the Waste Discharge Requirements (WDR) associated with the Corp Yard. Based on feedback from the Regional Board's Permitting Unit, the request to rescind the WDR will likely occur in the Spring of 2023. On April 27, 2023, the Central Valley Regional Water Quality

# City of Folsom

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED JUNE 30, 2023

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Control Board adopted Rescission Order R5-2023-0112 rescinding the Waste Discharge Requirements for the clean closed Folsom Corporation Yard Former Landfill. The rescission order does not prescribe further requirements for the clean closed Folsom Corporation Yard Former Landfill. As of June 30, 2023, there should not be any remaining post closure costs associated with the project and no further costs moving forward because of the rescission order.

### 19. DEFICIT FUND BALANCES

- The Planning Services Special Revenue Fund had a deficit fund balance of \$49,420 at June 30, 2023 primarily as a result of expenditures incurred in advance of receipt of revenues and will be eliminated with future revenues.
- The Humbug Willow Creek Special Revenue Fund had a deficit fund balance of \$135,320 June 30, 2023 primarily as a result of expenditures incurred in advance of receipt of revenues and will be eliminated with future revenues.
- The Fire Capital Improvement Fund had a deficit fund balance of \$164,442 June 30, 2023 primarily as a result of expenditures incurred in advance of receipt of revenues and will be eliminated with future revenues.
- The Compensated Leaves Fund had a deficit fund balance of \$359,613 at June 30, 2023 primarily as a result of a higher number of employees retiring than anticipated.

### 20. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

- Expenditures exceeded appropriations in the General Fund by \$3,408,447 due to higher costs associated with contracts and supplies due to the present economy with supply chain issues and inflation and increased benefit costs.
- Expenditures exceeded appropriations in the Humbug Willow Creek Special Revenue Fund by \$21,549 due to planned expenditure of fund balance.
- Expenditures exceeded appropriations in the Park Dedication Special Revenue Fund by \$164,598 due to planned expenditure of fund balance.
- Expenditures exceeded appropriations in the Folsom Ranch Financing Authority Debt Service Fund by \$851,486 due to interest payments for CFD 23IA3.
- Expenditures exceeded appropriations in the Folsom Public Financing Authority Debt Service Fund by \$2,393,271 due to the loan payoff of the 2011 Series Bonds.



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REQUIRED SUPPLEMENTARY INFORMATION



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE

# City of Folsom - REQUIRED SUPPLEMENTARY INFORMATION

## SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS - LAST 10 YEARS\*

	<u>Miscellaneous</u> <u>2015</u>	<u>Miscellaneous</u> <u>2016</u>	<u>Miscellaneous</u> <u>2017</u>	<u>Miscellaneous</u> <u>2018</u>
<b>Total Pension Liability</b>				
Service Cost	\$ 3,733,451	\$ 3,463,856	\$ 3,550,932	\$ 3,904,924
Interest on the total pension liability	12,026,923	12,827,742	13,405,790	13,879,289
Changes in benefit terms	-	819,877	282,187	34,533
Changes in assumptions	-	(3,280,830)	-	11,945,025
Differences between actual and expected experience	-	294,972	(2,420,273)	(2,802,533)
Benefit payments, including refunds of employee contributions	(5,784,838)	(6,486,519)	(6,795,160)	(8,072,643)
<b>Net change in total pension liability</b>	9,975,536	7,639,098	8,023,476	18,888,595
<b>Total pension liability - beginning</b>	161,384,658	171,360,194	178,999,292	187,022,768
<b>Total pension liability - ending (a)</b>	\$ 171,360,194	\$ 178,999,292	\$ 187,022,768	\$ 205,911,363
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 4,376,606	\$ 4,523,081	\$ 5,159,464	\$ 5,781,400
Contributions - employee	2,232,850	1,593,443	1,580,964	1,655,762
Net investment income	17,933,745	2,668,545	593,250	13,918,884
Benefit payments	(5,784,838)	(6,486,519)	(6,795,160)	(8,072,643)
Net Plan to Plan Resource Movement	-	-	-	2,162
Administrative expense	-	(138,974)	(75,236)	(182,949)
Other Miscellaneous Income/(Expense)	-	-	-	-
<b>Net change in plan fiduciary net position</b>	18,758,363	2,159,576	463,282	13,102,616
<b>Plan fiduciary net position - beginning</b>	102,531,433	121,289,796	123,449,372	123,743,093
<b>Plan fiduciary net position - ending (b)</b>	\$ 121,289,796	\$ 123,449,372	\$ 123,912,654	\$ 136,845,709
Net pension liability - ending (a)-(b)	\$ 50,070,398	\$ 55,549,920	\$ 63,110,114	\$ 69,065,654
Plan fiduciary net position as a percentage of the total pension liability	70.78%	68.97%	66.26%	66.46%
Covered payroll	22,140,150	21,527,190	22,082,925	21,890,526
Net pension liability as percentage of covered payroll	226.15%	258.05%	285.79%	315.50%
Measurement Date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
	<u>Safety</u> <u>2015</u>	<u>Safety</u> <u>2016</u>	<u>Safety</u> <u>2017</u>	<u>Safety</u> <u>2018</u>
<b>Total Pension Liability</b>				
Service Cost	\$ 3,769,467	\$ 3,525,048	\$ 3,439,072	\$ 3,853,558
Interest on the total pension liability	10,582,614	11,200,515	11,862,083	12,440,896
Changes in benefit terms	-	253,356	254,592	304,817
Changes in assumptions	-	(2,937,784)	-	11,011,292
Differences between actual and expected experience	-	(106,665)	681,197	(165,828)
Benefit payments, including refunds of employee contributions	(5,802,650)	(6,454,000)	(7,486,831)	(7,953,218)
<b>Net change in total pension liability</b>	8,549,431	5,480,470	8,750,113	19,491,517
* - Fiscal year 2015 was the 1st year of implementation	142,118,102	150,667,533	156,148,003	164,898,116
<b>Total pension liability - ending (a)</b>	\$ 150,667,533	\$ 156,148,003	\$ 164,898,116	\$ 184,389,633
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 4,616,712	\$ 4,705,025	\$ 4,910,890	\$ 5,843,744
Contributions - employee	1,285,454	1,313,706	1,218,093	1,488,989
Net investment income	15,398,818	2,317,142	557,570	11,610,189
Benefit payments	(5,802,650)	(6,454,000)	(7,486,831)	(7,953,218)
Plan to Plan Resource Movement	-	(49,988)	-	-
Administrative Expense	-	(118,942)	(64,412)	(154,767)
Other Miscellaneous Income/(Expense)	-	-	-	-
<b>Net change in plan fiduciary net position</b>	15,498,334	1,712,943	(864,690)	10,834,937
<b>Plan fiduciary net position - beginning</b>	88,478,338	103,976,672	105,689,615	104,824,925
<b>Plan fiduciary net position - ending (b)</b>	\$ 103,976,672	\$ 105,689,615	\$ 104,824,925	\$ 115,659,862
Net pension liability - ending (a)-(b)	\$ 46,690,861	\$ 50,458,388	\$ 60,073,191	\$ 68,729,771
Plan fiduciary net position as a percentage of the total pension liability	69.01%	67.69%	63.57%	62.73%
Covered payroll	18,541,342	18,593,681	18,863,681	19,300,575
Net pension liability as percentage of covered payroll	251.82%	271.37%	318.46%	356.10%
Measurement Date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017

Notes to Schedule:

\* - Fiscal year 2015 was the 1st year of implementation, therefore only eight years are shown.

# City of Folsom - REQUIRED SUPPLEMENTARY INFORMATION

Miscellaneous 2019	Miscellaneous 2020	Miscellaneous 2021	Miscellaneous 2022	Miscellaneous 2023
\$ 3,765,497	\$ 3,952,202	\$ 3,940,722	\$ 4,083,345	\$ 4,568,455
14,940,919	15,875,881	16,632,114	17,438,630	18,269,904
2,198,934	-	-	-	-
(1,842,927)	-	-	-	9,270,766
5,429,806	3,930,177	1,289,507	1,989,434	2,153,844
<u>(9,232,060)</u>	<u>(10,075,046)</u>	<u>(10,995,275)</u>	<u>(11,712,031)</u>	<u>(12,897,624)</u>
15,260,169	13,683,214	10,867,068	11,799,378	21,365,345
205,911,363	221,171,532	234,854,746	245,721,814	257,521,192
<u>\$ 221,171,532</u>	<u>\$ 234,854,746</u>	<u>\$ 245,721,814</u>	<u>\$ 257,521,192</u>	<u>\$ 278,886,537</u>

\$ 6,511,558	\$ 7,274,779	\$ 8,937,259	\$ 9,737,754	\$ 9,966,474
1,634,191	1,786,891	1,687,940	1,794,482	1,834,324
11,477,303	9,627,244	7,675,619	36,481,841	(15,168,020)
(9,232,060)	(10,075,046)	(10,995,275)	(11,712,031)	(12,897,624)
(338)	-	-	-	-
(213,243)	(104,630)	(218,692)	(162,042)	(123,563)
(404,953)	338	-	-	-
<u>9,772,458</u>	<u>8,509,576</u>	<u>7,086,851</u>	<u>36,140,004</u>	<u>(16,388,409)</u>
136,845,709	146,618,167	155,127,743	162,214,594	198,354,598
<u>\$ 146,618,167</u>	<u>\$ 155,127,743</u>	<u>\$ 162,214,594</u>	<u>\$ 198,354,598</u>	<u>\$ 181,966,189</u>
<u>\$ 74,553,365</u>	<u>\$ 79,727,003</u>	<u>\$ 83,507,220</u>	<u>\$ 59,166,594</u>	<u>\$ 96,920,348</u>

66.29%	66.05%	66.02%	77.02%	65.25%
22,161,909	23,324,130	22,682,427	23,245,952	23,261,240
336.40%	341.82%	368.16%	254.52%	416.66%
June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2021

Safety 2019	Safety 2020	Safety 2021	Safety 2022	Safety 2023
\$ 3,990,444	\$ 4,185,471	\$ 4,453,870	\$ 4,771,019	\$ 5,347,890
13,235,635	13,965,196	14,704,486	15,587,867	16,489,459
321,724	-	-	-	-
(718,527)	-	-	-	10,437,990
3,317,456	1,485,082	1,091,393	2,490,070	(96,585)
<u>(8,383,432)</u>	<u>(8,826,653)</u>	<u>(9,246,421)</u>	<u>(9,657,617)</u>	<u>(10,388,759)</u>
11,763,300	10,809,096	11,003,328	13,191,339	21,789,995
184,389,633	196,152,933	206,962,029	217,965,357	231,156,696
<u>\$ 196,152,933</u>	<u>\$ 206,962,029</u>	<u>\$ 217,965,357</u>	<u>\$ 231,156,696</u>	<u>\$ 252,946,691</u>

\$ 6,557,790	\$ 7,225,666	\$ 8,486,598	\$ 8,489,122	\$ 8,928,192
1,373,843	1,502,266	1,690,156	1,682,896	1,724,412
9,650,208	8,083,078	6,534,833	31,389,241	(13,113,470)
(8,383,432)	(8,826,653)	(9,246,421)	(9,657,617)	(10,388,759)
(287)	-	-	-	-
(180,230)	(88,728)	(186,414)	(139,362)	(106,694)
(342,260)	287	-	-	-
<u>8,675,632</u>	<u>7,895,916</u>	<u>7,278,752</u>	<u>31,764,280</u>	<u>(12,956,319)</u>
115,659,862	124,335,494	132,231,410	139,510,162	171,274,442
<u>\$ 124,335,494</u>	<u>\$ 132,231,410</u>	<u>\$ 139,510,162</u>	<u>\$ 171,274,442</u>	<u>\$ 158,318,123</u>
<u>\$ 71,817,439</u>	<u>\$ 74,730,619</u>	<u>\$ 78,455,195</u>	<u>\$ 59,882,254</u>	<u>\$ 94,628,568</u>

63.39%	63.89%	64.01%	74.09%	62.59%
20,342,212	21,877,386	23,938,536	24,365,618	24,642,629
353.05%	341.59%	327.74%	245.77%	384.00%
June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2021

# City of Folsom - REQUIRED SUPPLEMENTARY INFORMATION

## SCHEDULE OF CONTRIBUTIONS - LAST 10 YEARS

	<u>Miscellaneous Plan</u> <u>2015</u>	<u>Miscellaneous Plan</u> <u>2016</u>	<u>Miscellaneous Plan</u> <u>2017</u>	<u>Miscellaneous Plan</u> <u>2018</u>
Actuarially determined contribution	\$ 4,523,081	\$ 5,159,464	\$ 5,819,059	\$ 6,531,894
Contributions in relation to the actuarially determined contributions	(4,523,081)	(5,159,464)	(5,819,059)	(6,531,894)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 21,527,190	\$ 22,082,925	\$ 21,890,526	\$ 22,161,909
Contributions as a percentage of covered payroll	21.01%	23.36%	26.58%	29.47%

	<u>Safety Plan</u> <u>2015</u>	<u>Safety Plan</u> <u>2016</u>	<u>Safety Plan</u> <u>2017</u>	<u>Safety Plan</u> <u>2018</u>
Actuarially determined contribution	\$ 4,705,025	4,910,890	\$ 5,861,310	\$ 6,574,602
Contributions in relation to the actuarially determined contributions	(4,705,025)	(4,910,890)	(5,861,310)	(6,574,602)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 18,593,681	\$ 18,863,681	\$ 19,300,575	\$ 20,342,212
Contributions as a percentage of covered payroll	25.30%	26.03%	30.37%	32.32%

### Notes to Schedule

Valuation date: June 30, 2012 June 30, 2013 June 30, 2014 June 30, 2015

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll	Level percent of payroll	Level percent of payroll	Level percent of payroll
Asset valuation method	Market value	Market value	Market value	Market value
Inflation	2.75%	2.75%	2.75%	2.75%
Salary increases	Varies by Entry Age and Service	Varies by Entry Age and Service	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment rate of return	7.50%	7.50%	7.50%	7.50%
Retirement age	55	55	55	55
Mortality	Based on CalPERS Experience Study	Based on CalPERS Experience Study	Based on CalPERS Experience Study	Based on CalPERS Experience Study

\* - Fiscal year 2015 was the 1st year of implementation, therefore only eight years are shown.

# City of Folsom - REQUIRED SUPPLEMENTARY INFORMATION

<u>Miscellaneous Plan</u> <u>2019</u>	<u>Miscellaneous Plan</u> <u>2020</u>	<u>Miscellaneous Plan</u> <u>2021</u>	<u>Miscellaneous Plan</u> <u>2022</u>	<u>Miscellaneous Plan</u> <u>2023</u>
\$ 7,191,072	\$ 8,943,032	\$ 9,775,127	\$ 9,959,107	\$ 10,886,274
(7,191,072)	(8,943,032)	(9,775,127)	(9,959,107)	(10,886,274)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 23,324,130	\$ 23,938,536	\$ 23,245,952	\$ 23,261,240	\$ 25,421,129
30.83%	37.36%	42.05%	42.81%	42.82%

<u>Safety Plan</u> <u>2019</u>	<u>Safety Plan</u> <u>2020</u>	<u>Safety Plan</u> <u>2021</u>	<u>Safety Plan</u> <u>2022</u>	<u>Safety Plan</u> <u>2023</u>
\$ 7,128,404	\$ 8,502,037	\$ 8,506,647	\$ 8,942,932	\$ 9,789,430
(7,128,404)	(8,502,037)	(8,506,647)	(8,942,932)	(9,789,430)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 21,877,386	\$ 22,682,427	\$ 24,365,618	\$ 24,642,629	\$ 24,642,629
32.58%	37.48%	34.91%	36.29%	39.73%

June 30, 2016	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Level percent of payro	Level percent of payroll	Level percent of payroll	Level percent of payroll	Level percent of payrol
Market value	Market value	Market value	Market value	Market value
2.75%	2.75%	2.63%	2.50%	2.50%
Varies by Entry Age and Service	Varies by Entry Age and Service	Varies by Entry Age and Service	Varies by Entry Age and Service	Varies by Entry Age and Service
7.50%	7.38%	7.25%	7.00%	7.00%
55	55	55	55	55
Based on CalPERS Experience Study	Based on CalPERS Experience Study	Based on CalPERS Experience Study	Based on CalPERS Experience Study	Based on CalPERS Experience Study

# City of Folsom - REQUIRED SUPPLEMENTARY INFORMATION

## Schedule of Changes in the City's Net OPEB Liability and Related Ratios - Last Ten Years\*

	2017	2018
<b>Total OPEB liability</b>		
Service cost	\$ 2,148,999	\$ 2,208,096
Interest	4,259,868	5,040,097
Changes in assumptions	-	(9,590,919)
Differences between actual and expected experience	-	-
Benefit payments, including refunds of employee contributions	(3,943,224)	(4,100,953)
<b>Net change in total OPEB liability</b>	2,465,643	(6,443,679)
<b>Total OPEB liability -- beginning</b>	113,028,453	115,494,096
<b>Total OPEB liability -- ending (a)</b>	<u>\$ 115,494,096</u>	<u>\$ 109,050,417</u>
<b>Plan fiduciary net position</b>		
Plan to plan resource movement	\$ -	\$ -
Contributions - employer	4,053,403	4,600,953
Contributions - employee	-	-
Net investment income	464,483	311,032
Differences between projected and actual earnings on plan investments	-	5,677
Administrative expenses	-	-
Benefit payments, including refunds of employee contributions	(3,603,403)	(4,100,953)
<b>Net change in fiduciary net position</b>	914,483	816,709
<b>Plan fiduciary net position -- beginning</b>	3,853,948	4,768,431
<b>Plan fiduciary net position -- ending (b)</b>	<u>\$ 4,768,431</u>	<u>\$ 5,585,140</u>
<b>City's Net OPEB liability -- ending (a) - (b)</b>	<u>\$ 110,725,665</u>	<u>\$ 103,465,277</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	4.13%	5.12%
<b>Covered-employee payroll</b>	\$ 41,191,102	\$ 42,504,121
<b>City's Net OPEB liability as a percentage of covered-employee payroll</b>	268.81%	243.42%
<b>Measurement Date</b>	June 30, 2017	June 30, 2018

### Notes to Schedule

\* Fiscal year 2017 was the first year of implementation, therefore, only eight years are shown.

# City of Folsom - REQUIRED SUPPLEMENTARY INFORMATION

2019	2020	2021	2022	2023
\$ 2,305,252	\$ 1,355,366	\$ 1,397,788	\$ 1,169,455	\$ 1,162,729
4,806,648	5,530,728	5,656,980	5,510,140	5,240,542
(6,686,894)	-	(836,918)	-	435,195
(3,828,632)	-	(3,624,335)	(6,564,955)	1,925,121
(4,227,327)	(4,432,280)	(4,899,343)	(5,174,361)	(4,840,526)
(7,630,953)	2,453,814	(2,305,828)	(5,059,721)	3,923,061
109,050,417	101,419,464	103,873,278	101,567,450	96,507,729
<u>\$ 101,419,464</u>	<u>\$ 103,873,278</u>	<u>\$ 101,567,450</u>	<u>\$ 96,507,729</u>	<u>\$ 100,430,790</u>
\$ -	\$ -	\$ -	\$ -	\$ -
4,727,327	4,932,280	5,139,343	5,674,361	5,340,526
-	-	-	-	-
306,283	329,603	1,644,097	(1,754,779)	627,250
-	-	-	-	-
-	-	-	-	-
(4,227,327)	(4,432,280)	(4,899,343)	(5,174,361)	(4,840,526)
806,283	829,603	1,884,097	(1,254,779)	1,127,250
5,585,140	6,391,423	7,221,026	9,105,123	7,850,344
<u>\$ 6,391,423</u>	<u>\$ 7,221,026</u>	<u>\$ 9,105,123</u>	<u>\$ 7,850,344</u>	<u>\$ 8,977,594</u>
<u>\$ 95,028,041</u>	<u>\$ 96,652,252</u>	<u>\$ 92,462,327</u>	<u>\$ 88,657,385</u>	<u>\$ 91,453,196</u>
6.30%	6.95%	8.96%	8.13%	8.94%
\$ 45,201,515	\$ 46,620,962	\$ 47,611,570	\$ 47,903,869	\$ 50,063,758
210.23%	207.32%	194.20%	185.07%	182.67%
June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023

**Schedule of Investment Returns**  
As of the fiscal year ending June 30, 2023  
Last Ten Years\*

	2017	2018	2019	2020	2021	2022	2023
Annual money-weighted rate of return - net of investment expense	10.9%	6.0%	5.1%	4.8%	22.5%	-18%	4.5%

**Notes to Schedule**

\* Fiscal year 2017 was the first year of implementation, therefore, only eight years are shown.



# CITY OF FOLSOM, CALIFORNIA

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes:				
Property	\$ 36,050,672	\$ 36,050,672	\$ 37,224,284	\$ 1,173,612
Sales and use	27,900,289	27,900,289	28,102,378	202,089
Transient occupancy	2,200,000	2,200,000	2,496,365	296,365
Real property transfer	900,000	900,000	1,027,125	127,125
Other	1,822,000	1,822,000	1,236,529	(585,471)
Licenses and permits	3,975,850	3,975,850	4,010,647	34,797
Vehicle license fees	8,912,025	8,816,898	8,998,734	181,836
Intergovernmental revenues	646,507	389,000	3,901,461	3,512,461
Charges for current services	11,744,846	11,779,713	16,876,236	5,096,523
Fines and forfeitures	120,500	120,300	133,080	12,780
Interest revenue	230,000	230,000	894,692	664,692
Miscellaneous	581,667	2,114,441	2,002,191	(112,250)
Total revenues	<u>95,084,356</u>	<u>96,299,163</u>	<u>106,903,722</u>	<u>10,604,559</u>
<b>EXPENDITURES:</b>				
Current operating:				
General government	21,603,795	19,724,570	19,076,661	647,909
Public safety	49,357,105	50,654,696	49,702,490	952,206
Public ways and facilities	8,220,149	8,220,149	7,876,450	343,699
Community services	6,356,862	6,356,862	9,175,089	(2,818,227)
Culture and recreation	9,998,174	11,845,868	14,379,902	(2,534,034)
Capital outlay	7,178,969	7,178,969	7,178,969	-
Debt service:				
Principal payments	123,294	123,294	123,294	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>102,838,348</u>	<u>104,104,408</u>	<u>107,512,855</u>	<u>(3,408,447)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	<u>(7,753,992)</u>	<u>(7,805,245)</u>	<u>(609,133)</u>	<u>7,196,112</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	7,753,992	7,805,245	4,454,442	(3,350,803)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>7,753,992</u>	<u>7,805,245</u>	<u>4,454,442</u>	<u>(3,350,803)</u>
<b>NET CHANGE IN FUND BALANCE</b>				
	<u>-</u>	<u>-</u>	<u>3,845,309</u>	<u>\$ 3,845,309</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>				
	<u>26,919,048</u>	<u>26,919,048</u>	<u>26,919,048</u>	
<b>FUND BALANCE - ENDING</b>				
	<u>\$ 26,919,048</u>	<u>\$ 26,919,048</u>	<u>\$ 30,764,357</u>	

Refer to Note to Required Supplementary Information

**CITY OF FOLSOM, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOLSOM HOUSING SPECIAL REVENUE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Fines and Forfeitures	\$ 250,000	\$ 250,000	\$ 4,176,929	\$ 3,926,929
Charges for current services	40,000	40,000	17,310	(22,690)
Interest	150,000	150,000	252,934	102,934
Miscellaneous	25,829	25,829	-	(25,829)
Total revenues	<u>465,829</u>	<u>465,829</u>	<u>4,447,173</u>	<u>3,981,344</u>
EXPENDITURES:				
Current operating:				
General government	<u>350,300</u>	<u>350,300</u>	<u>88,418</u>	<u>261,882</u>
Total expenditures	<u>350,300</u>	<u>350,300</u>	<u>88,418</u>	<u>261,882</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>115,529</u>	<u>115,529</u>	<u>4,358,755</u>	<u>4,243,226</u>
OTHER FINANCING USES:				
Transfers out	<u>(115,529)</u>	<u>(115,529)</u>	<u>(115,529)</u>	<u>-</u>
TOTAL OTHER FINANCING USES	<u>(115,529)</u>	<u>(115,529)</u>	<u>(115,529)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	4,243,226	<u>\$ 4,243,226</u>
FUND BALANCE - BEGINNING OF YEAR	<u>37,789,041</u>	<u>37,789,041</u>	<u>37,789,041</u>	
FUND BALANCE - END OF YEAR	<u>\$ 37,789,041</u>	<u>\$ 37,789,041</u>	<u>\$ 42,032,267</u>	

Refer to Note to Required Supplementary Information

# City of Folsom

## NOTE TO REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2023

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### **Budgetary Data**

Annual budgets are adopted on a basis consistent with generally accepted accounting principals for all governmental funds except the capital projects funds, which adopt multi-year length budgets, and fiduciary funds, which are not budgeted. The level of control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund. All appropriations remaining at year-end lapse, except for purchases in progress which are carried forward to the following year and assigned by encumbrances. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- A. Department Heads prepare a budget request based upon the previous year's expenditures.
- B. Meetings are held between the Department Heads, Chief Financial Officer, and the City Manager for the purpose of reviewing and prioritizing budget requests.
- C. The City Manager submits the proposed city budget to the City Council, who makes decisions regarding department budgets.
- D. Transfers between funds and changes in the total budget must be approved by the City Council.

Budget information is presented for the General Fund and the Folsom Housing Special Revenue Fund as required supplementary information. The budget information is presented on a basis consistent with generally accepted accounting principles. Appropriations, except open project appropriations, and unexpended grant appropriations, lapse at the end of each fiscal year.

**OTHER SUPPLEMENTARY INFORMATION**



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE

**CITY OF FOLSOM, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOLSOM PUBLIC FINANCING AUTHORITY DEBT SERVICE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>REVENUES</b>				
Intergovernmental	\$ 6,892,856	\$ 6,892,856	\$ 1,235,789	\$ (5,657,067)
Investment income (loss)	-	-	1,143,307	1,143,307
Miscellaneous	<u>(1,421,025)</u>	<u>(1,421,025)</u>	<u>-</u>	<u>1,421,025</u>
Total revenues	<u>5,471,831</u>	<u>5,471,831</u>	<u>2,379,096</u>	<u>(3,092,735)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	4,291,113	4,291,113	6,351,113	(2,060,000)
Interest and fiscal charges	<u>1,089,511</u>	<u>1,089,511</u>	<u>1,035,011</u>	<u>54,500</u>
Total expenditures	<u>5,380,624</u>	<u>5,380,624</u>	<u>7,773,895</u>	<u>(2,393,271)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>91,207</u>	<u>91,207</u>	<u>(5,394,799)</u>	<u>(5,486,006)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	<u>(91,207)</u>	<u>(91,207)</u>	<u>-</u>	<u>91,207</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(91,207)</u>	<u>(91,207)</u>	<u>-</u>	<u>91,207</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	(5,394,799)	<u>\$ (5,394,799)</u>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>120,642,943</u>	<u>120,642,943</u>	<u>36,946,198</u>	
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 120,642,943</u>	<u>\$ 120,642,943</u>	<u>\$ 31,551,399</u>	

Refer to Note to Other Supplementary Information

**CITY OF FOLSOM, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOLSOM RANCH FINANCING AUTHORITY DEBT SERVICE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Intergovernmental	\$ 5,255,863	\$ 5,255,863	\$ 5,262,349	\$ 6,486
Investment income (loss)	-	-	1,400,480	1,400,480
Miscellaneous	-	-	-	-
Total revenues	5,255,863	5,255,863	6,662,829	1,406,966
<b>EXPENDITURES</b>				
Debt service:				
Principal	845,000	845,000	845,000	-
Interest and fiscal charges	4,410,863	4,410,863	5,262,349	(851,486)
Total expenditures	5,255,863	5,255,863	6,107,349	(851,486)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	555,480	555,480
<b>OTHER FINANCING USES</b>				
Bond issuance	-	-	20,655,000	20,655,000
Bond (discount)/Premium	-	-	(39,146)	(39,146)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	20,615,854	20,615,854
<b>NET CHANGE IN FUND BALANCE</b>	-	-	21,171,334	\$ 21,171,334
<b>FUND BALANCE - BEGINNING OF YEAR</b>	106,208,595	106,208,595	106,208,595	
<b>FUND BALANCE - END OF YEAR</b>	\$ 106,208,595	\$ 106,208,595	\$ 127,379,929	

Refer to Note to Other Supplementary Information

# City of Folsom

## NOTE TO OTHER SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2023

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### **Budgetary Data**

Annual budgets are adopted on a basis consistent with generally accepted accounting principals for all governmental funds except the capital projects funds, which adopt multi-year length budgets, and fiduciary funds, which are not budgeted. The level of control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund. All appropriations remaining at year-end lapse, except for purchases in progress which are carried forward to the following year and assigned by encumbrances. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- A. Department Heads prepare a budget request based upon the previous year's expenditures.
- B. Meetings are held between the Department Heads, Chief Financial Officer, and the City Manager for the purpose of reviewing and prioritizing budget requests.
- C. The City Manager submits the proposed city budget to the City Council, who makes decisions regarding department budgets.
- D. Transfers between funds and changes in the total budget must be approved by the City Council.

Budget information is presented for the Folsom Public Financing Authority Debt Service Fund and Folsom Ranch Financing Authority Debt Service Fund as other supplementary information. The budget information is presented on a basis consistent with generally accepted accounting principles. Appropriations, except open project appropriations, and unexpended grant appropriations, lapse at the end of each fiscal year.

**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE



## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

### **Debt Service Funds**

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

### **Capital Projects Funds**

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

### **Permanent Funds**

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for proposes that support the reporting government's programs.

## CITY OF FOLSOM, CALIFORNIA

### COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 20,285,896	\$ 1,660,588	\$ 21,282,210	\$ 463,719	\$ 43,692,413
Cash with fiscal agent	-	-	207,657	-	207,657
Receivables					
General accounts	526,845	-	415,417	-	942,262
Accrued interest	197,711	16,567	140,201	4,635	359,114
Loans	4,729,174	-	-	-	4,729,174
Special assessments - delinquent	-	41,329	-	-	41,329
Due from other governments	955,327	20	-	-	955,347
Restricted assets:					
Cash and cash equivalents	352,301	-	-	-	352,301
Total assets	<u>\$ 27,047,254</u>	<u>\$ 1,718,504</u>	<u>\$ 22,045,485</u>	<u>\$ 468,354</u>	<u>\$ 51,279,597</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ 1,078,066	\$ 41,329	\$ 485,832	\$ -	\$ 1,605,227
Wages payable	-	-	83,891	-	83,891
Due to other funds	119,948	-	164,804	-	284,752
Unearned revenue	667,268	-	-	-	667,268
Total liabilities	<u>1,865,282</u>	<u>41,329</u>	<u>734,527</u>	<u>-</u>	<u>2,641,138</u>
<b>FUND BALANCES:</b>					
Nonspendable	-	-	-	463,719	463,719
Restricted	15,944,173	1,298,234	21,322,046	4,635	38,569,088
Committed	6,388,285	-	-	-	6,388,285
Assigned	3,034,254	378,941	153,354	-	3,566,549
Unassigned	(184,740)	-	(164,442)	-	(349,182)
Total fund balances	<u>25,181,972</u>	<u>1,677,175</u>	<u>21,310,958</u>	<u>468,354</u>	<u>48,638,459</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 27,047,254</u>	<u>\$ 1,718,504</u>	<u>\$ 22,045,485</u>	<u>\$ 468,354</u>	<u>\$ 51,279,597</u>

## CITY OF FOLSOM, CALIFORNIA

### COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES:					
Licenses and permits	\$ 7,350	\$ -	\$ -	\$ -	\$ 7,350
Intergovernmental revenues	4,433,041	-	-	-	4,433,041
Charges for current services	7,127,831	-	4,887,862	-	12,015,693
Fines and forfeitures	67,333	-	-	-	67,333
Assessment collections	-	69	-	-	69
Investment income (loss)	527,442	41,934	319,141	11,710	900,227
Miscellaneous	57,948	-	42,614	-	100,562
Total revenues	<u>12,220,945</u>	<u>42,003</u>	<u>5,249,617</u>	<u>11,710</u>	<u>17,524,275</u>
EXPENDITURES:					
Current:					
General government	463,862	-	-	-	463,862
Public safety	13,800	-	-	-	13,800
Public ways and facilities	6,110,048	-	662,433	-	6,772,481
Culture and recreation	36,392	-	-	-	36,392
Capital outlay	1,394,732	-	52,904	-	1,447,636
Total expenditures	<u>8,018,834</u>	<u>-</u>	<u>715,337</u>	<u>-</u>	<u>8,734,171</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>4,202,111</u>	<u>42,003</u>	<u>4,534,280</u>	<u>11,710</u>	<u>8,790,104</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	(837,496)	-	(80,125)	(643)	(918,264)
Total other financing sources (uses)	<u>(837,496)</u>	<u>-</u>	<u>(80,125)</u>	<u>(643)</u>	<u>(918,264)</u>
NET CHANGE IN FUND BALANCES	3,364,615	42,003	4,454,155	11,067	7,871,840
FUND BALANCES, BEGINNING OF YEAR	<u>21,817,357</u>	<u>1,635,172</u>	<u>16,856,803</u>	<u>457,287</u>	<u>40,766,619</u>
FUND BALANCES, END OF YEAR	<u>\$ 25,181,972</u>	<u>\$ 1,677,175</u>	<u>\$ 21,310,958</u>	<u>\$ 468,354</u>	<u>\$ 48,638,459</u>

## NONMAJOR SPECIAL REVENUE FUNDS

### Planning Services:

To account for revenues and disbursements of special planning services for developers.

### Transportation Tax:

To account for receipts of SB-325 transportation tax monies.

### Park Dedication (Quimby):

To account for Quimby Act Fees for park development purposes.

### Traffic Congestion Relief:

To account for revenues and expenditures associated with the relief of Traffic Congestion.

### Gas Tax:

Road Maint/Rehab – To account for money apportioned under Streets and Highways Code Sec. 2032.

Gas Tax 2105 - To account for money apportioned under Streets and Highways Code Sec. 2105.

Gas Tax 2106 - To account for money apportioned under Streets and Highways Code Sec. 2106.

Gas Tax 2107 - To account for money apportioned under Streets and Highways Codes Sec. 2107 and SB-300 Special Motor Vehicle Fuel Tax Apportionment.

Gas Tax 2107.5 - To account for money apportioned under Street and Highways Code Sec. 2107.5.

### Light and Landscape Districts:

To account for assessments for maintenance pursuant to the 1972 Lighting and Landscaping Act in the following subsidiary funds:

Los Cerros	Briggs Ranch	Natoma Station
Folsom Heights	Broadstone Unit 3	Broadstone
Hannaford Cross	Lake Natoma Shores	Cobble Hills/Reflections
Sierra Estates	Lakeridge Estates	La Collina Del Lago
Cobble Ridge	Prairie Oaks Ranch	Silverbrook
Willow Creek East	Blue Ravine Oaks	Steeplechase
Willow Creek So.	American River Canyon No.	Willow Springs
Willow Springs Maint. Dist.	CFD# 12 Maint. Dist.	CFD# 13 ARC Maint. Dist.
American River Canyon #2	The Residences at ARC No.	Fieldstone Meadows
ARC L&L Dist #3	Blue Ravine Oaks No. 2	Folsom Heights L&L 2
Broadstone L&L 4	CFD #16 Islands Maint. Dist.	Willow Creek Estates 2
Prospect Ridge	CFD#18 Maint Dist.	CFD#19 Maint Dist.
CFD #23 A1 Maint Dist.		

### Transportation System Management:

To account for revenue and disbursements for study of future traffic needs.

### Community Development Block Grant:

To account for Community Development Grant monies.

### Humbug Willow Creek:

To account for revenues and expenditures related to the planning for the Humbug Willow Creek trail area.

### General Plan Amendment:

To account for fees collected for the update of the general plan.

Tree Planting:

To account for revenues and expenditures related to the mitigation of tree loss in construction.

Zoo Special Revenue:

To account for revenues and expenditures for designated zoo activities.

Other Special Revenue:

To account for revenues and expenditures in the following special revenue funds:

Folsom Comm & Cultural Services  
Folsom Historic District  
Oaks at Willow Springs

Housing Trust Special Revenue  
Sphere of Influence  
Police Officer Training Fund

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# CITY OF FOLSOM, CALIFORNIA

## COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS JUNE 30, 2023

	Planning Services	Transportation Tax	Park Dedication (Quimby)	Traffic Congestion Relief
<b>ASSETS</b>				
Cash and cash equivalents	\$ 542,054	\$ 296,901	\$ 2,206,080	\$ 962
Receivables				
General accounts	-	5,167	424,013	-
Accrued interest	5,451	2,942	19,657	73
Loans	-	-	-	-
Due from other governments	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	36,000	-	-
Total assets	\$ 547,505	\$ 341,010	\$ 2,649,750	\$ 1,035
 <b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 69,627	\$ -	\$ 4,164	\$ -
Due to other funds	-	-	-	-
Unearned revenue	527,298	-	-	-
Total liabilities	596,925	-	4,164	-
 <b>FUND BALANCES</b>				
Restricted		341,010	-	1,035
Committed	-	-	2,645,586	-
Assigned		-	-	-
Unassigned	(49,420)	-	-	-
Total fund balances (deficit)	(49,420)	341,010	2,645,586	1,035
Total liabilities and fund balances (deficit)	\$ 547,505	\$ 341,010	\$ 2,649,750	\$ 1,035

<u>Gas Tax</u>	<u>Light and Landscape Districts</u>	<u>Transportation System Management</u>	<u>Community Development Block Grant</u>	
				ASSETS
\$ 5,172,871	\$ 8,497,627	\$ 184,031	\$ (10,934)	Cash and cash equivalents
				Receivables
-	4,008	-	79,372	General accounts
51,116	82,527	2,093	511	Accrued interest
-	-	-	73,729	Loans
561,602	393,725	-	-	Due from other governments
				Restricted assets:
251,498	-	49,802	-	Cash and cash equivalents
<u>\$ 6,037,087</u>	<u>\$ 8,977,887</u>	<u>\$ 235,926</u>	<u>\$ 142,678</u>	Total assets
				LIABILITIES AND FUND BALANCE
				LIABILITIES
\$ 179,460	\$ 684,053	\$ 70	\$ 15,214	Accounts payable
-	-	-	-	Due to other funds
-	-	-	-	Unearned revenue
<u>179,460</u>	<u>684,053</u>	<u>70</u>	<u>15,214</u>	Total liabilities
				FUND BALANCES
5,857,627	8,293,834	-	127,464	Restricted
-	-	235,856	-	Committed
-	-	-	-	Assigned
-	-	-	-	Unassigned
<u>5,857,627</u>	<u>8,293,834</u>	<u>235,856</u>	<u>127,464</u>	Total fund balances (deficit)
<u>\$ 6,037,087</u>	<u>\$ 8,977,887</u>	<u>\$ 235,926</u>	<u>\$ 142,678</u>	Total liabilities and fund balances (deficit)

Continued on next page



# CITY OF FOLSOM, CALIFORNIA

## COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED) JUNE 30, 2023

	Humbug Willow Creek	General Plan Amendment	Tree Planting
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 455,746	\$ 1,246,439
Receivables			
General accounts	-	-	-
Accrued interest	-	3,711	12,427
Loans	-	-	-
Due from other governments	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 459,457</b>	<b>\$ 1,258,866</b>
 <b>LIABILITIES AND FUND BALANCE</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 15,372	\$ 144	\$ 25,855
Due to other funds	119,948	-	-
Unearned revenue	-	-	-
<b>Total liabilities</b>	<b>135,320</b>	<b>144</b>	<b>25,855</b>
 <b>FUND BALANCES</b>			
Restricted	-	459,313	-
Committed	-		1,233,011
Assigned	-	-	-
Unassigned	(135,320)	-	-
<b>Total fund balances (deficit)</b>	<b>(135,320)</b>	<b>459,313</b>	<b>1,233,011</b>
<b>Total liabilities and fund balances (deficit)</b>	<b>\$ -</b>	<b>\$ 459,457</b>	<b>\$ 1,258,866</b>

Zoo	Other	Total Nonmajor Special Revenue Funds
\$ 191,525	\$ 1,502,594	\$ 20,285,896
1,913	12,372	526,845
1,741	15,462	197,711
-	4,655,445	4,729,174
-	-	955,327
-	15,001	352,301
<u>\$ 195,179</u>	<u>\$ 6,200,874</u>	<u>\$ 27,047,254</u>

ASSETS

Cash and cash equivalents
Receivables
General accounts
Accrued interest
Loans
Due from other governments
Restricted assets:
Cash and cash equivalents
Total assets

LIABILITIES AND FUND BALANCE

LIABILITIES

\$ -	\$ 84,107	\$ 1,078,066
-	-	119,948
-	139,970	667,268
-	224,077	1,865,282

Accounts payable
Due to other funds
Unearned revenue

Total liabilities

FUND BALANCES

195,179	668,711	15,944,173
-	2,273,832	6,388,285
-	3,034,254	3,034,254
-	-	(184,740)
<u>195,179</u>	<u>5,976,797</u>	<u>25,181,972</u>
<u>\$ 195,179</u>	<u>\$ 6,200,874</u>	<u>\$ 27,047,254</u>

Restricted
Committed
Assigned
Unassigned
Total fund balances (deficit)
Total liabilities and fund balances (deficit)

# CITY OF FOLSOM, CALIFORNIA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NON MAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	Planning Services	Transportation Tax	Park Dedication (Quimby)	Traffic Congestion Relief
<b>REVENUES:</b>				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	108,110	-	-
Charges for current services	293,103	-	1,012,279	-
Fines and forfeitures	-	-	-	-
Interest	13,349	7,854	48,288	(107)
Miscellaneous	-	-	-	-
Total revenues	<u>306,452</u>	<u>115,964</u>	<u>1,060,567</u>	<u>(107)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	294,026	-	168,985	-
Public safety	-	-	-	-
Public ways and facilities	-	17,657	-	-
Culture and recreation	-	-	-	-
Capital Outlay	-	-	-	-
Total expenditures	<u>294,026</u>	<u>17,657</u>	<u>168,985</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>12,426</u>	<u>98,307</u>	<u>891,582</u>	<u>(107)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	(15,624)	-	(4,387)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(15,624)</u>	<u>-</u>	<u>(4,387)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(3,198)	98,307	887,195	(107)
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	<u>(46,222)</u>	<u>242,703</u>	<u>1,758,391</u>	<u>1,142</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<u>\$ (49,420)</u>	<u>\$ 341,010</u>	<u>\$ 2,645,586</u>	<u>\$ 1,035</u>

<u>Gas Tax</u>	<u>Light and Landscape Districts</u>	<u>Transportation System Management</u>	<u>Community Development Block Grant</u>	
\$ -	\$ -	\$ -	\$ -	REVENUES:
4,177,960	12,140	-	134,831	Licenses and permits
-	5,420,871	41,350	-	Intergovernmental
-	-	-	-	Charges for current services
135,649	222,034	5,524	1,361	Fines and forfeitures
-	1,080	-	-	Interest
-	-	-	-	Miscellaneous
<u>4,313,609</u>	<u>5,656,125</u>	<u>46,874</u>	<u>136,192</u>	Total revenues
-	-	-	-	EXPENDITURES:
-	-	-	-	Current:
-	-	-	-	General government
521,516	5,259,380	3,500	169,870	Public safety
-	-	-	-	Public ways and facilities
1,394,732	-	-	-	Culture and recreation
-	-	-	-	Capital Outlay
<u>1,916,248</u>	<u>5,259,380</u>	<u>3,500</u>	<u>169,870</u>	Total expenditures
<u>2,397,361</u>	<u>396,745</u>	<u>43,374</u>	<u>(33,678)</u>	EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES
-	-	-	-	OTHER FINANCING SOURCES (USES):
(725,000)	(81,289)	(165)	-	Transfers in
-	-	-	-	Transfers out
<u>(725,000)</u>	<u>(81,289)</u>	<u>(165)</u>	<u>-</u>	TOTAL OTHER FINANCING SOURCES (USES)
1,672,361	315,456	43,209	(33,678)	NET CHANGE IN FUND BALANCES
<u>4,185,266</u>	<u>7,978,378</u>	<u>192,647</u>	<u>161,142</u>	FUND BALANCES (DEFICIT), BEGINNING OF YEAR
<u>\$ 5,857,627</u>	<u>\$ 8,293,834</u>	<u>\$ 235,856</u>	<u>\$ 127,464</u>	FUND BALANCES (DEFICIT), END OF YEAR

Continued on next page

# CITY OF FOLSOM, CALIFORNIA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NON MAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	Humbug Willow Creek	General Plan Amendment	Tree Planting
REVENUES:			
Licenses and permits	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for current services	52,035	138,696	146,888
Fines and forfeitures	-	-	-
Interest	-	10,361	32,013
Miscellaneous	-	-	-
	52,035	149,057	178,901
Total revenues			
EXPENDITURES:			
Current:			
General government	-	-	-
Public safety	-	-	-
Public ways and facilities	-	-	138,125
Culture and recreation	21,549	-	-
Capital Outlay	-	-	-
	21,549	-	138,125
Total expenditures			
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	30,486	149,057	40,776
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Transfers out	(866)	(226)	(2,286)
	(866)	(226)	(2,286)
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	29,620	148,831	38,490
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	(164,940)	310,482	1,194,521
FUND BALANCES (DEFICIT), END OF YEAR	\$ (135,320)	\$ 459,313	\$ 1,233,011

<u>Zoo</u>	<u>Other</u>	<u>Total Nonmajor Special Revenue Funds</u>	
			REVENUES:
\$ -	\$ 7,350	\$ 7,350	Licenses and permits
-	-	4,433,041	Intergovernmental
22,609	-	7,127,831	Charges for current services
-	67,333	67,333	Fines and forfeitures
4,592	46,524	527,442	Interest
12,901	43,967	57,948	Miscellaneous
<u>40,102</u>	<u>165,174</u>	<u>12,220,945</u>	Total revenues
			EXPENDITURES:
			Current:
-	851	463,862	General government
-	13,800	13,800	Public safety
-	-	6,110,048	Public ways and facilities
-	14,843	36,392	Culture and recreation
-	-	1,394,732	Capital Outlay
<u>-</u>	<u>29,494</u>	<u>8,018,834</u>	Total expenditures
<u>40,102</u>	<u>135,680</u>	<u>4,202,111</u>	EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES
			OTHER FINANCING SOURCES (USES):
-	-	-	Transfers in
(570)	(7,083)	(837,496)	Transfers out
<u>(570)</u>	<u>(7,083)</u>	<u>(837,496)</u>	TOTAL OTHER FINANCING SOURCES (USES)
39,532	128,597	3,364,615	NET CHANGE IN FUND BALANCES
<u>155,647</u>	<u>5,848,200</u>	<u>21,817,357</u>	FUND BALANCES (DEFICIT), BEGINNING OF YEAR
<u>\$ 195,179</u>	<u>\$ 5,976,797</u>	<u>\$ 25,181,972</u>	FUND BALANCES (DEFICIT), END OF YEAR

**CITY OF FOLSOM, CALIFORNIA  
PLANNING SERVICES SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>BUDGET</u>		<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(NEGATIVE)</u>
<b>REVENUES</b>				
Charges for current services	\$ 360,624	\$ 536,553	\$ 293,103	\$ (243,450)
Interest	<u>5,000</u>	<u>5,000</u>	<u>13,349</u>	<u>8,349</u>
Total revenues	<u>365,624</u>	<u>541,553</u>	<u>306,452</u>	<u>(235,101)</u>
<b>EXPENDITURES</b>				
Current operating:				
General government	<u>350,000</u>	<u>525,929</u>	<u>294,026</u>	<u>231,903</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>15,624</u>	<u>15,624</u>	<u>12,426</u>	<u>(3,198)</u>
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(15,624)</u>	<u>(15,624)</u>	<u>(15,624)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	(3,198)	<u>\$ (3,198)</u>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>(46,222)</u>	<u>(46,222)</u>	<u>(46,222)</u>	
<b>FUND BALANCE (DEFICIT)- END OF YEAR</b>	<u>\$ (46,222)</u>	<u>\$ (46,222)</u>	<u>\$ (49,420)</u>	

**CITY OF FOLSOM, CALIFORNIA  
TRANSPORTATION TAX SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Intergovernmental	\$ 80,000	\$ 80,000	\$ 108,110	\$ 28,110
Miscellaneous	(45,500)	(45,500)	-	45,500
Interest	1,500	1,500	7,854	6,354
Total revenues	36,000	36,000	115,964	79,964
EXPENDITURES:				
Current operating:				
Capital Outlay	36,000	36,000	-	36,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	115,964	115,964
OTHER FINANCING USES				
Transfers out	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	115,964	\$ 115,964
FUND BALANCE - BEGINNING OF YEAR	242,703	242,703	242,703	
FUND BALANCE - END OF YEAR	\$ 242,703	\$ 242,703	\$ 358,667	



**CITY OF FOLSOM, CALIFORNIA  
 PARK DEDICATION (QUIMBY) SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Charges for current services	\$ -	\$ -	\$ 1,012,279	\$ 1,012,279
Interest	15,000	15,000	48,288	33,288
Miscellaneous	(10,613)	(10,613)	-	10,613
Total revenues	<u>4,387</u>	<u>4,387</u>	<u>1,060,567</u>	<u>1,056,180</u>
EXPENDITURES:				
Current operating:				
Culture and recreation	<u>4,387</u>	<u>4,387</u>	<u>168,985</u>	<u>(164,598)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>891,582</u>	<u>891,582</u>
OTHER FINANCING USES				
Transfers out	<u>-</u>	<u>-</u>	<u>(4,387)</u>	<u>(4,387)</u>
NET CHANGE IN FUND BALANCE	-	-	887,195	<u>\$ 887,195</u>
FUND BALANCE - BEGINNING OF YEAR	<u>1,758,391</u>	<u>1,758,391</u>	<u>1,758,391</u>	
FUND BALANCE - END OF YEAR	<u>\$ 1,758,391</u>	<u>\$ 1,758,391</u>	<u>\$ 2,645,586</u>	

**CITY OF FOLSOM, CALIFORNIA  
TRAFFIC CONGESTION RELIEF SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Interest	-	-	(107)	(107)
Miscellaneous	-	-	-	-
Total revenues	-	-	(107)	(107)
EXPENDITURES:				
Current operating:				
Public ways and facilities	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(107)	(107)
NET CHANGE IN FUND BALANCE	-	-	(107)	\$ (107)
FUND BALANCE - BEGINNING OF YEAR	-	-	1,142	
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 1,035	

**CITY OF FOLSOM, CALIFORNIA  
 GAS TAX SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>BUDGET</u>		<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Intergovernmental	\$4,297,203	\$ 4,297,203	\$4,177,960	\$ (119,243)
Interest	33,500	33,500	135,649	102,149
Miscellaneous	(594,954)	(594,954)	-	594,954
Total revenues	<u>3,735,749</u>	<u>3,735,749</u>	<u>4,313,609</u>	<u>577,860</u>
EXPENDITURES:				
Current operating:				
Public ways and facilities	424,069	424,069	521,516	(97,447)
Capital Outlay	1,771,680	1,771,680	1,394,732	376,948
Total expenditures	<u>2,195,749</u>	<u>2,195,749</u>	<u>1,916,248</u>	<u>279,501</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>1,540,000</u>	<u>1,540,000</u>	<u>2,397,361</u>	<u>857,361</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(1,540,000)	(1,540,000)	(725,000)	815,000
NET CHANGE IN FUND BALANCE	-	-	1,672,361	<u>\$ 1,672,361</u>
FUND BALANCE - BEGINNING OF YEAR	<u>4,185,266</u>	<u>4,185,266</u>	<u>4,185,266</u>	
FUND BALANCE - END OF YEAR	<u>\$4,185,266</u>	<u>\$ 4,185,266</u>	<u>\$5,857,627</u>	

**CITY OF FOLSOM, CALIFORNIA  
LIGHT AND LANDSCAPE, AND MAINTENANCE DISTRICTS SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Charges for current services	\$ 4,362,100	\$ 4,362,100	\$ 5,420,871	\$ 1,058,771
Interest	79,450	79,450	222,034	142,584
Miscellaneous	1,331,603	1,472,721	1,080	(1,471,641)
Total revenues	<u>5,773,153</u>	<u>5,914,271</u>	<u>5,643,985</u>	<u>(270,286)</u>
EXPENDITURES:				
Current operating:				
Public ways and facilities	5,083,805	5,224,923	5,259,380	(34,457)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>689,348</u>	<u>689,348</u>	<u>384,605</u>	<u>(304,743)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(689,348)	(689,348)	(81,289)	608,059
TOTAL OTHER FINANCING SOURCES (USES)	<u>(689,348)</u>	<u>(689,348)</u>	<u>(81,289)</u>	<u>608,059</u>
NET CHANGE IN FUND BALANCE	-	-	303,316	<u>\$ 303,316</u>
FUND BALANCE - BEGINNING OF YEAR	<u>7,978,378</u>	<u>7,978,378</u>	<u>7,978,378</u>	
FUND BALANCE - END OF YEAR	<u>\$ 7,978,378</u>	<u>\$ 7,978,378</u>	<u>\$ 8,281,694</u>	

**CITY OF FOLSOM, CALIFORNIA  
TRANSPORTATION SYSTEM MANAGEMENT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>BUDGET</u>		<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Charges for current services	\$ 35,000	\$ 35,000	\$ 41,350	\$ 6,350
Interest	1,200	1,200	5,524	4,324
Other	<u>(1,035)</u>	<u>(1,035)</u>	<u>-</u>	<u>1,035</u>
Total revenues	<u>35,165</u>	<u>35,165</u>	<u>46,874</u>	<u>11,709</u>
EXPENDITURES:				
Capital Outlay	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>
Total expenditures	<u>35,000</u>	<u>35,000</u>	<u>3,500</u>	<u>31,500</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>165</u>	<u>165</u>	<u>43,374</u>	<u>43,209</u>
OTHER FINANCING USES:				
Transfers out	<u>(165)</u>	<u>(165)</u>	<u>(165)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	43,209	<u>\$ 43,209</u>
FUND BALANCE - BEGINNING OF YEAR	<u>192,647</u>	<u>192,647</u>	<u>192,647</u>	
FUND BALANCE - END OF YEAR	<u>\$ 192,647</u>	<u>\$ 192,647</u>	<u>\$ 235,856</u>	

**CITY OF FOLSOM, CALIFORNIA  
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Intergovernmental	\$ 220,000	\$ 220,000	\$ 134,831	\$ (85,169)
Charges for current services	-	-	-	-
Interest	500	500	1,361	861
Miscellaneous	(500)	(500)	-	500
Total revenues	<u>220,000</u>	<u>220,000</u>	<u>136,192</u>	<u>(83,808)</u>
EXPENDITURES:				
Current Operating:				
Public ways and facilities	<u>220,000</u>	<u>220,000</u>	<u>169,870</u>	<u>50,130</u>
Total expenditures	<u>220,000</u>	<u>220,000</u>	<u>169,870</u>	<u>50,130</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(33,678)</u>	<u>(33,678)</u>
OTHER FINANCING USES:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	(33,678)	<u>\$ (33,678)</u>
FUND BALANCE - BEGINNING OF YEAR	<u>161,142</u>	<u>161,142</u>	<u>161,142</u>	
FUND BALANCE - END OF YEAR	<u>\$ 161,142</u>	<u>\$ 161,142</u>	<u>\$ 127,464</u>	

**CITY OF FOLSOM, CALIFORNIA  
HUMBUG WILLOW CREEK SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for current services	89,610	89,610	52,035	(37,575)
Miscellaneous	(88,744)	(88,744)	-	88,744
Total revenues	<u>866</u>	<u>866</u>	<u>52,035</u>	<u>51,169</u>
EXPENDITURES:				
Current operating:				
Culture and recreation	-	-	21,549	(21,549)
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>21,549</u>	<u>(21,549)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>866</u>	<u>866</u>	<u>30,486</u>	<u>29,620</u>
OTHER FINANCING USES:				
Transfers in	-	-	-	-
Transfers out	(866)	(866)	(866)	-
NET CHANGE IN FUND BALANCE	-	-	29,620	29,620
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	<u>(164,940)</u>	<u>(164,940)</u>	<u>(164,940)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ (164,940)</u>	<u>\$ (164,940)</u>	<u>\$ (135,320)</u>	

**CITY OF FOLSOM, CALIFORNIA  
GENERAL PLAN AMENDMENT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>BUDGET</u>		<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Charges for current services	\$ 100,000	\$ 100,000	\$ 138,696	\$ 38,696
Interest	1,500	1,500	10,361	8,861
Miscellaneous	<u>48,726</u>	<u>48,726</u>	<u>-</u>	<u>(48,726)</u>
Total revenues	<u>150,226</u>	<u>150,226</u>	<u>149,057</u>	<u>(1,169)</u>
EXPENDITURES:				
Current operating:				
General government	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Total expenditures	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>226</u>	<u>226</u>	<u>149,057</u>	<u>148,831</u>
OTHER FINANCING USES:				
Transfers out	<u>(226)</u>	<u>(226)</u>	<u>(226)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	148,831	<u>\$ 148,831</u>
FUND BALANCE - BEGINNING OF YEAR	<u>310,482</u>	<u>310,482</u>	<u>310,482</u>	
FUND BALANCE - END OF YEAR	<u>\$ 310,482</u>	<u>\$ 310,482</u>	<u>\$ 459,313</u>	



**CITY OF FOLSOM, CALIFORNIA  
TREE PLANTING SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>BUDGET</u>		<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Charges for current services	\$ 175,000	\$ 175,000	\$ 146,888	(28,112)
Interest	8,000	8,000	32,013	24,013
Miscellaneous	139,286	139,286	-	(139,286)
Total revenues	<u>322,286</u>	<u>322,286</u>	<u>178,901</u>	<u>(143,385)</u>
EXPENDITURES:				
Current operating:				
Public ways and facilities	300,000	300,000	138,125	161,875
Total expenditures	<u>300,000</u>	<u>300,000</u>	<u>138,125</u>	<u>161,875</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>22,286</u>	<u>22,286</u>	<u>40,776</u>	<u>18,490</u>
OTHER FINANCING USES:				
Transfers out	<u>(22,286)</u>	<u>(22,286)</u>	<u>(2,286)</u>	<u>20,000</u>
NET CHANGE IN FUND BALANCE	-	-	38,490	<u>\$ 38,490</u>
FUND BALANCE - BEGINNING OF YEAR	<u>1,194,521</u>	<u>1,194,521</u>	<u>1,194,521</u>	
FUND BALANCE - END OF YEAR	<u>\$ 1,194,521</u>	<u>\$ 1,194,521</u>	<u>\$ 1,233,011</u>	

**CITY OF FOLSOM, CALIFORNIA  
ZOO SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
Charges for current services	\$ 22,000	\$ 22,000	\$ 22,609	\$ 609
Interest	500	500	4,592	4,092
Miscellaneous	(21,930)	(21,930)	12,901	34,831
Total revenues	<u>570</u>	<u>570</u>	<u>40,102</u>	<u>39,532</u>
EXPENDITURES:				
Current operating:				
Culture and recreation	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>570</u>	<u>570</u>	<u>40,102</u>	<u>39,532</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(570)</u>	<u>(570)</u>	<u>(570)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(570)</u>	<u>(570)</u>	<u>(570)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	39,532	<u>\$ 39,532</u>
FUND BALANCE - BEGINNING OF YEAR	<u>155,647</u>	<u>155,647</u>	<u>155,647</u>	
FUND BALANCE - END OF YEAR	<u>\$ 155,647</u>	<u>\$ 155,647</u>	<u>\$ 195,179</u>	

**CITY OF FOLSOM, CALIFORNIA  
OTHER SPECIAL REVENUE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES:</b>				
Licenses and permits	\$ 5,600	\$ 5,600	\$ 7,350	\$ 1,750
Charges for current services	45,000	45,000	-	(45,000)
Fines and forfeitures	50,000	50,000	67,333	17,333
Interest	15,800	15,800	46,524	30,724
Miscellaneous	85,683	85,683	43,967	(41,716)
Total revenues	<u>202,083</u>	<u>202,083</u>	<u>165,174</u>	<u>(36,909)</u>
<b>EXPENDITURES:</b>				
Current operating:				
General government	5,000	5,000	851	4,149
Public safety	150,000	150,000	13,800	136,200
Public ways and facilities	-	-	-	-
Culture and recreation	40,000	40,000	14,843	25,157
Total expenditures	<u>195,000</u>	<u>195,000</u>	<u>29,494</u>	<u>165,506</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>7,083</u>	<u>7,083</u>	<u>135,680</u>	<u>128,597</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	<u>(7,083)</u>	<u>(7,083)</u>	<u>(7,083)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(7,083)</u>	<u>(7,083)</u>	<u>(7,083)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	128,597	<u>\$ 128,597</u>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>5,848,200</u>	<u>5,848,200</u>	<u>5,848,200</u>	
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 5,848,200</u>	<u>\$ 5,848,200</u>	<u>\$ 5,976,797</u>	

## **NONMAJOR DEBT SERVICE FUNDS**

### 1915 Assessment Districts:

To account for the debt service on the following 1915 Assessment Districts:

City of Folsom South Assessment District Refunding Bonds  
1982-1 Nimbus Water

### Folsom Community Correctional Facility:

To account for the debt service on the City of Folsom Certificates of Participation for the Folsom Community Correctional Facility.

### City Parks and Signals:

To account for the debt service on the City of Folsom Refunding Certificates of Participation.

### General Obligation Bonds for School Facilities:

To account for the debt service on the General Obligation Bonds issued for school facilities.

### Recreation Facility:

To account for the debt service on the City of Folsom Certificates of Participation for the Natoma Station Learning Center.

# CITY OF FOLSOM, CALIFORNIA

## COMBINING BALANCE SHEET NONMAJOR DEBT SERVICE FUNDS JUNE 30, 2023

	1915 Assessment Districts	Community Correctional Facility	City Parks and Signals
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,144,398	\$ 322,058	\$ 53,138
Receivables:			
Accrued interest	11,427	3,215	530
Special assessments - delinquent	41,329	-	-
Due from other governments	-	-	-
Total assets	<u>\$ 1,197,154</u>	<u>\$ 325,273</u>	<u>\$ 53,668</u>
<b>LIABILITIES:</b>			
Accounts payable	\$ 41,329	\$ -	\$ -
Total deferred inflows of resources	41,329	-	-
<b>FUND BALANCES:</b>			
Nonspendable	-	-	-
Restricted	1,155,825	-	-
Committed	-	-	-
Assigned	-	325,273	53,668
Unassigned	-	-	-
Total fund balances	<u>1,155,825</u>	<u>325,273</u>	<u>53,668</u>
Total deferred inflows and fund balances	<u>\$ 1,197,154</u>	<u>\$ 325,273</u>	<u>\$ 53,668</u>

<u>General Obligation School Facilities</u>	<u>Recreation Facility</u>	<u>Total Nonmajor Debt Service Funds</u>	
ASSETS			
\$ 51,588	\$ 89,406	\$ 1,660,588	Cash and cash equivalents
			Receivables:
513	882	16,567	Accrued interest
-	-	41,329	Special assessments - delinquent
20	-	20	Due from other governments
<u>\$ 52,121</u>	<u>\$ 90,288</u>	<u>\$ 1,718,504</u>	Total assets
LIABILITIES:			
\$ -	\$ -	\$ 41,329	Accounts payable
-	-	41,329	Total deferred inflows of resources
FUND BALANCES:			
-	-	-	Nonspendable
52,121	90,288	1,298,234	Restricted
-	-	-	Committed
-	-	378,941	Assigned
-	-	-	Unassigned
<u>52,121</u>	<u>90,288</u>	<u>1,677,175</u>	Total fund balances
<u>\$ 52,121</u>	<u>\$ 90,288</u>	<u>\$ 1,718,504</u>	Total deferred inflows and fund balances

**CITY OF FOLSOM, CALIFORNIA**  
**NONMAJOR DEBT SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>1915 Assessment Districts</u>	<u>Community Correctional Facility</u>	<u>City Parks and Signals</u>
REVENUES:			
Assessment collections	\$ -	\$ -	\$ -
Investment income (loss)	<u>28,885</u>	<u>8,129</u>	<u>1,341</u>
Total revenues	<u>28,885</u>	<u>8,129</u>	<u>1,341</u>
EXPENDITURES:			
Debt service:			
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>28,885</u>	<u>8,129</u>	<u>1,341</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	28,885	8,129	1,341
FUND BALANCES, BEGINNING OF YEAR	<u>1,126,940</u>	<u>317,144</u>	<u>52,327</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,155,825</u>	<u>\$ 325,273</u>	<u>\$ 53,668</u>

General Obligation School Facilities	Recreation Facility	Total Nonmajor Debt Service Funds	
			REVENUES:
\$ 69	\$ -	\$ 69	Assessment collections
<u>1,302</u>	<u>2,277</u>	<u>41,934</u>	Investment income (loss)
<u>1,371</u>	<u>2,277</u>	<u>42,003</u>	Total revenues
			EXPENDITURES:
			Debt service:
<u>-</u>	<u>-</u>	<u>-</u>	Interest and fiscal charges
<u>-</u>	<u>-</u>	<u>-</u>	Total expenditures
<u>1,371</u>	<u>2,277</u>	<u>42,003</u>	EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES
			OTHER FINANCING SOURCES (USES):
<u>-</u>	<u>-</u>	<u>-</u>	Transfers Out
<u>-</u>	<u>-</u>	<u>-</u>	Total other financing sources (uses)
1,371	2,277	42,003	NET CHANGE IN FUND BALANCES
<u>50,750</u>	<u>88,011</u>	<u>1,635,172</u>	FUND BALANCES, BEGINNING OF YEAR
<u>\$ 52,121</u>	<u>\$ 90,288</u>	<u>\$ 1,677,175</u>	FUND BALANCES, END OF YEAR



**CITY OF FOLSOM, CALIFORNIA**  
**1915 ASSESSMENT DISTRICTS DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Miscellaneous	\$ (1,000)	\$ (1,000)	\$ -	\$ 1,000
Interest	1,000	1,000	28,885	27,885
Total revenues	-	-	28,885	28,885
EXPENDITURES				
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	28,885	28,885
OTHER FINANCING USES				
Transfers out	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	28,885	<u>\$ 28,885</u>
FUND BALANCE - BEGINNING OF YEAR	<u>1,126,940</u>	<u>1,126,940</u>	<u>1,126,940</u>	
FUND BALANCE - END OF YEAR	<u>\$ 1,126,940</u>	<u>\$ 1,126,940</u>	<u>\$ 1,155,825</u>	

**CITY OF FOLSOM, CALIFORNIA  
COMMUNITY CORRECTIONAL FACILITY DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Interest	-	-	8,129	8,129
Total revenues	-	-	8,129	8,129
EXPENDITURES				
General Government	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	8,129	8,129
OTHER FINANCING USES				
Transfers out	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	8,129	<u>\$ 8,129</u>
FUND BALANCE - BEGINNING OF YEAR	<u>317,144</u>	<u>317,144</u>	<u>317,144</u>	
FUND BALANCE - END OF YEAR	<u>\$ 317,144</u>	<u>\$ 317,144</u>	<u>\$ 325,273</u>	

**CITY OF FOLSOM, CALIFORNIA  
CITY PARKS AND TRAFFIC SIGNALS DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Interest	\$ -	\$ -	\$ 1,341	\$ 1,341
Miscellaneous	-	-	-	-
Total revenues	-	-	1,341	1,341
EXPENDITURES				
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	1,341	1,341
OTHER FINANCING USES				
Transfers out	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	1,341	<u>\$ 1,341</u>
FUND BALANCE - BEGINNING OF YEAR	52,327	52,327	52,327	
FUND BALANCE - END OF YEAR	<u>\$ 52,327</u>	<u>\$ 52,327</u>	<u>\$ 53,668</u>	

**CITY OF FOLSOM, CALIFORNIA  
GENERAL OBLIGATION SCHOOL FACILITIES DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Assessment collections	\$ -	\$ -	\$ 69	\$ 69
Interest	-	-	1,302	1,302
Miscellaneous	-	-	-	-
Total revenues	-	-	1,371	1,371
EXPENDITURES				
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	1,371	1,371
OTHER FINANCING USES				
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	1,371	\$ 1,371
FUND BALANCE - BEGINNING OF YEAR	50,750	50,750	50,750	
FUND BALANCE - END OF YEAR	\$ 50,750	\$ 50,750	\$ 52,121	

**CITY OF FOLSOM, CALIFORNIA  
RECREATION FACILITY DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Interest	\$ -	\$ -	\$ 2,277	\$ 2,277
Total revenues	-	-	2,277	2,277
EXPENDITURES				
General Government	-	-	-	-
Total expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	2,277	2,277
OTHER FINANCING USES				
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	2,277	<u>\$ 2,277</u>
FUND BALANCE - BEGINNING OF YEAR	<u>88,011</u>	<u>88,011</u>	<u>88,011</u>	
FUND BALANCE - END OF YEAR	<u>\$ 88,011</u>	<u>\$ 88,011</u>	<u>\$ 90,288</u>	

**NONMAJOR CAPITAL PROJECTS FUNDS**

1915 Assessment Districts:

To account for the construction proceeds of the following 1915 Assessment District:

Prairie Oaks Ranch 92-2

Mello Roos Assessment Districts:

To account for the construction proceeds of the following special tax bonds:

1995 Empire Ranch Community Facilities District No. 10  
2001 Parkway Community Facilities District No. 14

2011 Non-Housing Bond Proceeds:

To account for the construction proceeds from the 2011A tax allocation bonds.

Park Capital Improvement:

To account for long-term park projects financed from developer mitigation charges.

Police Capital Improvement:

To account for development mitigation fees to finance outlay and facilities.

Fire Capital Improvement:

To account for development mitigation fees to finance fire capital outlay and facilities.

General Capital Improvement:

To account for development mitigation fees to finance general capital outlay and facilities.

Drainage Capital Improvement:

To account for development mitigation fees to finance drainage capital outlay and facilities.

Transit Capital Improvement:

To account for development mitigation fees to finance transit capital outlay and facilities in the Folsom Plan Area.

Corp Yard Capital Improvement:

To account for development mitigation fees to finance corp yard capital outlay and facilities in the Folsom Plan Area.

Zoo Improvement:

To account for construction projects for the Folsom Zoo.

Light Rail Transportation:

To account for the construction of light rail transportation projects.

Major Capital and Renovation:

To account for the construction and renovation of major City facilities.

Library Construction:

To account for the construction of a new library.

FSPA Infrastructure:

To account for the construction of infrastructure for the Folsom Specific Plan Area.

**CITY OF FOLSOM, CALIFORNIA**

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2023**

	<u>1915 Assessment Districts</u>	<u>Mello-Roos Assessment Districts</u>	<u>2011 Non-Housing Bond Proceeds</u>	<u>Park Capital Improvement</u>	<u>Police Capital Improvement</u>	<u>General Capital Improvement</u>	<u>Fire Capital Improvement</u>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 349	\$ 2,365,896	\$ 151,831	\$ 6,858,900	\$ 1,396,871	\$ 1,692,449	\$ -
Cash with fiscal agent	-	207,657	-	-	-	-	-
Receivables:							
General accounts	-	-	-	415,417	-	-	-
Accrued interest	3	23,642	1,519	36,410	12,031	15,182	362
	<u>3</u>	<u>23,642</u>	<u>1,519</u>	<u>36,410</u>	<u>12,031</u>	<u>15,182</u>	<u>362</u>
Total assets	<u>\$ 352</u>	<u>\$ 2,597,195</u>	<u>\$ 153,350</u>	<u>\$ 7,310,727</u>	<u>\$ 1,408,902</u>	<u>\$ 1,707,631</u>	<u>\$ 362</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES:</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ 452,658	\$ -	\$ -	\$ -
Wages payable	-	-	-	551	83,340	-	-
Due to other funds	-	-	-	-	-	-	164,804
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>164,804</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>453,209</u>	<u>83,340</u>	<u>-</u>	<u>164,804</u>
<b>FUND BALANCE</b>							
Restricted	-	2,597,195	153,350	6,857,518	1,325,562	1,707,631	-
Assigned	352	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(164,442)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(164,442)</u>
Total fund balances	<u>352</u>	<u>2,597,195</u>	<u>153,350</u>	<u>6,857,518</u>	<u>1,325,562</u>	<u>1,707,631</u>	<u>(164,442)</u>
Total liabilities and fund balance	<u>\$ 352</u>	<u>\$ 2,597,195</u>	<u>\$ 153,350</u>	<u>\$ 7,310,727</u>	<u>\$ 1,408,902</u>	<u>\$ 1,707,631</u>	<u>\$ 362</u>

<u>Drainage Capital Improvement</u>	<u>Zoo Improvement</u>	<u>Transit Capital Improvement</u>	<u>Corp Yard Capital Improvement</u>	<u>Light Rail Transportation</u>	<u>Major Capital and Renovation</u>	
<b>ASSETS</b>						
\$ 1,173,667	\$ -	\$ 4,643,538	\$ 1,753,810	\$ 1,072,956	\$ 78,523	Cash and cash equivalents
-	-	-	-	-	-	- Cash with fiscal agent
-	-	-	-	-	-	Receivables:
-	-	-	-	-	-	- General accounts
10,644	-	14,486	13,065	11,137	785	Accrued interest
<u>\$ 1,184,311</u>	<u>\$ -</u>	<u>\$ 4,658,024</u>	<u>\$ 1,766,875</u>	<u>\$ 1,084,093</u>	<u>\$ 79,308</u>	Total assets
<b>LIABILITIES AND FUND BALANCES</b>						
LIABILITIES:						
\$ 7,783	\$ -	\$ 2,712	\$ 1,714	\$ 20,965	\$ -	Accounts payable
-	-	-	-	-	-	Wages payable
-	-	-	-	-	-	Due to other funds
<u>7,783</u>	<u>-</u>	<u>2,712</u>	<u>1,714</u>	<u>20,965</u>	<u>-</u>	Total liabilities
FUND BALANCE						
1,176,528	-	4,655,312	1,765,161	1,063,128	-	Restricted
-	-	-	-	-	79,308	Assigned
-	-	-	-	-	-	Unassigned
<u>1,176,528</u>	<u>-</u>	<u>4,655,312</u>	<u>1,765,161</u>	<u>1,063,128</u>	<u>79,308</u>	Total fund balances
<u>\$ 1,184,311</u>	<u>\$ -</u>	<u>\$ 4,658,024</u>	<u>\$ 1,766,875</u>	<u>\$ 1,084,093</u>	<u>\$ 79,308</u>	Total liabilities and fund balances



**CITY OF FOLSOM, CALIFORNIA**

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2023**

	<u>Library Construction</u>	<u>FSPA Infrastructure</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 72,965	\$ 20,455	\$ 21,282,210
Cash with fiscal agent	-	-	207,657
Receivables:			
General accounts	-	-	415,417
Accrued interest	<u>729</u>	<u>206</u>	<u>140,201</u>
Total assets	<u>\$ 73,694</u>	<u>\$ 20,661</u>	<u>\$ 22,045,485</u>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts payable	\$ -	\$ -	\$ 485,832
Wages payable	-	-	83,891
Due to other funds	<u>-</u>	<u>-</u>	<u>164,804</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>734,527</u>
 <b>FUND BALANCE</b>			
Restricted	-	20,661	21,322,046
Assigned	73,694	-	153,354
Unassigned	<u>-</u>	<u>-</u>	<u>(164,442)</u>
Total fund balances	<u>73,694</u>	<u>20,661</u>	<u>21,310,958</u>
Total liabilities and fund balances	<u>\$ 73,694</u>	<u>\$ 20,661</u>	<u>\$ 22,045,485</u>

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**CITY OF FOLSOM, CALIFORNIA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - NON MAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>1915 Assessment Districts</u>	<u>Mello-Roos Assessment Districts</u>	<u>2011 Non-Housing Bond Proceeds</u>	<u>Park Capital Improvement</u>	<u>Police Capital Improvement</u>	<u>General Capital Improvement</u>	<u>Fire Capital Improvement</u>
REVENUES:							
Charges for current services	\$ -	\$ -	\$ -	\$ 1,341,247	\$ 195,297	\$ 450,067	\$ 296,683
Interest	9	67,698	3,830	124,496	31,346	41,152	(736)
Miscellaneous	-	-	-	20,200	-	-	-
Total revenues	<u>9</u>	<u>67,698</u>	<u>3,830</u>	<u>1,485,943</u>	<u>226,643</u>	<u>491,219</u>	<u>295,947</u>
EXPENDITURES:							
Public ways and facilities	-	-	-	292,658	-	50,000	91,379
Capital outlay	-	-	-	52,904	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>345,562</u>	<u>-</u>	<u>50,000</u>	<u>91,379</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>9</u>	<u>67,698</u>	<u>3,830</u>	<u>1,140,381</u>	<u>226,643</u>	<u>441,219</u>	<u>204,568</u>
OTHER FINANCING SOURCES (USES):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(676)	(197)	(8,721)	(2,643)	(1,187)	(57,383)
Total other financing sources (uses)	<u>-</u>	<u>(676)</u>	<u>(197)</u>	<u>(8,721)</u>	<u>(2,643)</u>	<u>(1,187)</u>	<u>(57,383)</u>
NET CHANGE IN FUND BALANCE	9	67,022	3,633	1,131,660	224,000	440,032	147,185
FUND BALANCE, BEGINNING OF YEAR	<u>343</u>	<u>2,530,173</u>	<u>149,717</u>	<u>5,725,858</u>	<u>1,101,562</u>	<u>1,267,599</u>	<u>(311,627)</u>
FUND BALANCE, END OF YEAR	<u>\$ 352</u>	<u>\$ 2,597,195</u>	<u>\$ 153,350</u>	<u>\$ 6,857,518</u>	<u>\$ 1,325,562</u>	<u>\$ 1,707,631</u>	<u>\$ (164,442)</u>

<u>Drainage Capital Improvement</u>	<u>Zoo Improvement</u>	<u>Transit Capital Improvement</u>	<u>Corp Yard Capital Improvement</u>	<u>Light Rail Transportation</u>	<u>Major Capital and Renovation</u>	
\$ 294,656	\$ -	\$ 1,523,953	\$ 637,985	\$ 147,974	\$ -	REVENUES:
27,476	-	(46,364)	37,342	28,554	1,982	Charges for current services
22,414	-	-	-	-	-	Interest
						Miscellaneous
<u>344,546</u>	<u>-</u>	<u>1,477,589</u>	<u>675,327</u>	<u>176,528</u>	<u>1,982</u>	Total revenues
						EXPENDITURES:
46,504	-	-	-	181,892	-	Public ways and facilities
-	-	-	-	-	-	Capital outlay
<u>46,504</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,892</u>	<u>-</u>	Total expenditures
<u>298,042</u>	<u>-</u>	<u>1,477,589</u>	<u>675,327</u>	<u>(5,364)</u>	<u>1,982</u>	EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES
						OTHER FINANCING SOURCES (USES):
-	-	-	-	-	-	Transfers in
(4,660)	-	-	(688)	(3,970)	-	Transfers out
<u>(4,660)</u>	<u>-</u>	<u>-</u>	<u>(688)</u>	<u>(3,970)</u>	<u>-</u>	Total other financing sources (uses)
293,382	-	1,477,589	674,639	(9,334)	1,982	NET CHANGE IN FUND BALANCE
<u>883,146</u>	<u>-</u>	<u>3,177,723</u>	<u>1,090,522</u>	<u>1,072,462</u>	<u>77,326</u>	FUND BALANCE, BEGINNING OF YEAR
<u>\$ 1,176,528</u>	<u>\$ -</u>	<u>\$ 4,655,312</u>	<u>\$ 1,765,161</u>	<u>\$ 1,063,128</u>	<u>\$ 79,308</u>	FUND BALANCE, END OF YEAR

**CITY OF FOLSOM, CALIFORNIA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - NON MAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Library Construction</u>	<u>FSPA Infrastructure</u>	<u>Total Nonmajor Capital Projects Funds</u>
REVENUES:			
Charges for current services	\$ -	\$ -	\$ 4,887,862
Interest	1,842	514	319,141
Miscellaneous	<u>-</u>	<u>-</u>	<u>42,614</u>
Total revenues	<u>1,842</u>	<u>514</u>	<u>\$5,249,617</u>
EXPENDITURES:			
Public ways and facilities	-	-	662,433
Capital outlay	<u>-</u>	<u>-</u>	<u>52,904</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>715,337</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,842</u>	<u>514</u>	<u>\$4,534,280</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>(80,125)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(80,125)</u>
NET CHANGE IN FUND BALANCE	1,842	514	4,454,155
FUND BALANCE, BEGINNING OF YEAR	<u>71,852</u>	<u>20,147</u>	<u>16,856,803</u>
FUND BALANCE, END OF YEAR	<u>\$ 73,694</u>	<u>\$ 20,661</u>	<u>\$ 21,310,958</u>

**PERMANENT FUND**

Wetland/Open Space Maintenance:

To account for endowments. Interest is to be used for maintenance of Wetland/Open Space.

# CITY OF FOLSOM, CALIFORNIA

## BALANCE SHEET PERMANENT FUND JUNE 30, 2023

	<u>Wetland/ Open space Maintenance</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 463,719
Receivables:	
Accrued interest	<u>4,635</u>
Total assets	<u>\$ 468,354</u>
 <b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts payable	<u>\$ -</u>
Total liabilities	<u>-</u>
 <b>FUND BALANCES</b>	
Nonspendable	463,719
Restricted	<u>4,635</u>
Total fund balances	<u>468,354</u>
Total liabilities and fund balances	<u>\$ 468,354</u>

## CITY OF FOLSOM, CALIFORNIA

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - PERMANENT FUND FOR THE YEAR ENDED JUNE 30, 2023

	Wetland/ Open space Maintenance
REVENUES:	
Interest	\$ 11,710
Total revenues	11,710
EXPENDITURES:	
Current:	
Culture and recreation	-
Total expenditures	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,710
OTHER FINANCING SOURCES (USES):	
Transfers out	(643)
TOTAL OTHER FINANCING SOURCES (USES)	(643)
NET CHANGE IN FUND BALANCES	11,067
FUND BALANCES, BEGINNING OF YEAR	457,287
FUND BALANCES, END OF YEAR	\$ 468,354



**CITY OF FOLSOM, CALIFORNIA  
WETLAND/OPEN SPACE MAINTENANCE PERMANENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>BUDGET</u>		<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Interest	\$ 4,000	\$ 4,000	\$ 11,710	\$ 7,710
Miscellaneous	<u>(3,357)</u>	<u>(3,357)</u>	<u>-</u>	<u>3,357</u>
Total revenues	<u>643</u>	<u>643</u>	<u>11,710</u>	<u>11,067</u>
EXPENDITURES				
Current operating:				
General government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>643</u>	<u>643</u>	<u>11,710</u>	<u>11,067</u>
OTHER FINANCING USES				
Transfers out	<u>(643)</u>	<u>(643)</u>	<u>(643)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	11,067	<u>\$ 11,067</u>
FUND BALANCE - BEGINNING OF YEAR	<u>457,287</u>	<u>457,287</u>	<u>457,287</u>	
FUND BALANCE (DEFICIT)- END OF YEAR	<u>\$ 457,287</u>	<u>\$ 457,287</u>	<u>\$ 468,354</u>	

## **NONMAJOR ENTERPRISE FUNDS**

### Facilities Augmentation:

To account for additional services, including capital improvements of the Folsom South Area Facilities Plan.

# CITY OF FOLSOM, CALIFORNIA

## COMBINING STATEMENT OF NET POSITION NONMAJOR ENTERPRISE FUNDS JUNE 30, 2023

	<u>Facilities Augmentation</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 132,499
Receivables, net of allowances for uncollectibles	1,331
Due from other governments	-
Total current assets	<u>133,830</u>
Total assets	<u>133,830</u>
LIABILITIES	
Current liabilities	
Accounts payable	<u>27,577</u>
Total current liabilities	<u>27,577</u>
Total liabilities	<u>27,577</u>
NET POSITION	
Restricted for critical facilities use	129,602
Unrestricted	<u>(23,349)</u>
Total net position (deficit)	<u>\$ 106,253</u>

# CITY OF FOLSOM, CALIFORNIA

## COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION FOR THE YEAR ENDED JUNE 30, 2023

	<u>Facilities Augmentation</u>
OPERATING EXPENSES:	
Other	\$ 27,577
TOTAL OPERATING EXPENSES	<u>27,577</u>
OPERATING INCOME (LOSS)	<u>(27,577)</u>
NONOPERATING REVENUE (EXPENSES):	
Investment income (loss)	3,332
Impact Fees	<u>-</u>
Total nonoperating revenue (expense)	<u>3,332</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(24,245)</u>
TRANSFERS:	
Transfers out	<u>(172)</u>
TOTAL TRANSFERS	<u>(172)</u>
CHANGE IN NET POSITION	(24,417)
NET POSITION (DEFICIT), BEGINNING OF YEAR,	<u>130,670</u>
NET POSITION (DEFICIT), END OF YEAR	<u>\$ 106,253</u>

**CITY OF FOLSOM, CALIFORNIA**

**COMBINING STATEMENT OF CASH FLOWS  
NON MAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Facilities Augmentation</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Payments to suppliers	\$ -
Net cash provided (used) for operating activities	<u>-</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfers to other funds	(172)
Impact Fees	<u>-</u>
Net cash provided (used) for noncapital financing activities	<u>(172)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and dividends on investments	<u>2,508</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,336
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>130,163</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 132,499</u>
Summary:	
Cash and cash equivalents	\$ 132,499
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 132,499</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (27,577)
Adjustments to reconcile operating loss to net cash used by operating activities	
Depreciation	-
Pension Expense	
OPEB Expense	
Other non-operating income (expense)	-
Increase (decrease) in:	
Accounts receivable	-
Due from other governments	-
Accounts payable	27,577
Wages payable	-
Compensated absences	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ -</u>

## **INTERNAL SERVICE FUNDS**

### Equipment Replacement:

To account for general governmental equipment, which will be charged to other funds and accounts, and provide for replacement.

### Risk Management:

To account for employee benefits and insurance.

### Compensated Leaves:

To account for payment of vacation/leave benefits to City employees.

# CITY OF FOLSOM, CALIFORNIA

## COMBINING STATEMENT OF NET POSITION INTERNAL SERVICE FUNDS JUNE 30, 2023

	Equipment Replacement	Risk Management	Compensated Leaves	Total Internal Service Funds
<b>ASSETS:</b>				
Current assets				
Cash and cash equivalents	\$ 6,697,179	\$ 5,398,738	\$ -	\$ 12,095,917
Receivables:				
General accounts	6,825	82,234	-	89,059
Accrued interest	36,612	(3,671)	156	33,097
Retiree health benefits	-	42,285	-	42,285
Insurance deposits	-	3,177,001	-	3,177,001
Total current assets	6,740,616	8,696,587	156	15,437,359
Noncurrent assets				
Capital assets	2,969,601	-	-	2,969,601
Less: accumulated depreciation	(2,969,584)	-	-	(2,969,584)
Total noncurrent assets	17	-	-	17
Total assets	6,740,633	8,696,587	156	15,437,376
<b>LIABILITIES:</b>				
Current liabilities				
Accounts payable	-	51,308	-	51,308
Wages payable	-	783,034	15,051	798,085
Due to other funds	-	-	344,718	344,718
Total liabilities	-	834,342	359,769	1,194,111
<b>NET POSITION:</b>				
Net investment in capital assets	17	-	-	17
Unrestricted	6,740,616	7,862,245	(359,613)	14,243,248
Total net position	\$ 6,740,633	\$ 7,862,245	\$ (359,613)	\$ 14,243,265

# CITY OF FOLSOM, CALIFORNIA

## COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	Equipment Replacement	Risk Management	Compensated Leaves	Total Internal Service Funds
OPERATING REVENUES:				
Charges for services	\$ 8,724	\$ 19,347,037	\$ 632,388	\$ 19,988,149
Total operating revenues	<u>8,724</u>	<u>19,347,037</u>	<u>632,388</u>	<u>19,988,149</u>
OPERATING EXPENSES:				
Employee services	-	19,796,128	780,129	20,576,257
Depreciation	335	-	-	335
Total operating expenses	<u>335</u>	<u>19,796,128</u>	<u>780,129</u>	<u>20,576,592</u>
OPERATING INCOME (LOSS)	<u>8,389</u>	<u>(449,091)</u>	<u>(147,741)</u>	<u>(588,443)</u>
NONOPERATING REVENUE (EXPENSES):				
Investment income	148,416	49,165	(322)	197,259
Gain/Loss on sale of capital assets	40,406	-	-	40,406
Total nonoperating revenue (expenses)	<u>188,822</u>	<u>49,165</u>	<u>(322)</u>	<u>237,665</u>
Income (Loss) before transfers	197,211	(399,926)	(148,063)	(350,778)
TRANSFERS:				
Transfers in	-	-	-	-
Transfers out	(109,821)	-	-	(109,821)
CHANGE IN NET POSITION	87,390	(399,926)	(148,063)	(460,599)
NET POSITION, BEGINNING OF YEAR	<u>6,653,243</u>	<u>8,262,171</u>	<u>(211,550)</u>	<u>14,703,864</u>
NET POSITION, END OF YEAR	<u>\$ 6,740,633</u>	<u>\$ 7,862,245</u>	<u>\$ (359,613)</u>	<u>\$ 14,243,265</u>



## CITY OF FOLSOM, CALIFORNIA

### COMBINING STATEMENT OF CASH FLOWS NON MAJOR INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	Equipment Replacement	Risk Management	Compensated Leaves	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users	\$ 1,899	\$ 19,247,050	\$ 632,388	\$ 19,881,337
Payments to suppliers	-	23,925	-	23,925
Payments to employees	-	(19,806,113)	(812,094)	(20,618,207)
Cash received (used) from other sources	-	-	-	-
Net cash provided (used) by operating activities	<u>1,899</u>	<u>(535,138)</u>	<u>(179,706)</u>	<u>(712,945)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers from other funds	-	(234,519)	179,705	(54,814)
Transfers to other funds	<u>(109,821)</u>	<u>-</u>	<u>-</u>	<u>(109,821)</u>
Net cash provided (used) by noncapital financing activities	<u>(109,821)</u>	<u>(234,519)</u>	<u>179,705</u>	<u>(164,635)</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>				
Acquisition and construction of capital assets	40,407	-	-	40,407
Payment on capital leases	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided (used) in capital financing activities	<u>40,407</u>	<u>-</u>	<u>-</u>	<u>40,407</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest and dividends on investments	<u>135,832</u>	<u>74,978</u>	<u>1</u>	<u>210,811</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>68,317</b>	<b>(694,679)</b>	<b>-</b>	<b>(626,362)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>6,628,862</u></b>	<b><u>6,093,417</u></b>	<b><u>-</u></b>	<b><u>12,722,279</u></b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 6,697,179</u></b>	<b><u>\$ 5,398,738</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 12,095,917</u></b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 8,388	\$ (449,091)	\$ (147,741)	\$ (588,444)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:				
Depreciation	336	-	-	336
Other Non-Operating income (expense)	-	-	-	-
Gain (loss) on sale of capital assets	-	-	-	-
Increase (decrease) in:				
Accounts receivable	(6,825)	(99,987)	-	(106,812)
Accounts payable	-	23,925	-	23,925
Wages payable	-	(9,985)	(31,965)	(41,950)
Increase in deferred revenue	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ 1,899</u>	<u>\$ (535,138)</u>	<u>\$ (179,706)</u>	<u>\$ (712,945)</u>

## CUSTODIAL FUNDS

### 1915 Assessment Districts:

To account for the following assessments pursuant to the 1915 Bond Act.

Blue Ravine Oaks East  
Legends Refunding  
Natoma Station  
Folsom Auto Plaza  
Lake Natoma Shores  
Prairie Oaks  
CobbleHills Ridge  
Ridgeview  
Cresleigh Natoma  
Hannaford Crossing

### Mello-Roos Districts:

Willow Creek Community Facilities District No. 1 Refunding  
Natoma Station Community Facilities District No. 2 Refunding  
Folsom Heights Community Facilities District No. 3 Refunding  
Broadstone Community Facilities District No. 4 Refunding  
Broadstone 2 Community Facilities District No. 7  
Parkway Community Facilities District No. 8  
Willow Creek Estates South Community Facilities District No. 8  
Empire Ranch Community Facilities District No. 10  
Willow Springs Community Facilities District No. 11  
Islands IA2 Community Facilities District No. 16  
Parkway Community Facilities District No. 14  
Islands at Parkshore 1 Community Facilities District No. 16  
Willow Hill Pipeline Community Facilities District No. 17  
Area Wide Community Facilities District No. 18  
Mangini Community Facilities District No. 19  
Russell Ranch Community Facilities District No. 20  
White Rock Springs Ranch Community District No. 21  
Folsom Heights Community District No. 22  
Folsom Ranch IA1 Community District No. 23

### Business and Improvement District

Folsom Historic District

### Sacramento County Transportation Development Fee

### Sacramento Transportation Mitigation Fee

**CITY OF FOLSOM, CALIFORNIA**

**COMBINING STATEMENT OF NET POSITION  
CUSTODIAL FUNDS  
JUNE 30, 2023**

	<u>Blue Ravine Oaks East</u>	<u>Legends Refunding</u>	<u>Natoma Station</u>	<u>Folsom Auto Plaza</u>	<u>Lake Natoma Shores</u>	<u>Prairie Oaks</u>	<u>Cobble Hills Ridge</u>	<u>Ridgeview</u>	<u>Crestleigh Natoma</u>
<b>ASSETS</b>									
Cash and cash equivalents	\$ 8,273	\$ 8,594	\$ 21,148	\$ 60,559	\$ 1,407	\$ 87,423	\$ 30,938	\$ 13,227	\$ 22,425
Receivables:									
Accrued interest	83	86	214	605	13	894	308	134	224
Due from other governments	-	-	-	-	-	(19,876)	-	-	-
Restricted assets:									
Cash with fiscal agent	-	-	-	-	-	-	-	-	-
Total assets	<u>8,356</u>	<u>8,680</u>	<u>21,362</u>	<u>61,164</u>	<u>1,420</u>	<u>68,441</u>	<u>31,246</u>	<u>13,361</u>	<u>22,649</u>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>LIABILITIES:</b>									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 635	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>635</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>									
Restricted for:									
Individuals, organizations, and other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>	<u>\$ 8,356</u>	<u>\$ 8,680</u>	<u>\$ 21,362</u>	<u>\$ 61,164</u>	<u>\$ 1,420</u>	<u>\$ 67,806</u>	<u>\$ 31,246</u>	<u>\$ 13,361</u>	<u>\$ 22,649</u>

Hannaford Crossing	IA2 F Ranch CFD #23	IA3 F Ranch CFD #23	IA4 F Ranch CFD #23	CFD 2013-01 Water Fac & Sup	Willow Creek CFD #1	Natoma Station CFD #2	Folsom Heights CFD #3	Broadstone CFD #4	
									ASSETS
\$ 43,257	\$ 1,164	\$ 160,090	\$(10,754)	\$ 1,039,150	\$ 1,817	\$ 111,779	\$ 1,590	\$ 53,486	Cash and cash equivalents
429	3	1,227	-	16,457	17	1,130	16	527	Receivables:
-	-	5,419	-	25,555	3,676	-	(1,228)	-	Accrued interest
-	-	9,066,666	-	-	-	-	-	-	- Due from other governments
-	-	-	-	-	-	-	-	-	Restricted assets:
-	-	-	-	-	-	-	-	-	- Cash with fiscal agent
<u>43,686</u>	<u>1,168</u>	<u>9,233,402</u>	<u>(10,754)</u>	<u>1,081,162</u>	<u>5,510</u>	<u>112,909</u>	<u>378</u>	<u>54,013</u>	Total assets
									LIABILITIES AND FUND BALANCES
									LIABILITIES:
\$ 73	\$ -	\$ -	\$ -	\$ 850,127	\$ 495	\$ -	\$ 50	\$ -	Accounts payable
<u>73</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>850,127</u>	<u>495</u>	<u>-</u>	<u>50</u>	<u>-</u>	Total liabilities
									NET POSITION
									Restricted for:
-	-	-	-	-	-	-	-	-	Individuals, organizations, and other governments
<u>\$ 43,613</u>	<u>\$ 1,168</u>	<u>\$ 9,233,402</u>	<u>\$(10,754)</u>	<u>\$ 231,035</u>	<u>\$ 5,015</u>	<u>\$ 112,909</u>	<u>\$ 328</u>	<u>\$ 54,013</u>	NET POSITION

**CITY OF FOLSOM, CALIFORNIA**

**COMBINING STATEMENT OF NET POSITION (CONTINUED)  
CUSTODIAL FUNDS  
JUNE 30, 2023**

	IA5 F Ranch CFD #23	IA6 F Ranch CFD #23	Broadstone 2 CFD #7	Parkway CFD #8	Willow Creek Estates South CFD #8	Empire Ranch CFD #10	Willow Springs CFD #11	CFD #16 Islands IA2
<b>ASSETS</b>								
Cash and cash equivalents	\$ (10,754)	\$ (10,754)	\$ 357,005	\$ 35,603	\$ 46,429	\$ 4,863,657	\$ 12,539	\$ 263,006
Receivables:								
Accrued interest	-	-	3,704	375	451	22,617	141	4,048
Due from other governments	-	-	-	-	-	85,161	6,984	4,050
Restricted assets:								
Cash with fiscal agent	-	-	-	-	-	5,879,785	4,355	650,118
Total assets	<u>(10,754)</u>	<u>(10,754)</u>	<u>360,709</u>	<u>35,978</u>	<u>46,880</u>	<u>10,851,220</u>	<u>24,019</u>	<u>921,222</u>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>LIABILITIES:</b>								
Accounts payable	\$ -	\$ -	\$ 30,600	\$ -	\$ -	\$ -	\$ 342,254	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>30,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>342,254</u>	<u>-</u>
<b>NET POSITION</b>								
Restricted for:								
Individuals, organizations, and other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>	<u>\$ (10,754)</u>	<u>\$ (10,754)</u>	<u>\$ 330,109</u>	<u>\$ 35,978</u>	<u>\$ 46,880</u>	<u>\$ 10,851,220</u>	<u>\$ (318,235)</u>	<u>\$ 921,222</u>

<u>Parkway CFD #14</u>	<u>Folsom Historic District</u>	<u>CFD #16 Islands at Parkshore 1</u>	<u>CFD #17 Willow Hill Pipeline</u>	<u>Area Wide CFD #18</u>	<u>Mangini CFD #19</u>	<u>Russell Ranch CFD #20</u>	<u>WRSR CFD #21</u>	
								ASSETS
\$ 1,155,200	\$ 6,945	\$ 260,417	\$ 525,231	\$ 202,736	\$ 1,655,293	\$ 531,221	\$ 662,255	Cash and cash equivalents
5,935	236	2,380	9,416	15,439	8,679	2,690	2,642	Receivables:
16,881	1,796	2,156	6,739	43,101	40,063	15,598	21,763	Accrued interest
188	-	424,936	996,906	706,792	3,336,904	11,971,901	1,591,679	Due from other governments
<u>1,178,204</u>	<u>8,977</u>	<u>689,890</u>	<u>1,538,292</u>	<u>968,068</u>	<u>5,040,939</u>	<u>12,521,410</u>	<u>2,278,340</u>	Restricted assets:
								Cash with fiscal agent
								Total assets
								LIABILITIES AND FUND BALANCES
\$ -	\$ -	\$ -	\$ -	\$ 100,703	\$ -	\$ -	\$ -	LIABILITIES:
-	-	-	-	100,703	-	-	-	Accounts payable
								Total liabilities
								NET POSITION
-	-	-	-	-	-	-	-	Restricted for:
								Individuals, organizations, and other governments
<u>\$ 1,178,204</u>	<u>\$ 8,977</u>	<u>\$ 689,890</u>	<u>\$ 1,538,292</u>	<u>\$ 867,365</u>	<u>\$ 5,040,939</u>	<u>\$ 12,521,410</u>	<u>\$ 2,278,340</u>	NET POSITION

**CITY OF FOLSOM, CALIFORNIA**

**COMBINING STATEMENT OF NET POSITION (CONTINUED)  
CUSTODIAL FUNDS  
JUNE 30, 2023**

	<u>Folsom Heights CFD #22</u>	<u>IA1 Folsom Ranch CFD #23</u>	<u>Sacramento County Transportation Development Fee</u>	<u>Sacramento Tranportation Mitigation Fee</u>	<u>Total Custodial Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ (11,926)	\$ 720,012	\$ 4,902,361	\$ 987,783	\$ 18,809,834
Receivables:					
Accrued interest	-	3,061	-	-	104,182
Due from other governments	-	37,315	-	-	295,153
Restricted assets:					
Cash with fiscal agent	-	5,496,787	-	-	40,127,018
<b>Total assets</b>	<u>(11,926)</u>	<u>6,257,176</u>	<u>4,902,361</u>	<u>987,783</u>	<u>59,336,187</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ -	\$ -	\$ 4,902,361	\$ 987,783	7,215,081
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>4,902,361</u>	<u>987,783</u>	<u>7,215,081</u>
<b>NET POSITION</b>					
Restricted for:					
Individuals, organizations, and other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>	<u>\$ (11,926)</u>	<u>\$ 6,257,176</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,121,106</u>

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**CITY OF FOLSOM, CALIFORNIA**

**STATEMENT OF CHANGES IN  
FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Blue Ravine Oaks East</u>	<u>Legends Refunding</u>	<u>Natoma Station</u>	<u>Folsom Auto Plaza</u>	<u>Lake Natoma Shores</u>	<u>Prairie Oaks</u>	<u>Cobble Hills Ridge</u>	<u>Ridgeview</u>
ADDITIONS:								
Assessment collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mello-Roos Bonds	-	-	-	-	-	-	-	-
Refunding Proceeds	-	-	-	-	-	-	-	-
Transportation Fees	-	-	-	-	-	-	-	-
Investment earnings	209	217	530	1,525	36	2,162	779	332
Total additions	<u>209</u>	<u>217</u>	<u>530</u>	<u>1,525</u>	<u>36</u>	<u>2,162</u>	<u>779</u>	<u>332</u>
DEDUCTIONS:								
Payments of assessment to bond holders	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenses	-	-	-	-	-	-	-	-
Total deductions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	209	217	530	1,525	36	2,162	779	332
NET POSITION, BEGINNING OF YEAR	8,147	8,463	20,832	59,639	1,384	65,644	30,467	13,029
NET POSITION, END OF YEAR	<u>\$ 8,356</u>	<u>\$ 8,680</u>	<u>\$ 21,362</u>	<u>\$ 61,164</u>	<u>\$ 1,420</u>	<u>\$ 67,806</u>	<u>\$ 31,246</u>	<u>\$ 13,361</u>

Cresleigh Natoma	Hannaford Crossing	IA2 F Ranch CFD #23	IA3 F Ranch CFD #23	IA4 F Ranch CFD #23	CFD 2013-01 Water Fac & Sup	Willow Creek CFD #1	Natoma Station CFD #2	
								ADDITIONS:
\$ -	\$ -	\$ 11,912	\$ 156,345 9,433,957	\$ -	\$ 1,965,258	\$ -	\$ -	Assessment collections
-	-	-	-	-	-	-	-	Mello-Roos Bonds
-	-	-	-	-	-	-	-	Refunding Proceeds
566	1,098	10	281,089	-	47,810	(1,816)	2,794	Transportation Fees
								Investment earnings
566	1,098	11,921	9,871,391	-	2,013,068	(1,816)	2,794	Total additions
								DEDUCTIONS:
\$ -	\$ -	\$ 4,084	\$ 655,106	\$ 4,084	\$ 19,814	\$ -	\$ -	Payments of assessment to bond holders
					1,910,836			Expenses
-	-	4,084	655,106	4,084	1,930,650	-	-	Total deductions
566	1,098	7,837	9,216,285	(4,084)	82,418	(1,816)	2,794	CHANGE IN NET POSITION
22,083	42,515	(6,669)	17,117	(6,669)	148,617	6,831	110,115	NET POSITION, BEGINNING OF YEAR
<u>\$ 22,649</u>	<u>\$ 43,613</u>	<u>\$ 1,168</u>	<u>\$ 9,233,402</u>	<u>\$ (10,754)</u>	<u>\$ 231,035</u>	<u>\$ 5,015</u>	<u>\$ 112,909</u>	NET POSITION, END OF YEAR

**CITY OF FOLSOM, CALIFORNIA**

**STATEMENT OF CHANGES IN  
FIDUCIARY NET POSITION (CONTINUED)  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023**

	Folsom Heights CFD #3	Broadstone CFD #4	IA5 F Ranch CFD #23	IA6 F Ranch CFD #23	Broadstone 2 CFD #7	Parkway CFD #8	Willow Creek Estates South CFD #8	Empire Ranch CFD #10
ADDITIONS:								
Assessment collections	\$ -	\$ -	\$ -	\$ -	\$ 387,771	\$ -	\$ -	\$ 4,880,486
Mello-Roos Bonds	-	-	-	-	-	-	-	-
Refunding Proceeds	-	-	-	-	-	-	-	-
Transportation Fees	-	-	-	-	-	-	-	-
Investment earnings	41	1,366	-	-	5,769	934	1,197	213,459
Total additions	41	1,366	-	-	393,540	934	1,197	5,093,945
DEDUCTIONS:								
Payments of assessment to bond holders	\$ -	\$ -	\$ 4,084	\$ 4,084	\$ 3,321,404	\$ -	\$ -	\$ 4,246,238
Expenses	-	-	-	-	51,825	3,342	-	84,525
Total deductions	-	-	4,084	4,084	3,373,229	3,342	-	4,330,763
CHANGE IN NET POSITION	41	1,366	(4,084)	(4,084)	(2,979,689)	(2,408)	1,197	763,182
NET POSITION, BEGINNING OF	287	52,647	(6,669)	(6,669)	3,309,798	38,386	45,683	10,088,038
NET POSITION, END OF YEAR	<u>\$ 328</u>	<u>\$ 54,013</u>	<u>\$ (10,754)</u>	<u>\$ (10,754)</u>	<u>\$ 330,109</u>	<u>\$ 35,978</u>	<u>\$ 46,880</u>	<u>\$ 10,851,220</u>

Willow Springs CFD #11	CFD #16 Islands IA2	Parkway CFD #14	Folsom Historic District	CFD #16 Islands at Parkshore 1	CFD #17 Willow Hill Pipeline	Area Wide CFD #18	Mangini CFD #19	
								ADDITIONS:
\$ 338,759	\$ 291,472	\$ 1,250,941	\$ 161,121	\$ 170,666	\$ 440,438	\$ 1,209,842	\$ 2,542,320	Assessment collections
-	-	-	-	-	-	-	-	Mello-Roos Bonds
-	-	-	-	-	-	-	-	Refunding Proceeds
-	-	-	-	-	-	-	-	Transportation Fees
1,936	24,489	19,888	956	20,062	37,650	53,546	127,261	Investment earnings
<u>340,695</u>	<u>315,961</u>	<u>1,270,829</u>	<u>162,077</u>	<u>190,728</u>	<u>478,088</u>	<u>1,263,388</u>	<u>2,669,581</u>	Total additions
								DEDUCTIONS:
\$ 334,558	\$ 278,503	\$ 1,201,493	\$ 4,418	\$ 153,793	\$ 426,126	\$ 761,597	\$ 2,430,270	Payments of assessment to bond holders
6,419	8,230	35,875	156,958	8,075	16,030	39,850	46,953	Expenses
<u>340,977</u>	<u>286,733</u>	<u>\$ 1,237,368</u>	<u>161,375</u>	<u>161,868</u>	<u>442,156</u>	<u>801,447</u>	<u>2,477,223</u>	Total deductions
(282)	29,228	33,461	702	28,861	35,932	461,941	192,358	CHANGE IN NET POSITION
(317,953)	891,994	1,144,743	8,275	661,029	1,502,360	405,424	4,848,581	NET POSITION, BEGINNING OF YEAR
<u>\$ (318,235)</u>	<u>\$ 921,222</u>	<u>\$ 1,178,204</u>	<u>\$ 8,977</u>	<u>\$ 689,890</u>	<u>\$ 1,538,292</u>	<u>\$ 867,365</u>	<u>\$ 5,040,939</u>	NET POSITION, END OF YEAR

**CITY OF FOLSOM, CALIFORNIA**

**STATEMENT OF CHANGES IN  
FIDUCIARY NET POSITION (CONTINUED)  
CUSTODIAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Russell Ranch CFD #20</u>	<u>WRSR CFD #21</u>	<u>Folsom Heights CFD #22</u>	<u>IA1 Folsom Ranch CFD #23</u>	<u>Sacramento County Transportation Development Fee</u>	<u>Sacramento Transportation Mitigation Fee</u>	<u>Total Custodial Funds</u>
ADDITIONS:							
Assessment collections	\$ 787,387	\$ 1,165,742	\$ -	\$ 1,305,049	\$ -	\$ -	\$ 17,065,508
Mello-Roos Bonds	11,225,000	-	-	-	-	-	20,658,957
Refunding Proceeds	-	-	-	-	-	-	-
Transportation Fees	-	-	-	-	4,902,361	987,783	5,890,144
Investment earnings	269,551	57,286	-	209,082	-	-	1,381,813
Total additions	<u>12,281,938</u>	<u>1,223,027</u>	<u>-</u>	<u>1,514,130</u>	<u>4,902,361</u>	<u>987,783</u>	<u>44,996,423</u>
DEDUCTIONS:							
Payments of assessment to bond holders	\$ 1,299,948	\$ 1,129,348	\$ 4,748	\$ 10,007,367	\$ -	\$ -	\$ 26,291,068
Expenses	14,806	10,757	-	6,275	4,902,361	987,783	8,290,900
Total deductions	<u>1,314,754</u>	<u>1,140,105</u>	<u>4,748</u>	<u>10,013,642</u>	<u>4,902,361</u>	<u>987,783</u>	<u>34,581,967</u>
CHANGE IN NET POSITION	10,967,184	82,922	(4,748)	(8,499,511)	-	-	10,414,455
NET POSITION, BEGINNING OF YEAR	1,554,226	2,195,417	(7,178)	14,756,687	-	-	41,706,650
NET POSITION, END OF YEAR	<u>\$ 12,521,410</u>	<u>\$ 2,278,340</u>	<u>\$ (11,926)</u>	<u>\$ 6,257,176</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,121,106</u>

**STATISTICAL SECTION**



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE

This part of the City's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

### **Financial Trends Information**

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

### **Revenue Capacity Information**

These schedules contain information to help the reader assess the government's most significant local revenue sources.

### **Debt Capacity Information**

These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.

### **Demographic and Economic Information**

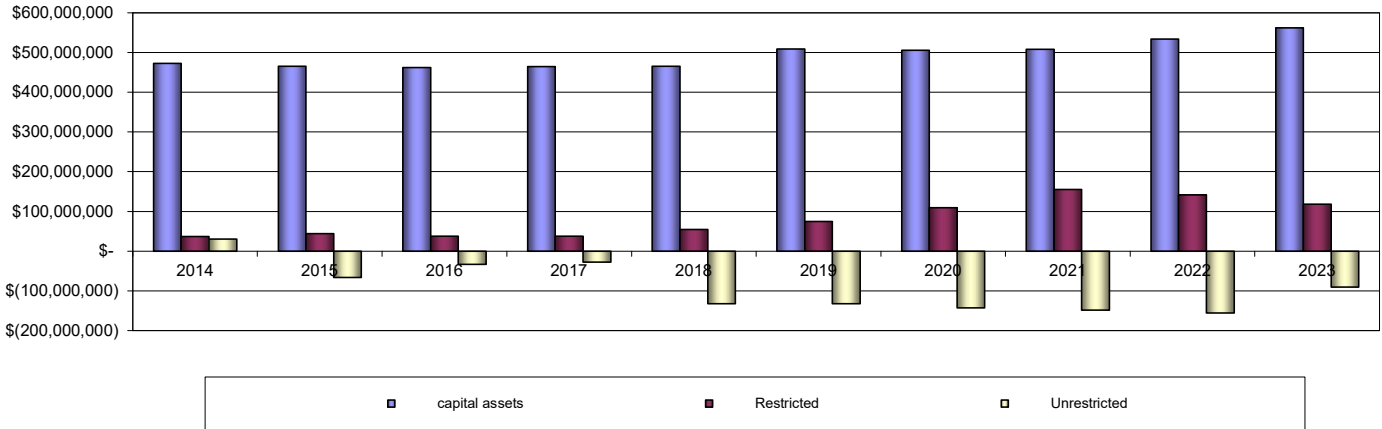
These schedules offer demographic and economic indicators to help the reader understand the environment within the City's financial activities take place.

### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Schedule 1  
**CITY OF FOLSOM, CALIFORNIA**  
 Net Position by Component,  
 Fiscal Year 2023, With Ten Year Trend Analysis  
 (accrual basis of accounting)

**Total Primary Government Net Position**



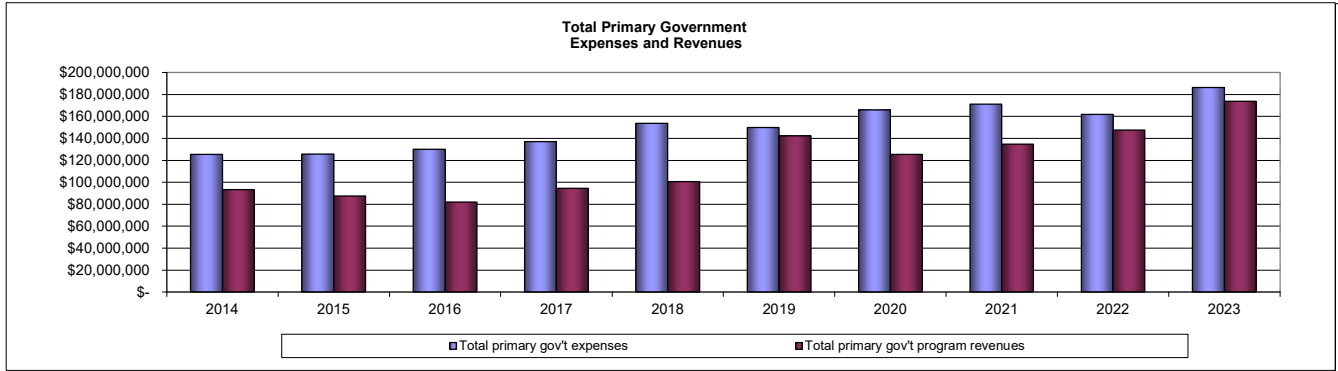
	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental activities</b>										
Net investment in capital assets	\$ 368,751,791	\$ 352,122,867	\$ 345,540,942	\$ 342,339,996	\$ 341,907,988	\$ 365,447,799	\$ 352,736,331	\$ 347,842,183	\$ 372,280,617	\$ 387,374,177
Restricted	36,162,905	43,903,207	37,105,814	37,928,602	54,379,397	74,711,884	109,091,757	154,995,747	141,687,652	118,208,417
Unrestricted (1)	1,634,857	(71,702,596)	(39,219,804)	(37,637,622)	(133,460,554)	(140,380,319)	(151,055,541)	(163,151,340)	(178,899,222)	(122,960,805)
<b>Total gov't activities net position</b>	<b>\$ 406,549,553</b>	<b>\$ 324,323,478</b>	<b>\$ 343,426,952</b>	<b>\$ 342,630,976</b>	<b>\$ 262,826,831</b>	<b>\$ 299,779,364</b>	<b>\$ 310,772,547</b>	<b>\$ 339,686,590</b>	<b>\$ 335,069,047</b>	<b>\$ 382,621,789</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 103,935,042	\$ 113,263,233	\$ 116,725,962	\$ 122,445,820	\$ 123,233,937	\$ 143,068,634	\$ 153,282,039	\$ 160,402,925	\$ 161,246,778	\$ 174,288,065
Restricted	512,201	520,858	527,202	127,565	127,565	127,565	127,565	129,602	129,602	129,602
Unrestricted	29,128,818	5,424,024	5,779,903	10,511,992	852,368	7,839,073	8,441,633	14,561,489	23,578,843	32,987,684
<b>Total bus-type activities net position</b>	<b>\$ 133,576,061</b>	<b>\$ 119,208,115</b>	<b>\$ 123,033,067</b>	<b>\$ 133,085,377</b>	<b>\$ 124,213,870</b>	<b>\$ 151,035,272</b>	<b>\$ 161,851,237</b>	<b>\$ 175,094,016</b>	<b>\$ 184,955,223</b>	<b>\$ 207,405,351</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 472,686,833	\$ 465,386,100	\$ 462,266,904	\$ 464,785,816	\$ 465,141,925	\$ 508,516,433	\$ 506,018,370	\$ 508,245,108	\$ 533,527,395	\$ 561,662,242
Restricted	36,675,106	44,424,065	37,633,016	38,056,167	54,506,962	74,839,449	109,219,322	155,125,349	141,817,254	118,338,019
Unrestricted	30,763,675	(66,278,572)	(33,439,901)	(27,125,630)	(132,608,186)	(132,541,246)	(142,613,908)	(148,589,851)	(155,320,379)	(89,973,121)
<b>Total primary gov't net position</b>	<b>\$ 540,125,614</b>	<b>\$ 443,531,593</b>	<b>\$ 466,460,019</b>	<b>\$ 475,716,353</b>	<b>\$ 387,040,701</b>	<b>\$ 450,814,636</b>	<b>\$ 472,623,784</b>	<b>\$ 514,780,606</b>	<b>\$ 520,024,270</b>	<b>\$ 590,027,140</b>

Source: The City's Comprehensive Annual Financial Reports

(1) FY14 decrease in Governmental activities, Unrestricted balance due to the implementation of GASB 68



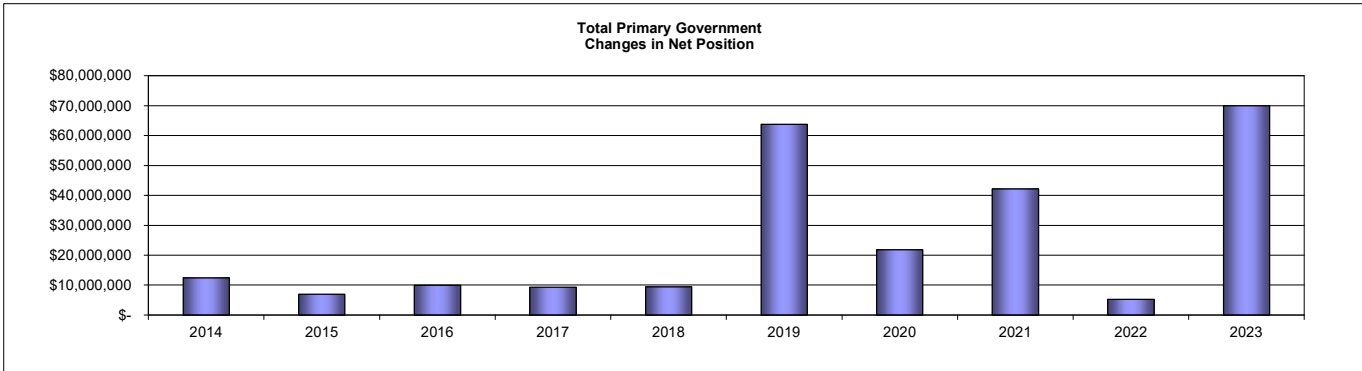
**Schedule 2**  
**CITY OF FOLSOM, CALIFORNIA**  
**Changes in Net Position**  
**Fiscal Year 2023, With Ten Year Trend Analysis**  
**(accrual basis of accounting)**



	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
Governmental activities:										
General government	\$ 16,949,780	\$ 16,789,611	\$ 16,842,039	\$ 17,619,148	\$ 21,571,309	\$ 19,894,674	\$ 25,694,246	\$ 20,099,385	\$ 14,570,235	\$ 21,993,578
Public safety	31,853,391	31,457,224	33,732,869	38,519,301	42,267,172	43,071,617	48,945,393	53,333,593	49,214,434	54,562,107
Public ways and facilities	23,900,284	24,655,423	23,760,187	23,789,377	26,740,758	24,860,981	27,609,012	31,378,367	30,321,802	33,988,957
Community services	3,293,971	3,358,210	3,795,881	4,611,256	6,328,357	6,119,243	6,836,934	6,871,579	7,909,070	9,111,893
Culture and recreation	13,949,169	13,917,727	15,226,602	16,043,161	19,316,157	16,783,176	17,181,199	18,542,904	18,809,703	18,076,120
Interest and fiscal changes	6,280,411	5,669,088	5,080,330	4,679,003	2,510,553	4,687,431	5,212,780	5,082,231	5,692,263	6,701,685
<b>Total gov't activities expenses</b>	<b>96,227,005</b>	<b>95,847,283</b>	<b>98,437,909</b>	<b>105,261,245</b>	<b>118,734,307</b>	<b>115,417,123</b>	<b>131,479,564</b>	<b>135,308,058</b>	<b>126,517,507</b>	<b>144,434,338</b>
Business-type activities:										
Water	12,088,326	12,666,550	12,704,599	13,169,040	14,416,465	15,018,849	15,635,355	15,659,239	14,980,895	17,486,670
Sewer	5,154,810	5,175,177	5,419,982	5,254,071	5,777,106	5,989,117	6,717,181	7,188,744	6,225,992	6,817,673
Solid Waste	8,518,137	8,702,357	9,347,062	9,488,964	10,383,837	10,823,361	12,057,666	13,001,080	14,044,953	17,490,609
Transit	(1) 3,316,706	3,344,616	3,709,459	3,847,851	4,093,944	2,297,111	-	-	-	-
Facilities Augmentation	23,375	-	407,237	3,040	242,058	326,061	17,023	-	-	27,577
Recreation	-	-	-	-	-	-	-	-	-	-
<b>Total bus-type activities expense</b>	<b>29,101,354</b>	<b>29,888,700</b>	<b>31,588,339</b>	<b>31,762,966</b>	<b>34,913,410</b>	<b>34,454,499</b>	<b>34,427,225</b>	<b>35,849,063</b>	<b>35,251,840</b>	<b>41,822,529</b>
<b>Total primary gov't expenses</b>	<b>\$ 125,328,359</b>	<b>\$ 125,735,983</b>	<b>\$ 130,026,248</b>	<b>\$ 137,024,211</b>	<b>\$ 153,647,717</b>	<b>\$ 149,871,622</b>	<b>\$ 165,906,789</b>	<b>\$ 171,157,121</b>	<b>\$ 161,769,347</b>	<b>\$ 186,256,867</b>

<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 7,709,627	\$ 7,552,485	\$ 7,496,678	\$ 7,950,354	\$ 9,259,206	\$ 8,802,272	\$ 9,178,697	\$ 9,391,344	\$ 11,395,670	\$ 12,481,923
Public safety	4,576,667	4,913,124	5,125,847	5,618,969	6,784,548	6,851,973	6,361,867	7,481,550	7,807,095	15,064,367
Public ways and facilities	12,599,223	11,013,797	7,997,349	8,565,624	12,763,442	11,089,762	10,196,763	12,091,444	16,519,809	10,569,175
Community services	3,498,093	4,119,947	4,986,243	4,552,806	6,861,396	8,290,473	7,536,644	12,773,201	14,818,895	10,501,091
Culture and recreation	6,364,798	6,244,176	4,966,763	6,198,906	10,852,607	10,278,413	9,682,333	10,555,274	14,863,977	15,197,394
Operating grants and contributions	2,883,514	2,631,565	2,354,928	2,233,379	2,774,627	3,673,894	3,803,337	4,044,265	4,415,825	5,195,430
Capital grants and contributions	16,542,881	14,275,960	11,437,916	14,891,177	10,798,615	30,603,509	32,124,684	26,614,932	28,053,482	38,782,252
<b>Total gov't activities program revenue</b>	<b>54,174,803</b>	<b>50,751,054</b>	<b>44,365,724</b>	<b>50,011,215</b>	<b>60,094,441</b>	<b>79,590,296</b>	<b>78,884,325</b>	<b>82,952,010</b>	<b>97,874,753</b>	<b>107,791,632</b>
Business-type activities:										
Charges for services:										
Water	14,201,854	13,105,941	12,205,895	13,605,851	14,119,233	13,912,610	15,561,068	17,988,487	17,280,478	18,889,282
Sewer	6,102,878	6,163,970	6,278,631	6,531,021	6,780,004	6,734,594	7,459,060	8,486,879	8,621,943	11,698,877
Solid Waste	10,240,575	10,362,825	10,620,422	10,957,586	10,840,441	10,939,391	11,774,722	15,206,531	19,705,286	23,945,238
Transit	(1) 1,273,371	677,295	623,745	604,935	591,905	285,158	-	-	-	-
Facilities augmentation	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	4,883,545	5,947,821	6,997,288	7,946,673	6,603,611	4,958,663	1,651,781	1,876,254	2,512,675	2,740,748
Capital grants and contributions	2,616,710	554,070	786,090	4,834,197	1,746,682	25,829,934	10,145,979	8,101,825	1,482,225	8,838,335
<b>Total bus-type activities</b>	<b>39,318,933</b>	<b>36,811,922</b>	<b>37,512,071</b>	<b>44,480,263</b>	<b>40,681,876</b>	<b>62,660,350</b>	<b>46,592,610</b>	<b>51,659,976</b>	<b>49,602,607</b>	<b>66,112,480</b>
<b>Total primary gov't program revenues</b>	<b>\$ 93,493,736</b>	<b>\$ 87,562,976</b>	<b>\$ 81,877,795</b>	<b>\$ 94,491,478</b>	<b>\$ 100,776,317</b>	<b>\$ 142,250,646</b>	<b>\$ 125,476,935</b>	<b>\$ 134,611,986</b>	<b>\$ 147,477,360</b>	<b>\$ 173,904,112</b>

**Schedule 2**  
**CITY OF FOLSOM, CALIFORNIA**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**



	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (42,052,202)	\$ (45,096,229)	\$ (54,072,185)	\$ (55,250,030)	\$ (58,639,866)	\$ (35,826,827)	\$ (52,595,239)	\$ (52,356,048)	\$ (28,642,754)	\$ (36,642,707)
Business-type activities	10,217,579	6,923,222	5,923,732	12,717,297	5,768,466	28,205,851	12,165,385	15,810,913	14,350,767	24,289,951
<b>Total primary gov't net (exp)/rev</b>	<b>\$ (31,834,623)</b>	<b>\$ (38,173,007)</b>	<b>\$ (48,148,453)</b>	<b>\$ (42,532,733)</b>	<b>\$ (52,871,400)</b>	<b>\$ (7,620,976)</b>	<b>\$ (40,429,854)</b>	<b>\$ (36,545,135)</b>	<b>\$ (14,291,987)</b>	<b>\$ (12,352,756)</b>

**General Revenue and Other changes in Net Position**

<b>Governmental activities:</b>										
<b>Taxes</b>										
Property	\$ 19,042,480	\$ 20,169,495	\$ 21,732,471	\$ 23,301,973	\$ 24,537,819	\$ 26,669,899	\$ 28,803,455	\$ 31,253,436	\$ 33,225,451	\$ 37,224,284
Sales and use	19,442,008	19,386,661	22,168,300	24,721,293	22,294,827	25,359,293	22,616,404	25,846,985	27,900,779	28,102,378
Other	2,593,291	2,860,264	3,202,564	3,716,243	3,820,424	4,070,333	3,116,568	2,867,348	4,949,172	4,760,019
Payments in lieu of services	-	-	-	-	-	-	-	-	-	-
Vehicle License Fees	-	-	-	-	-	-	-	-	-	-
Investments earnings (loss)	695,856	423,710	7,220,125	(2,344,854)	(3,666,825)	11,463,007	3,583,755	16,572,391	(47,159,517)	5,622,881
Miscellaneous	2,423,607	1,921,290	2,764,118	2,189,407	4,408,453	1,922,130	2,887,613	1,962,835	1,866,914	5,318,770
Gain/(loss) on disp of cap assets	3,500	96,858	168,454	-	-	-	-	-	-	-
Transfers	2,510,879	2,599,139	2,600,454	2,869,992	3,008,033	3,003,762	2,580,627	2,767,096	3,242,412	3,167,117
<b>Special Items:</b>										
Capital Contributions										
Gain on dissolution of RDA										
Xfer Asset from Successor Agency (1)	(381,150)		381,150	-	9,812,877	-	-	-	-	-
Xfer Asset from Transit to City (1)						290,936	-	-	-	-
<b>Total governmental activities</b>	<b>46,330,471</b>	<b>47,457,417</b>	<b>60,237,636</b>	<b>54,454,054</b>	<b>64,215,608</b>	<b>72,779,360</b>	<b>63,588,422</b>	<b>81,270,091</b>	<b>24,025,211</b>	<b>84,195,449</b>
<b>Business-type activities:</b>										
Investment earnings	384,577	220,380	501,674	205,005	187,322	1,367,314	1,231,207	198,962	(1,247,148)	1,327,294
Transfers	(2,510,879)	(2,599,139)	(2,600,454)	(2,869,992)	(3,008,033)	(3,003,762)	(2,580,627)	(2,767,096)	(3,242,412)	(3,167,117)
<b>Special Items:</b>										
Annexation of Transit Services (1)						542,935	-	-	-	-
Transfer of Assets-Transit to City (1)						(290,936)	-	-	-	-
<b>Total business-type activities</b>	<b>(2,126,302)</b>	<b>(2,378,759)</b>	<b>(2,098,780)</b>	<b>(2,664,987)</b>	<b>(2,820,711)</b>	<b>(1,384,449)</b>	<b>(1,349,420)</b>	<b>(2,568,134)</b>	<b>(4,489,560)</b>	<b>(1,839,823)</b>
<b>Total primary government</b>	<b>\$ 44,204,169</b>	<b>\$ 45,078,658</b>	<b>\$ 58,138,856</b>	<b>\$ 51,789,067</b>	<b>\$ 61,394,897</b>	<b>\$ 71,394,911</b>	<b>\$ 62,239,002</b>	<b>\$ 78,701,957</b>	<b>\$ 19,535,651</b>	<b>\$ 82,355,626</b>

**Change in Net Position**

Governmental activities	4,278,269	2,361,188	6,165,451	(795,976)	6,495,817	36,952,533	10,993,183	28,914,043	(4,617,543)	47,552,742
Business-type activities	8,091,277	4,544,463	3,824,952	10,052,310	2,947,755	26,821,402	10,815,965	13,242,779	9,861,207	22,450,128
<b>Total Primary Government</b>	<b>\$ 12,369,546</b>	<b>\$ 6,905,651</b>	<b>\$ 9,990,403</b>	<b>\$ 9,256,334</b>	<b>\$ 9,443,572</b>	<b>\$ 63,773,935</b>	<b>\$ 21,809,148</b>	<b>\$ 42,156,822</b>	<b>\$ 5,243,664</b>	<b>\$ 70,002,870</b>
Net Position beginning of Year (as restated in prior fiscal years)	527,756,068	436,625,942	456,469,616	466,460,019	377,597,129	387,040,701	450,814,636	472,623,784	514,780,606	520,024,270
<b>Net Position End of Year</b>	<b>\$ 540,125,614</b>	<b>\$ 443,531,593</b>	<b>\$ 466,460,019</b>	<b>\$ 475,716,353</b>	<b>\$ 387,040,701</b>	<b>\$ 450,814,636</b>	<b>\$ 472,623,784</b>	<b>\$ 514,780,606</b>	<b>\$ 520,024,270</b>	<b>\$ 590,027,140</b>

Source: The City's Comprehensive Annual Financial Reports

(1) Transit operations were annexed by the Sacramento Regional Transit District effective 2-4-19

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**Schedule 3**  
**CITY OF FOLSOM, CALIFORNIA**  
**Fund Balances, Governmental Funds,**  
**Fiscal Year 2023, With Ten Year Trend Analysis**  
**(modified accrual basis of accounting)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>General Fund</b>					
Reserved					
Unreserved					
Nonspendable	265,707	339,494	400,319	448,971	442,084
Restricted					
Committed					
Assigned	373,969	740,393	1,234,023	1,201,309	1,869,501
Unassigned	6,630,937	8,157,227	10,950,323	15,536,918	15,699,123
Total Fund Balance	<u>\$ 7,270,613</u>	<u>\$ 9,237,114</u>	<u>\$ 12,584,665</u>	<u>\$ 17,187,198</u>	<u>\$ 18,010,708</u>

<b>All Other Governmental Funds</b>					
Reserved					
Unreserved					
Nonspendable	268,396	268,396	398,396	428,782	429,294
Restricted	158,429,877	152,093,714	170,205,119	157,036,583	195,058,817
Committed	3,548,476	3,663,039	3,581,269	3,690,161	5,201,522
Assigned	3,684,362	3,236,609	3,160,859	3,309,690	3,587,539
Unassigned	(845,061)	(516,671)	(968,842)	(1,150,620)	(847,149)
Total Fund Balance	<u>\$ 165,086,050</u>	<u>\$ 158,745,087</u>	<u>\$ 176,376,801</u>	<u>\$ 163,314,596</u>	<u>\$ 203,430,023</u>

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>General Fund</b>					
Nonspendable	1,105,568	903,432	455,628	660,464	1,507,764
Restricted					
Committed					
Assigned	2,214,552	1,018,076	1,813,094	2,998,099	6,294,654
Unassigned	20,349,892	13,776,114	19,200,703	23,260,485	22,961,939
Total Fund Balance	<u>\$ 23,670,012</u>	<u>\$ 15,697,622</u>	<u>\$ 21,469,425</u>	<u>\$ 26,919,048</u>	<u>\$ 30,764,357</u>

<b>All Other Governmental Funds</b>					
Nonspendable	434,118	442,345	452,584	455,583	463,719
Restricted	187,443,271	224,721,017	270,720,065	257,561,870	304,042,368
Committed	5,425,995	5,728,164	5,785,155	5,349,293	6,388,285
Assigned	11,369,695	3,444,634	3,493,384	3,512,989	3,566,549
Unassigned	1,790,354	(1,165,190)	(1,586,720)	(522,789)	(349,182)
Total Fund Balance	<u>\$ 206,463,433</u>	<u>\$ 233,170,970</u>	<u>\$ 278,864,468</u>	<u>\$ 266,356,946</u>	<u>\$ 314,111,739</u>

Source: The City's Comprehensive Annual Financial Reports

**Schedule 4**  
**CITY OF FOLSOM, CALIFORNIA**  
**Changes in Fund Balances, Governmental Funds**  
**Fiscal Year 2023, With Ten Year Trend Analysis**  
**(modified accrual basis of accounting)**

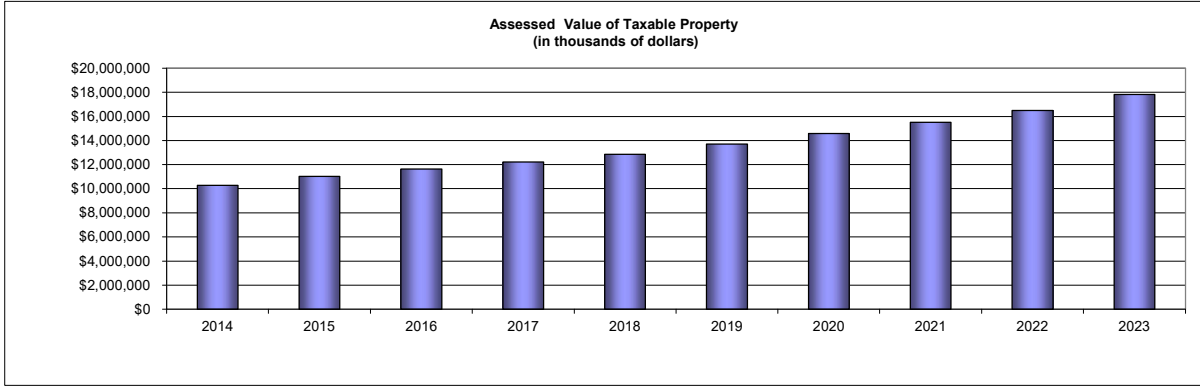
<b>Revenue</b>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Taxes	\$ 41,077,779	\$ 42,416,420	\$ 47,103,335	\$ 51,739,509	\$ 50,653,070
Licenses, fees and permits	2,109,745	2,128,623	2,098,807	2,171,246	2,775,305
Vehicle License fees	5,198,998	5,596,355	5,895,909	6,065,568	6,484,423
Intergovernmental revenue	18,611,026	16,049,283	12,819,545	15,233,546	12,347,078
Charges for services	23,992,496	23,823,594	20,388,258	22,787,464	36,304,402
Fines and penalties	798,051	776,554	729,673	954,261	921,339
Assessment collections	2,685,714	1,518,403	1,460,233	908,120	35,728
Investment earnings (loss)	633,581	395,293	7,068,427	(2,356,010)	(3,655,867)
Miscellaneous	2,423,607	1,921,290	2,764,118	2,189,407	2,618,452
Total revenue	<u>\$ 97,530,997</u>	<u>\$ 94,625,815</u>	<u>\$ 100,328,305</u>	<u>\$ 99,693,111</u>	<u>\$ 108,483,930</u>
<b>Expenditures</b>					
General government	\$ 16,920,618	\$ 17,920,405	\$ 17,392,563	\$ 17,718,687	\$ 18,859,432
Public safety	31,861,011	32,467,605	34,351,734	37,299,200	37,216,488
Public ways and facilities	10,633,571	11,803,873	10,763,219	10,546,397	12,921,054
Community services	3,394,648	3,582,489	3,975,512	4,722,516	6,196,867
Culture and recreations	11,667,695	11,971,798	12,850,827	13,387,547	14,349,508
Capital outlay	5,989,082	5,597,833	6,833,189	9,921,548	18,189,160
Debt Service:					
Principal	15,465,193	12,879,056	11,090,135	12,600,203	8,027,092
Interest and fiscal charges	6,398,811	5,826,718	5,119,301	4,835,589	2,540,176
Cost of issuance	69,524	-	-	-	-
Total expenditures	<u>\$ 102,400,153</u>	<u>\$ 102,049,777</u>	<u>\$ 102,376,480</u>	<u>\$ 111,031,687</u>	<u>\$ 118,299,777</u>
Excess of revenue over (under) expenditures	\$ (4,869,156)	\$ (7,423,962)	\$ (2,048,175)	\$ (11,338,576)	\$ (9,815,847)
<b>Other Financing Sources (Uses)</b>					
Sale of property	-	-	-	-	-
Issuance of debt	-	-	6,675,000	-	88,670,000
Bonds defeased	-	-	-	-	-
Bond refunding	-	-	-	-	-
Bond discount	-	-	-	-	-
Issuance of loan	-	-	-	-	1,790,000
Bond premium	-	-	-	-	-
Payment to refunded escrow agent	-	-	-	-	(52,535,000)
Amortized loss on PY bond refinance	-	-	-	-	-
Extraordinary loss on dissolution of RDA	-	-	-	-	-
Transfers in	7,523,050	6,704,387	6,439,736	6,331,555	8,063,764
Transfers out	(4,863,541)	(3,654,887)	(3,025,319)	(3,452,651)	(5,046,857)
Total other financing sources (Uses)	<u>\$ 2,659,509</u>	<u>\$ 3,049,500</u>	<u>\$ 10,089,417</u>	<u>\$ 2,878,904</u>	<u>\$ 40,941,907</u>
Net change in fund balances	<u>\$ (2,209,647)</u>	<u>\$ (4,374,462)</u>	<u>\$ 8,041,242</u>	<u>\$ (8,459,672)</u>	<u>\$ 31,126,060</u>
Debt services as a percentage of non-capital expenditures	22.7%	19.6%	17.0%	17.3%	10.6%

Source: The City's Comprehensive Annual Financial Reports

**Schedule 4**  
**CITY OF FOLSOM, CALIFORNIA**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	2019	2020	2021	2022	2023	
						<b>Revenue</b>
\$	56,099,525	\$ 54,536,426	\$ 59,967,769	\$ 66,075,401	\$ 70,086,681	Taxes
	3,070,682	3,425,992	4,248,555	4,302,902	4,017,997	Licenses, fees and permits
	6,902,484	7,357,030	7,823,848	8,342,739	8,998,734	Vehicle License fees
	14,273,982	12,617,895	22,156,779	29,974,236	26,895,559	Intergovernmental revenue
	33,058,288	29,788,664	35,282,381	45,934,547	46,419,808	Charges for services
	2,275,631	2,384,362	4,937,421	6,824,646	4,377,342	Fines and penalties
	5,807	254	609	611	69	Assessment collections
	11,010,736	3,150,904	16,608,400	(46,784,425)	5,425,622	Investment earnings (loss)
	1,922,131	2,887,614	1,962,835	1,857,797	5,318,770	Miscellaneous
\$	<u>128,619,266</u>	<u>\$ 116,149,141</u>	<u>\$ 152,988,597</u>	<u>\$ 116,528,454</u>	<u>\$ 171,540,582</u>	Total revenue
						<b>Expenditures</b>
\$	14,700,625	\$ 21,910,491	\$ 18,108,326	\$ 17,798,781	\$ 20,016,712	General government
	42,122,571	44,678,765	46,221,823	49,366,108	49,716,290	Public safety
	12,167,798	12,642,949	15,475,320	15,078,169	18,451,784	Public ways and facilities
	6,719,373	6,968,176	6,825,605	8,014,879	9,175,089	Community services
	15,139,603	14,182,818	14,609,268	15,356,976	14,416,294	Culture and recreations
	16,002,288	13,282,395	9,667,003	21,483,042	18,440,337	Capital outlay
						Debt Service:
	10,206,479	9,027,004	6,229,787	6,264,954	7,319,407	Principal
	4,642,841	4,935,225	5,044,609	5,606,210	6,297,360	Interest and fiscal charges
	-	-	-	-	-	Cost of issuance
\$	<u>121,701,578</u>	<u>\$ 127,627,823</u>	<u>\$ 122,181,741</u>	<u>\$ 138,969,119</u>	<u>\$ 143,833,273</u>	Total expenditures
\$	6,917,688	\$ (11,478,682)	\$ 30,806,856	\$ (22,440,665)	\$ 27,707,309	Excess of revenue over (under) expenditures
						<b>Other Financing Sources (Uses)</b>
	-	-	-	-	-	Sale of property
	-	23,735,000	24,740,000	11,855,000	20,655,000	Issuance of debt
	-	-	(9,325,000)	-	-	Bonds defeased
	-	-	-	-	-	Bond refunding
	-	-	-	-	-	Bond discount
	-	-	-	-	-	Issuance of loan
	-	3,322,109	1,769,349	275,791	(39,146)	Bond premium
	-	-	-	-	-	Payment to refunded escrow agent
	-	-	-	-	-	Amortized loss on PY bond refinance
	-	-	-	-	-	Extraordinary loss on dissolution of RDA
	7,572,261	6,603,421	5,784,353	4,589,055	4,454,442	Transfers in
	(5,797,235)	(3,446,701)	(2,310,257)	(1,337,080)	(1,177,504)	Transfers out
\$	<u>1,775,026</u>	<u>\$ 30,213,829</u>	<u>\$ 20,658,445</u>	<u>\$ 15,382,766</u>	<u>\$ 23,892,792</u>	Total other financing sources (Uses)
\$	<u>8,692,714</u>	<u>\$ 18,735,147</u>	<u>\$ 51,465,301</u>	<u>\$ (7,057,899)</u>	<u>\$ 51,600,101</u>	Net change in fund balances
	14.0%	12.2%	10.0%	9.2%	10.1%	Debt services as a percentage of non-capital expenditures

Schedule 5  
**CITY OF FOLSOM, CALIFORNIA**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Fiscal Year 2023, With Ten Year Trend Analysis**  
(in thousands of dollars)



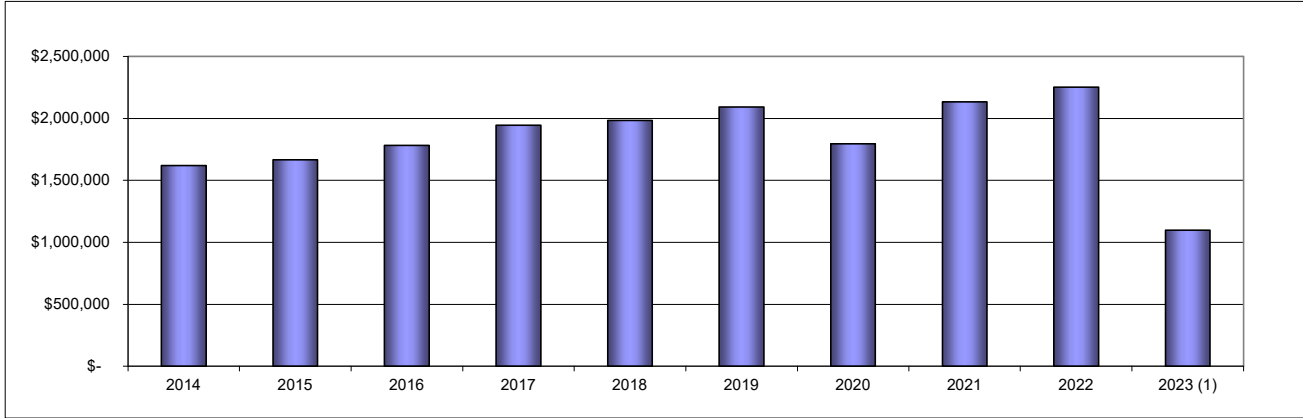
Fiscal Year Ended June 30	Residential Property	Commercial Property	Industrial Property	Other (1)	Unsecured Property	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate (2)	Estimated Actual Taxable Value	Factor of Taxable Assessed Value
2014	\$ 7,237,918	\$ 2,105,306	\$ 162,948	\$ 798,259	\$ 334,685	\$ 351,233	\$ 10,287,883	1.3522	\$ 11,517,264 (3)	1.119498 (3)
2015	\$ 7,863,637	\$ 2,133,511	\$ 161,792	\$ 894,465	\$ 311,204	\$ 333,742	\$ 11,030,867	1.3325	\$ 12,864,274 (3)	1.166207 (3)
2016	\$ 8,227,029	\$ 2,206,981	\$ 162,828	\$ 1,021,962	\$ 367,993	\$ 356,949	\$ 11,629,844	1.4196	\$ 13,598,364 (3)	1.169265 (3)
2017	\$ 8,671,194	\$ 2,315,233	\$ 162,343	\$ 1,076,357	\$ 364,265	\$ 370,001	\$ 12,219,391	1.4648	\$ 13,550,693 (3)	1.108950 (3)
2018	\$ 9,209,650	\$ 2,467,359	\$ 166,859	\$ 1,091,858	\$ 348,764	\$ 426,578	\$ 12,857,912	1.4970	\$ 15,154,811 (3)	1.178637 (3)
2019	\$ 9,709,630	\$ 2,665,776	\$ 170,999	\$ 1,223,745	\$ 379,698	\$ 443,387	\$ 13,706,461	1.4982	\$ 16,490,101 (3)	1.203090 (3)
2020	\$ 10,495,984	\$ 2,889,095	\$ 195,961	\$ 1,075,127	\$ 381,060	\$ 456,789	\$ 14,580,438	1.4956	\$ 17,358,468 (3)	1.190531 (3)
2021	\$ 10,765,538	\$ 2,918,956	\$ 182,606	\$ 1,742,550	\$ 390,843	\$ 485,246	\$ 15,515,246	1.4894	\$ 17,852,872 (3)	1.150666 (3)
2022	\$ 12,543,846	\$ 3,152,961	\$ 216,994	\$ 698,215	\$ 370,098	\$ 494,765	\$ 16,487,349	1.6812	\$ 20,577,004 (3)	1.248048 (3)
2023	\$ 13,130,722	\$ 3,059,491	\$ 229,898	\$ 1,439,772	\$ 463,096	\$ 500,143	\$ 17,822,836	1.5604	\$ 24,465,087 (3)	1.372682 (3)

Source: County Assessor data, Avenu Insights & Analytics.

- (1) Includes the following categories (Misc., Institutional, Recreational, Irrigated, Vacant, SBE Nonunitary, and Unsecured)
- (2) Total direct tax rate is represented by Tax Rate Areas 04-000 04-004 and 04-027
- (3) As of 2012-13 Estimated Actual Value is being calculated and reported in compliance with GASB No. 44 guidelines.  
Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a multiplier value was extrapolated and applied to current assessed values.

Note: In 1978, California voters passed Proposition 13, which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an inflation factor (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

**Schedule 5A  
CITY OF FOLSOM CALIFORNIA  
Taxable Transactions by Category  
Fiscal Year 2023, With Ten Year Trend Analysis  
(Taxable transactions in thousands of dollars)**



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (1)
Motor Vehicle and Parts Dealers	\$ 425,196	\$ 460,449	\$ 466,504	\$ 485,631	\$ 491,987	\$ 494,930	\$ 489,842	\$ 575,818	\$ 556,985	\$ 300,456
Home furnishings and appliances	81,852	82,252	96,706	93,502	92,162	95,168	86,538	97,158	95,165	43,260
Bld Matri and Garden Equip	94,161	102,469	108,524	110,962	115,803	116,980	143,114	147,470	143,302	73,097
Food and Beverage Stores	79,159	79,806	81,880	85,460	89,824	78,242	86,569	89,034	90,881	42,991
Gasoline Stations	83,598	69,997	64,270	73,240	82,738	93,517	59,380	86,780	110,428	47,282
Clothing & Clothing Accessories	148,592	152,903	177,476	179,489	183,062	182,119	123,108	180,677	184,492	82,871
General merchandise stores	285,722	235,840	234,505	304,177	324,505	334,005	310,201	365,302	421,359	177,599
Food Services and Drinking Places	161,652	175,325	188,911	202,655	210,940	222,864	170,535	237,024	268,313	140,799
Other retail stores	133,671	135,499	131,765	128,316	130,431	123,931	110,499	137,782	139,067	60,990
<b>Subtotal retail</b>	<b>1,493,603</b>	<b>1,494,540</b>	<b>1,550,541</b>	<b>1,663,432</b>	<b>1,721,452</b>	<b>1,741,756</b>	<b>1,579,786</b>	<b>1,917,045</b>	<b>2,009,992</b>	<b>969,345</b>
All other outlets	126,130	171,928	232,418	280,610	262,345	351,655	215,604	217,177	243,334	128,102
<b>Total</b>	<b>\$ 1,619,733</b>	<b>\$ 1,666,468</b>	<b>\$ 1,782,959</b>	<b>\$ 1,944,042</b>	<b>\$ 1,983,797</b>	<b>\$ 2,093,411</b>	<b>\$ 1,795,390</b>	<b>\$ 2,134,222</b>	<b>\$ 2,253,326</b>	<b>\$ 1,097,447</b>

Sources: State Board of Equalization (BOE), California Department of Tax and Fee Administration (CDTFA)

(1) Since 2017, taxable transactions information is available via the CDTFA. Information only available through second quarter of 2023.



**Schedule 6**  
**CITY OF FOLSOM, CALIFORNIA**  
**Direct and Overlapping Property Tax Rates**  
**Fiscal Year 2023, With Ten Year Trend Analysis**  
**(rate per \$100 of assessed value)**

	County District Rates			School District, Bonds & Assessments						
	Basic County, City, School Levy	Sacramento Regional County Sanitation	Sacramento County Bonds	Total District Rates	General Obligation - School Districts (1)	Los Rios Community College	Folsom Cordova Bond Area #2	Folsom Cordova Bond Area #3	Folsom Cordova Bond Area #5	San Juan Unified Bond
2014	1.0000	0.0000	0.0000	1.0000	.0000 - .0245	0.0181	0.0341	0.1125	0.0000	0.1630
2015	1.0000	0.0000	0.0000	1.0000	.0000 - .0133	0.0111	0.0343	0.1229	0.0000	0.1509
2016	1.0000	0.0000	0.0000	1.0000	.0000 - .0369	0.0273	0.031	0.1129	0.0568	0.1547
2017	1.0000	0.0000	0.0000	1.0000	.0000 - .0219	0.0423	0.0584	0.1259	0.0641	0.1522
2018	1.0000	0.0000	0.0000	1.0000	.0000 - .0000	0.0390	0.0516	0.1878	0.0071	0.2115
2019	1.0000	0.0000	0.0000	1.0000	.0000 - .0000	0.0393	0.0562	0.1451	0.0583	0.1993
2020	1.0000	0.0000	0.0000	1.0000	.0000 - .0000	0.0696	0.058	0.1366	0.0543	0.1793
2021	1.0000	0.0000	0.0000	1.0000	.0000 - .0000	0.0223	0.0254	0.2065	0.0543	0.1809
2022	1.0000	0.0000	0.0000	1.0000	.0000 - .0000	0.0249	0.0247	0.3881	0.0548	0.1887
2023	1.0000	0.0000	0.0000	1.0000	.0000 - .0000	0.0226	0.0217	0.2758	0.053	0.1873

Source: Sacramento County, Department of Finance, Auditor-Controller; Avenu Insights & Analytics

(1) Compilation of Tax Rates represent the low and high end.

Note: In 1978, California voters passed Proposition 13, which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an inflation factor (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

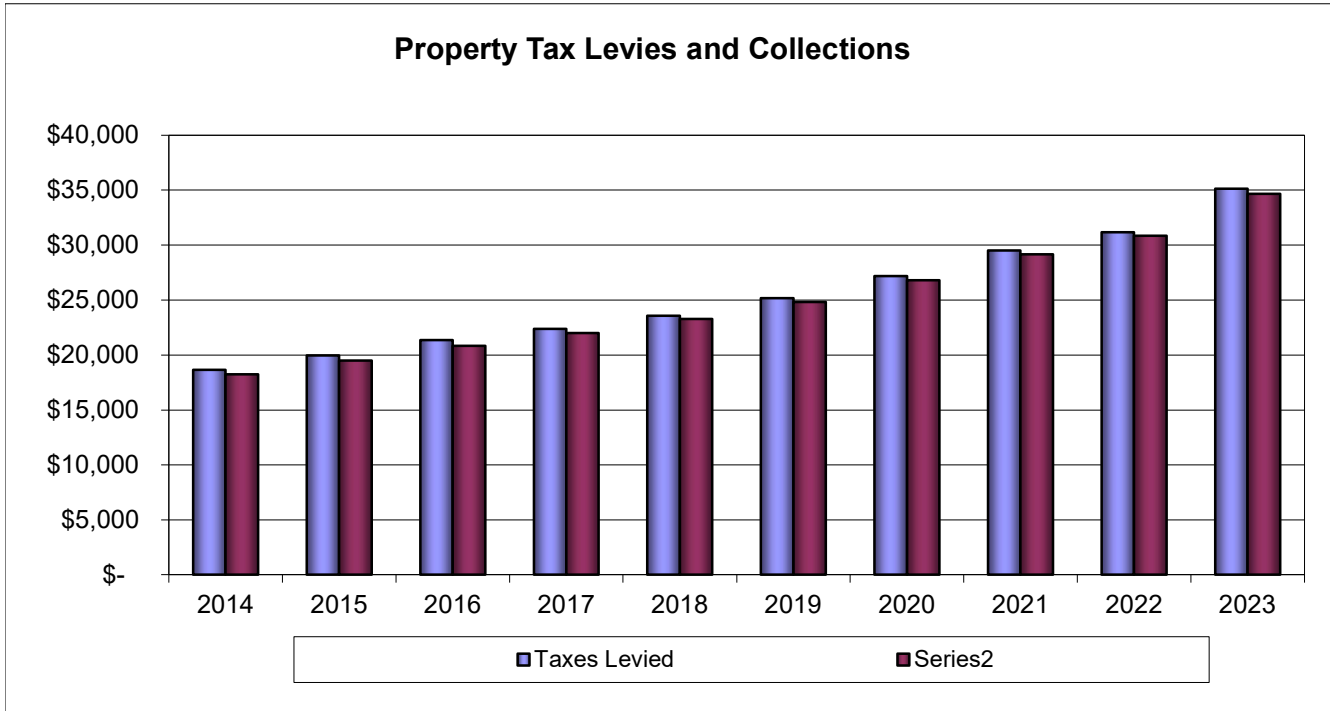
**Schedule 7**  
**CITY OF FOLSOM, CALIFORNIA**  
**Principal Property Tax Payers**  
**Fiscal Year 2023, And Nine Years Ago**  
**(in thousands of dollars)**

<b>Taxpayer</b>	<b>2023</b>			<b>2014</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage Of Total Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage Total Taxable Assessed Value</b>
Intel Corp	\$ 813,199	1	4.56%	\$ 550,815	1	5.35%
Broadstone Land LLC	\$ 157,694	2	0.88%	\$ 148,086	2	1.44%
Pique Apts LLC	\$ 117,098	3	0.66%			0.00%
Talavera Ridge Apts LP	\$ 97,962	4	0.55%			0.00%
Willow Creek Assoc LP	\$ 92,297	5	0.52%			0.00%
Toll West Inc.	\$ 84,924	6	0.48%			0.00%
Folsom Residences LLC	\$ 77,008	7	0.43%			0.00%
KB Parkshore Dst	\$ 72,150	8	0.40%			0.00%
Sequoia Equities Iron Point	\$ 69,438	9	0.39%			0.00%
Kaiser Foundation Hospitals	\$ 67,131	10	0.38%	\$ 66,024	3	0.64%
Kikkoman Foods Inc.				\$ 61,810	4	0.60%
Chelsea Financing Partnership				\$ 61,288	5	0.60%
Spectrum Waples Street LP				\$ 56,783	6	0.55%
Overlook At Blue Ravine LLC				\$ 53,333	7	0.52%
Sherwood Iron Point LP				\$ 52,436	8	0.51%
CW Parkshore Plaza LLC				\$ 48,171	9	0.47%
IMS Assoc LLC				\$ 39,895	10	0.39%
<b>Total</b>	<b>\$ 1,648,901</b>		<b>9.25%</b>	<b>\$ 1,138,641</b>		<b>11.07%</b>

Sources: Avenu Insights & Analytics, Sacramento County Assessor Combined Tax Rolls

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**Schedule 8**  
**CITY OF FOLSOM, CALIFORNIA**  
**Property Tax Levies and Collections**  
**Fiscal Year 2023, With Ten Year Trend Analysis**  
**(in thousands of dollars)**



Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy	
		Amount	Percent of Levy (1)
2014	\$ 18,644	\$ 18,251	97.89%
2015	\$ 19,960	\$ 19,481	97.60%
2016	\$ 21,367	\$ 20,819	97.44%
2017	\$ 22,377	\$ 22,002	98.32%
2018	\$ 23,564	\$ 23,269	98.75%
2019	\$ 25,161	\$ 24,833	98.70%
2020	\$ 27,189	\$ 26,813	98.62%
2021	\$ 29,518	\$ 29,170	98.82%
2022	\$ 31,175	\$ 30,836	98.91%
2023	\$ 35,127	\$ 34,675	98.71%

Source: County of Sacramento, Department of Finance, Tax Accounting Bureau

(1) The City of Folsom participates in an alternative method of property tax apportionment permitted by the State Revenue and Taxation Code, Section 4701, more commonly known as the "Teeter Plan". Under this plan, current secured real property tax levies are distributed by Sacramento County to the City as if the taxes had been collected in full. In return, the County retains all rights to collect any delinquencies and subsequent penalties and interest. Thus, under the Teeter Plan, the City receives 100% of all secured real property taxes levied.

**Schedule 9**  
**CITY OF FOLSOM, CALIFORNIA**  
**Ratio of Outstanding Debt by Type**  
**Fiscal Year 2023, With Ten Year Trend Analysis**

	2014	2015	2016	2017	2018
<b>Governmental Activities</b>					
General Obligation Bonds	\$6,195,000	\$ 3,760,000	\$ 2,315,000	\$ 825,000	\$ -
Certificates of Participation	820,000	-	-	-	-
FPFA Revenue Bonds	112,260,832	104,491,230	103,207,933	93,841,368	124,427,251
RDA Tax Allocation Bonds	-	-	-	-	-
City Hall & Fire Station Lease Obligation	7,544,642	6,113,936	4,640,514	3,117,370	1,692,207
Owner Participation Agreements	-	-	-	-	-
Special Assessment Debt	-	-	-	-	-
Notes Payable	-	-	-	-	-
Long-Term Loan	-	-	-	-	1,628,000 (1)
Add: Discounts/premiums, net	-	-	-	-	-
Capital Leases	1,302,208	1,901,301	1,687,885	1,467,391	1,239,579
<b>Business-Type Activities</b>					
Revenue Bonds	\$25,494,830	\$ 24,352,781	\$ 23,181,993	\$ 21,973,818	\$ 20,725,423
Add: Issue Discount/prem, net	-	-	-	-	-
Capital Leases	-	-	-	-	-
Note Payable	-	-	-	-	-
<b>Total Primary Government</b>	<b>\$ 153,617,512</b>	<b>\$ 140,619,248</b>	<b>\$ 135,033,325</b>	<b>\$ 121,224,947</b>	<b>\$ 149,712,460</b>
Percentage of Personal Income	Not available	Not available	Not available	Not available	Not available
Per Capita	2,246	2,016	1,872	1,652	2,036
Population	68,399	69,737	72,131	73,389	73,521

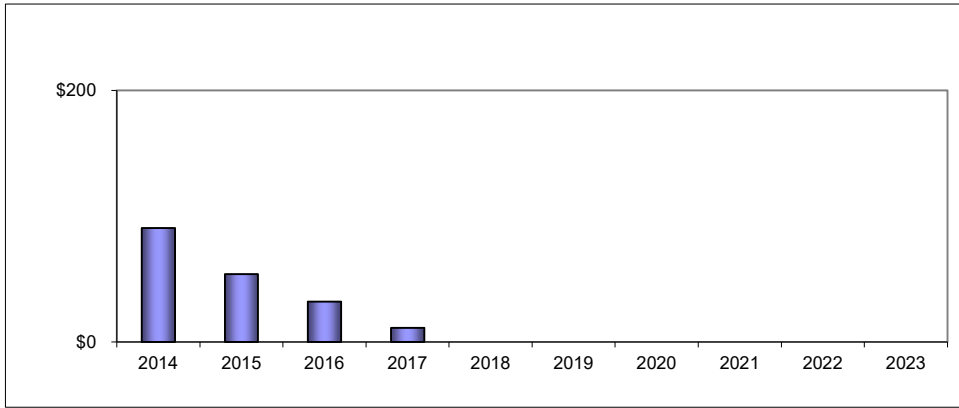
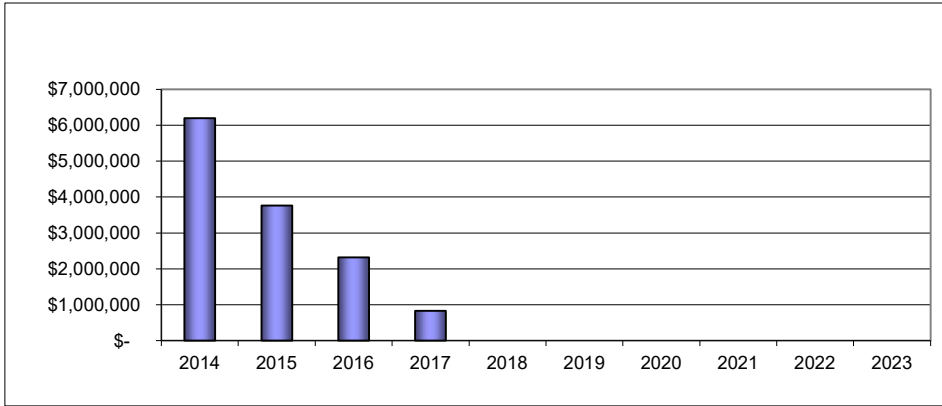
Sources: The City's Comprehensive Annual Financial Reports; State Department of Finance

(1) Long-Term Loan amount in 2018 was corrected to \$1,628,000

**Schedule 9**  
**CITY OF FOLSOM, CALIFORNIA**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

2019	2020	2021	2022	2023	
					<b>Governmental Activities</b>
\$ -	\$ -	\$ -	\$ -	\$ -	General Obligation Bonds
-	-	-	-	-	Certificates of Participation
114,621,540	129,744,921	139,355,207	145,385,000	159,030,000	FPFA Revenue Bonds
-	-	-	-	-	RDA Tax Allocation Bonds
1,526,817	1,354,632	1,180,846	1,000,748	814,635	City Hall & Fire Station Lease Obligation
-	-	-	-	-	Owner Participation Agreements
-	-	-	-	-	Special Assessment Debt
-	-	-	-	-	Notes Payable
1,221,000	1,235,739	563,431	-	-	Long-Term Loan
4,295,904	7,446,331	8,933,261	8,867,655	8,477,920	Add: Discounts/premiums, net
1,004,201	761,001	509,714	250,065	126,771	Capital Leases
					<b>Business-Type Activities</b>
\$ 19,438,757	\$ 17,319,283	\$ 16,291,000	\$ 14,868,000	\$ 13,415,000	Revenue Bonds
37,116	1,023,938	910,167	796,396	682,625	Add: Issue Discount/prem, net
-	-	-	-	-	Capital Leases
-	-	-	-	-	Note Payable
<b>\$ 142,145,335</b>	<b>\$ 158,885,845</b>	<b>\$ 167,743,626</b>	<b>\$ 171,167,864</b>	<b>\$ 182,546,951</b>	<b>Total Primary Government</b>
Not available	Not available	Not available	Not available	Not available	Percentage of Personal Income
1,909	2,089	2,152	(60,892)	2,135	Per Capita
74,479	76,065	77,942	(2,811)	85,498	Population

**Schedule 10  
CITY OF FOLSOM, CALIFORNIA  
Ratios of General Bonded Debt Outstanding  
Fiscal Year 2023, With Ten Year Trend Analysis**



Fiscal Year	General Bonded Debt Outstanding			Percent of Assessed Value of Property (1)	Per Capita (2)	Population (3)
	General Obligation Bonds	Redevelopment Bonds	Total			
2014	\$ 6,195,000	\$ -	\$ 6,195,000	0.05%	90.57	68,399
2015	\$ 3,760,000	\$ -	\$ 3,760,000	0.03%	53.92	69,737
2016	\$ 2,315,000	\$ -	\$ 2,315,000	0.02%	32.09	72,131
2017	\$ 825,000	\$ -	\$ 825,000	0.01%	11.24	73,389
2018	\$ -	\$ -	\$ -	0.00%	-	73,521
2019	\$ -	\$ -	\$ -	0.00%	-	74,479
2020	\$ -	\$ -	\$ -	0.00%	-	76,065
2021	\$ -	\$ -	\$ -	0.00%	-	77,942
2022	\$ -	\$ -	\$ -	0.00%	-	(2,811)
2023	\$ -	\$ -	\$ -	0%	-	85,498

Source: The City's Comprehensive Annual Financial Reports

- (1) See Schedule 5 for property value data.
- (2) Population data can be found in Schedule 14.
- (3) Population figures used for per capita calculation excludes the inmate population at Folsom Prison.

**Schedule 11**  
**CITY OF FOLSOM, CALIFORNIA**  
**Computation of Direct and Overlapping**  
**Fiscal Year 2023**

2022-23 Assessed Valuation: \$17,915,528,378

<u>DIRECT &amp; OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt <u>6/30/2023</u>	<u>% Applicable (1)</u>	City's Share of <u>Debt 6/30/23</u>
Los Rios Community College District	\$448,500,000	7.208%	\$32,327,880
Folsom Cordova Unified School District School Facilities Improvement District No. 2	12,039,210	99.745	12,008,510
Folsom Cordova Unified School District School Facilities Improvement District No. 3	185,384,024	44.377	82,267,868
Folsom Cordova Unified School District School Facilities Improvement District No. 5	177,605,000	99.981	177,571,255
San Juan Unified School District	680,488,183	0.665	4,525,246
Special District 1915 Act Bonds (Estimate)	316,066,788	1.686-100	15,088,308
<b>City of Folsom PFA Revenue Bonds &amp; Direct Borrowing and Placement Notes</b>	<b>174,048,000</b>	<b>100</b>	<b>174,048,000</b>
<b>TOTAL DIRECT &amp; OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>\$497,837,067</b>
 <u>DIRECT &amp; OVERLAPPING GENERAL FUND DEBT:</u>			
Sacramento County General Fund Obligations	\$116,785,623	8.666%	\$10,120,642
Sacramento County Pension Obligation Bonds	539,161,779	8.6660	46,723,760
Sacramento County Board of Education General Fund Obligations	2,150,000	8.6660	186,319
Sacramento Metropolitan Fire District General Fund Obligations	7,643,000	0.130	9,936
Sacramento Metropolitan Fire District Pension Obligation Bonds	25,455,000	0.130	33,092
<b>City of Folsom City Hall &amp; Fire Station Lease Obligation</b>	<b>814,635</b>	<b>100</b>	<b>814,635</b>
<b>City of Folsom Capital Lease Obligations</b>	<b>126,771</b>	<b>100</b>	<b>126,711</b>
<b>City of Folsom Net Discounts/Premiums</b>	<b>8,867,655</b>	<b>100</b>	<b>8,867,655 (2)</b>
<b>TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>			<b>\$66,882,810</b>
Less: Sacramento County supported obligations			<u>1,078,971</u>
<b>TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>			<b>\$65,803,839</b>
 <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>			
	\$40,665,000	100.00%	\$40,665,000
 <b>TOTAL DIRECT DEBT</b>			
			<b>\$183,857,061</b>
<b>TOTAL GROSS OVERLAPPING DEBT</b>			
			\$421,527,816
<b>TOTAL NET OVERLAPPING DEBT</b>			
			\$420,448,845
 <b>GROSS COMBINED TOTAL DEBT</b>			
			\$605,384,877 (3)
<b>NET COMBINED TOTAL DEBT</b>			
			\$604,305,906

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) As of 6/30/22.

(3) Excludes tax and revenue anticipation notes, enterprise revenue, and mortgage revenue and non-bonded capital lease obligations.

Ratios to 2022-23 Assessed Valuation

<b>Direct Debt (\$174,048,000)</b>	<b>0.97%</b>
Total Direct and Overlapping Tax and Assessment Debt	2.87%
<b>Total Direct Debt (\$183,857,061)</b>	<b>1.03%</b>
Gross Combined Total Debt	3.38%
Net Combined Total Debt	3.37%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$1,216,521,860):

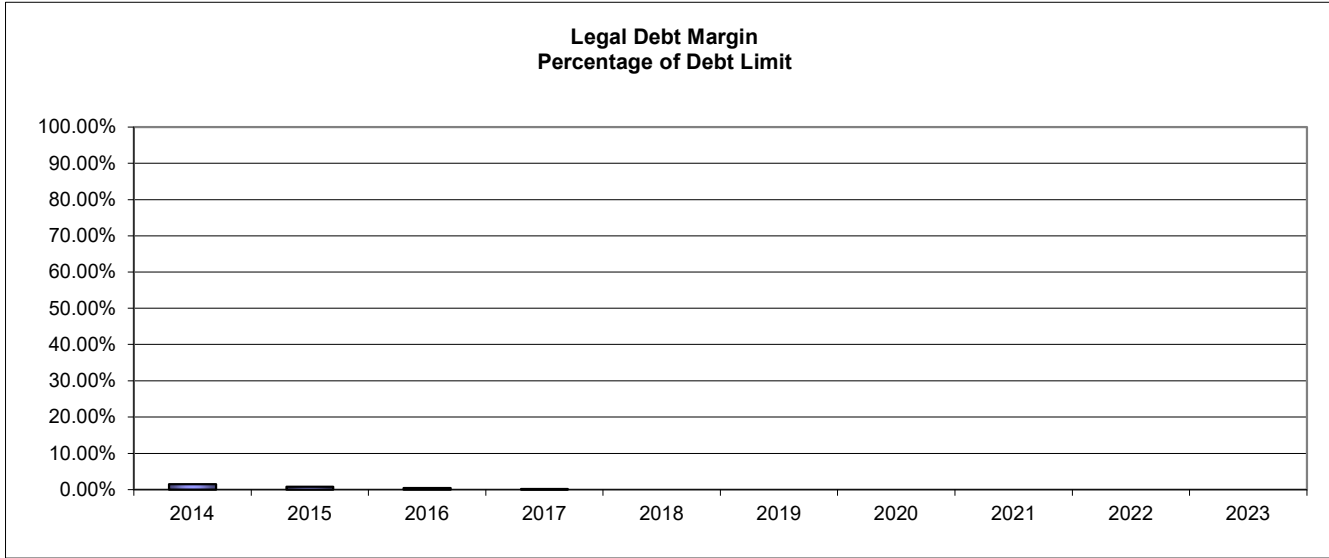
Total Overlapping Tax Increment Debt	3.34%
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Source: Avenue Insights & Analytics and California Municipal Statistics, Inc.



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**Schedule 12**  
**CITY OF FOLSOM, CALIFORNIA**  
**Legal Debt Margin**  
**Fiscal Year 2023, With Ten Year Trend Analysis**  
**(in thousands of dollars)**



	<b>Assessed Value</b>	<b>Debt Limit Percentage (1)</b>	<b>Debt Limit</b>	<b>Total net debt applicable to the limit as a percentage of debt limit</b>	<b>Legal debt margin</b>	<b>Total net debt applicable to the limit as a percentage of debt limit</b>
2014	\$ 11,517,264	3.75%	\$ 431,897	\$ 6,195	\$ 425,702	1.43%
2015	\$ 12,864,274	3.75%	\$ 482,410	\$ 3,760	\$ 478,650	0.78%
2016	\$ 13,598,364	3.75%	\$ 509,939	\$ 2,315	\$ 507,624	0.45%
2017	\$ 13,550,693	3.75%	\$ 508,151	\$ 825	\$ 507,326	0.16%
2018	\$ 15,154,811	3.75%	\$ 568,305	\$ -	\$ 568,305	0.00%
2019	\$ 16,490,101	3.75%	\$ 618,379	\$ -	\$ 618,379	0.00%
2020	\$ 17,358,468	3.75%	\$ 650,943	\$ -	\$ 650,943	0.00%
2021	\$ 17,852,872	3.75%	\$ 669,483	\$ -	\$ 669,483	0.00%
2022	\$ 20,577,004	3.75%	\$ 771,638	\$ -	\$ 771,638	0.00%
2023	\$ 24,465,087	3.75%	\$ 917,441	\$ -	\$ 917,441	0.00%

Sources: The City's Comprehensive Annual Financial Reports; MuniServices

(1) The California Government Code, Section 32605 provides for a legal debt limit of 15 % of gross assessed valuation. However, this provision was enacted when assessed valuation was based on 25% of market value. Effective fiscal year 1981-1982, each parcel is assessed at 100 % market value as of the most recent change of ownership for that parcel. Thus, the factor used to determine calculate the total net debt applicable to limit is 3.75% (25% \* 15%)

**Schedule 13**  
**CITY OF FOLSOM, CALIFORNIA**  
**Pledge Revenue Bond Coverage**  
**Fiscal Year 2023, With Ten Year Trend Analysis**

	2014	2015	2016	2017	2018
<b>Water Revenue Bonds</b>					
Utility Services Charges	\$ 14,349,277	\$ 13,218,966	\$ 12,400,653	\$ 13,737,197	\$ 14,209,217
Inv. Income & Other					
Less Operating Expense	8,452,397	8,945,873	8,230,547	8,571,343	9,611,666
Net Available Revenue	5,896,880	4,273,093	4,170,106	5,165,854	4,597,551
Debt Service-Principal	1,124,752	1,142,049	1,170,788	1,208,175	1,248,395
Debt Service-Interest	828,672	864,822	832,891	796,495	758,911
	\$ 1,953,424	\$ 2,006,871	\$ 2,003,679	\$ 2,004,670	\$ 2,007,306
Coverage	3.02	2.13	2.08	2.58	2.29
<b>Special Assessment &amp; Community Facility Bonds</b>					
Special Assessment Collections	15,378,021	15,706,798	16,152,972	15,611,680	15,115,858 (4)
Debt Service-Principal	11,895,928	9,463,202	9,480,329	10,932,664	7,113,480
Debt Service-Interest	6,349,684	5,790,222	5,507,126	4,868,399	3,623,570
	18,245,612	15,253,424	14,987,455	15,801,063	10,737,050
Coverage	0.84	1.03	1.08	0.99	1.41
<b>RDA/Successor Agency Tax Allocation Senior Lien Bond Coverage</b>					
Gross Tax Revenue	2,812,863	2,997,413	2,999,563	3,350,525 (3)	4,049,688
Debt Service-Principal	875,000	1,100,000	1,145,000	1,570,000	2,325,000
Debt Service-Interest	1,937,863	1,897,413	1,854,563	1,780,525	1,724,688
Coverage of Senior Debt	1.00	1.00	1.00	1.00	1.00
<b>RDA/Successor Agency Tax Allocation Subordinated Lien Bond Coverage</b>					
Net Tax Revenue Available for Subordinated Debt <sup>(1)</sup>	1,160,319	974,850	976,688	-	-
Debt Service - Principal	325,000	150,000	160,000	-	-
Debt Service - Interest	835,319	824,850	816,688	-	-
Coverage of Subordinated Debt	1.00	1.00	1.00	N/A (3)	N/A
<b>RDA/Successor Agency Tax Allocation Housing Set-Aside Bond Coverage</b>					
Gross Tax Revenue	1,124,425		1,126,313	1,126,050	-
Debt Service-Principal	180,000		190,000	200,000	-
Debt Service-Interest	944,425		936,313	926,050	-
Coverage	1.00		1.00	1.00 (3)	N/A

Source: City of Folsom

(1) Revenue available after Senior Debt payments and statutory pass-throughs

(2) The Redevelopment Agency (RDA) was dissolved by the State during FY12. RDA Tax Allocation Bonds were transferred to a Private Purpose Trust Fund (i.e. Successor Agency) and are not legal obligations of the RDA or the City.

(3) In FY17, all bonds were refunded; Subordinated and Housing Set-Aside Bonds were defeased.

(4) In FY18, corrected prior year balance to exclude Lighting & Landscaping funds.

(5) Includes connection and impact fees & investment income ; FY18 and prior investment income included with Service Charges

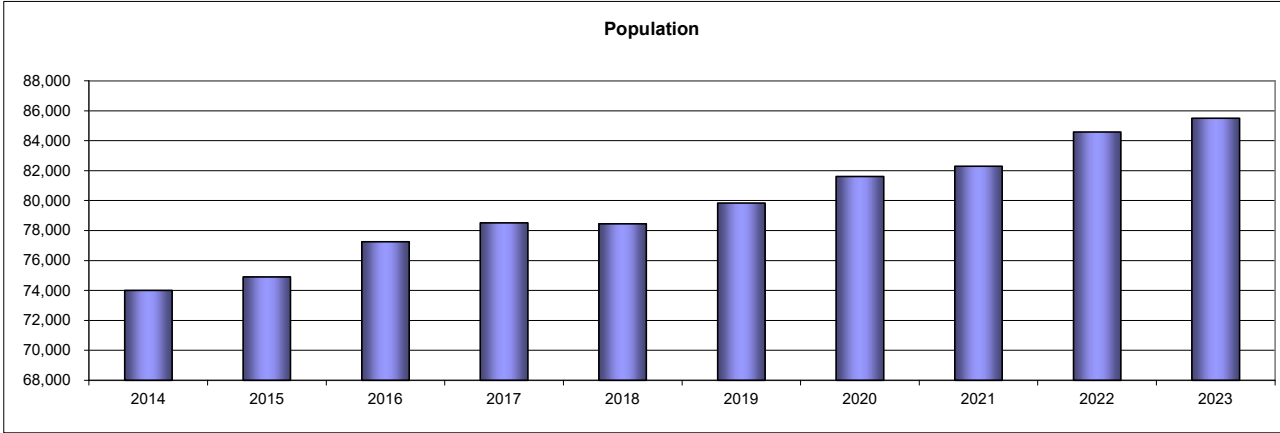
(6) Does not include unrealized gain/loss; FY18 and prior unrealized gain/loss was included

(7) Less depreciation

**Schedule 13**  
**CITY OF FOLSOM, CALIFORNIA**  
**Pledge Revenue Bond Coverage**  
**Last Ten Fiscal Years**

2019	2020	2021	2022	2023	
\$ 13,912,610	\$ 15,561,068	\$ 17,988,487	\$ 17,280,478	\$ 18,889,282	<b>Water Revenue Bonds</b>
1,664,700	1,466,236	901,700	1,422,336	2,175,055	Utility Services Charges
10,016,691	11,393,485	11,714,922	10,793,307	13,032,720	Inv. Income & Other <sup>(5,6)</sup>
5,560,619	5,633,819	7,175,265	7,909,507	8,031,617	Less Operating Expense <sup>(7)</sup>
1,286,666	1,384,474	1,292,224	1,423,000	1,453,000	Net Available Revenue
718,190	505,683	589,380	413,017	382,822	Debt Service-Principal
\$ 2,004,856	\$ 1,890,157	\$ 1,881,604	\$ 1,836,017	\$ 1,835,822	Debt Service-Interest
2.77	2.98	3.81	4.31	4.37	Coverage
					<b>Special Assessment &amp; Community Facility Bonds</b>
15,415,808	16,013,670	15,568,855	16,846,066	16,477,397	Special Assessment
10,965,665	10,137,773	5,899,714	7,504,207	8,882,000	Collections
5,032,461	5,289,549	5,439,214	6,020,932	6,671,401	Debt Service-Principal
15,998,126	15,427,322	11,338,928	13,525,139	15,553,401	Debt Service-Interest
0.96	1.04	1.37	1.25	1.06	Coverage
					<b>RDA/Successor Agency Tax Allocation Senior Lien Bond Coverage</b>
3,736,900	3,742,238	3,723,000	3,723,813	3,729,950	Gross Tax Revenue
2,055,000	2,100,000	2,130,000	2,200,000	2,280,000	Debt Service-Principal
1,681,900	1,642,238	1,593,000	1,523,813	1,449,950	Debt Service-Interest
1.00	1.00	1.00	1.00	1.00	Coverage of Senior Debt
					<b>RDA/Successor Agency Tax Allocation Subordinated Lien Bond Coverage</b>
-	-	-	-	-	Net Tax Revenue Available for Subordinated Debt <sup>(1)</sup>
-	-	-	-	-	Debt Service - Principal
-	-	-	-	-	Debt Service - Interest
N/A	N/A	N/A	N/A	N/A	Coverage of Subordinated Debt
					<b>RDA/Successor Agency Tax Allocation Housing Set-Aside Bond Coverage</b>
-	-	-	-	-	Gross Tax Revenue
-	-	-	-	-	Debt Service-Principal
-	-	-	-	-	Debt Service-Interest
N/A	N/A	N/A	N/A	N/A	Coverage

**Schedule 14**  
**CITY OF FOLSOM, CALIFORNIA**  
**Demographic and Economic Information**  
**Fiscal Year 2023, With Ten Year Trend Analysis**



Year	Population Folsom (1)	Population County (3)	Estimated Personal Income Folsom	Per Capita Personal Income (2)	Median Projected Age (2)	Education Level in Years Schooling (2)	School Enrollment (3)	Unemployment Rate (4)
2014	74,014	1,454,406	\$ 2,669,012,933	\$ 36,061	39.00	Note 1	19,356	3.90%
2015	74,909	1,470,912	\$ 2,902,199,387	\$ 38,743	37.70	Note 1	19,927	3.70%
2016	77,246	1,495,297	\$ 3,025,812,336	\$ 39,171	38.70	Note 1	19,865	3.90%
2017	78,525	1,514,770	\$ 3,223,922,400	\$ 41,056	39.90	Note 1	20,312	3.50%
2018	78,447	1,529,501	\$ 3,425,627,518	\$ 43,668	41.80	Note 1	20,353	2.80%
2019	79,835	1,546,174	\$ 3,677,233,631	\$ 46,060	41.30	Note 1	20,605	2.80%
2020	81,610	1,555,365	\$ 3,909,527,050	\$ 47,905	41.20	Note 1	20,602	10.40%
2021	82,303	1,561,014	\$ 4,255,747,392	\$ 51,708	40.70	Note 1	20,096	6.18%
2022	84,592	1,576,618	\$ 5,024,165,043	\$ 59,393	40.20	Note 1	20,344	2.00%
2023	85,498	1,572,453	\$ 5,922,954,318	\$ 69,276	40.70	Note 1	20,550	3.20%

Note 1	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Less than 9th grade	1.60%	3.40%	2.00%	2.40%	3.40%	2.40%	1.60%	1.20%	2.20%	1.60%
Some High School, no diploma	4.20%	6.80%	6.00%	5.20%	3.70%	4.90%	3.80%	3.00%	4.20%	1.30%
High School Graduate (or GED)	20.80%	16.90%	17.20%	15.80%	14.40%	12.10%	11.60%	13.30%	13.00%	14.10%
Some College, no degree	20.20%	17.90%	19.90%	19.70%	21.80%	20.00%	20.70%	18.20%	19.40%	17.00%
Associate Degree	8.50%	9.00%	9.20%	9.10%	9.10%	11.40%	10.50%	11.20%	11.00%	7.70%
Bachelor's Degree	26.90%	26.90%	28.50%	29.40%	28.70%	29.50%	31.80%	32.10%	30.20%	35.40%
Master's Degree	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
Professional School Degree	17.80%	19.20%	17.30%	18.40%	18.90%	19.79%	19.90%	21.00%	20.10%	22.90%
Doctorate Degree	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available

Source: MuniServices, LLC / Avenu Insights & Analytics  
1.) Population Projections are provided by California Department of Finance Projections.  
2.) Income Data is provided by the U.S. Census Bureau.  
3.) Median Age and Education Level is provided by US Census data.  
4.) Unemployment Rates are provided by the EDD, Labor Market Information Division.

**Schedule 15**  
**CITY OF FOLSOM, CALIFORNIA**  
**Principal Employers**  
**Fiscal Year 2023 and Nine Years Ago**

<u>Employer</u>	2023			2014		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Intel Corporation	4,476	1	11.16%	6,300	1	22.91%
California State Prison	1,514	2	3.78%	1,621	2	5.89%
Folsom Cordova Unified School District*	1,117	3	2.79%	821	4	2.99%
Folsom State Prison	935	4	2.33%	1,024	3	3.72%
Mercy Hospital of Folsom	812	5	2.02%	663	6	2.41%
California ISO	683	6	1.70%	557	7	2.03%
City of Folsom	463	7	1.15%	415	9	1.51%
Costco Wholesale	361	8	0.90%			
Folsom Lake College	260	9	0.65%			
SAFE Credit Union**	390	10	0.97%			
Micron Technology Inc				480	8	1.75%
Verizon				732	5	2.66%
Walmart				310	10	1.13%
Total Top Employers	11,011		27.46%	12,923		47.00%
Total City Labor Force (1)	40,100		100.00%			

Source: MuniServices, LLC / Avenu Insights & Analytics

Source: 2014 data from previous produced ACFR

Results based on direct correspondence with city's local businesses.

\* Includes both certified and classified employees in City of Folsom only

**Schedule 16**  
**CITY OF FOLSOM, CALIFORNIA**  
**Government Employment Information**  
**Fiscal Year 2023, With Ten Year Trend Analysis**

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
City Council	5	5	5	5	5	5	5	5	5	5
City Manager	5.5	5.5	5.75	5.5	5.5	5	4.5	4.5	4.75	4.75
City Attorney	3.75	3.75	3.75	4	4	4	4	4	4	4
City Clerk	3	3	3	3	3	3	3	3	3	3
Community Development	20.4	20.4	21.4	22.4	24	26	26	26	26	26
Fire	65	65	69	69	71	77	77	77	78	88
Human Resources	5	5	5	5	5.5	5.5	5.25	5.5	6	6
Intergov't Affairs & Econ, Dev.	0	0	0	0	0	0	0	0	0	0
Library	11	10.5	10.5	10.5	10.5	12.75	12.75	12.75	12	12
Office of Management & Budget	19	20	20	21	21.5	23.5	24.25	24	24	24
Parks & Recreation	43.4	42.4	44.8	46	46	48	48	48	48	49
Police Department	97.5	97.5	98.5	101.5	103.5	107.5	107.5	107.5	107.5	110.5
Public Works	46.9	45.9	45.9	47.7	48.4	49.25	34.4	34.4	34.55	34.55
Utilities	89.95	91.95	94.2	97.2	98.1	100.4	100.85	100.85	108.45	112.45
	<u>415.40</u>	<u>415.90</u>	<u>426.80</u>	<u>437.80</u>	<u>446.00</u>	<u>466.90</u>	<u>452.50</u>	<u>452.50</u>	<u>461.25</u>	<u>479.25</u>

Source: City Budget

**Schedule 17**  
**CITY OF FOLSOM, CALIFORNIA**  
**Operating Indicators by Function/Program**  
**Fiscal Year 2023, With Ten Year Trend Analysis**

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Police</b>										
Misdemeanor and felony arrests	1,410	1,414	1,257	1,251	1,023	1,226	1,126	1,412	1,311	1,316
Traffic citations	6,144	3,882	2,997	2,575	2,130	2,512	4,574	5,058	3,115	4,226
Traffic collisions	1,328	1,166	1,528	1,673	1,639	1,583	861	1,088	1,324	1,427
<b>Fire</b>										
Ambulance transports	3,186	3,367	3,819	4,045	4,446	5,275	4,933	4,842	4,979	4,973
Medical responses	3,485	3,671	4,369	4,748	5,105	6,025	5,973	5,945	6,675	6,895
Inspections completed	1,066	1,035	1,460	506	1,017	1,439	684	937	952	903
<b>Other public works</b>										
Lane miles of street overlay	-	4	8	2	-	8	-	1	-	7
Curb miles of streets swept	1,807	2,511	4,275	2,930	3,900	4,300	4,000	4,200	4,200	4,500
Hot pour crack seal applied (3)	103,020	80,200	150,000	390,000	350,000	400,000	320,000	70,000	50,000	0
Square feet of street patch	408,000	187,650	200,000	75,000	450,000	415,000	106,500	120,000	10,000	50,000
Number of miles of road added	-	1	1	1	-	2	7	13	25	2
Number of traffic signals added	-	-	1	-	1	6	1	3	1	3
Number of streetlights added	-	19	15	35	14	131	4	147	29	-
Miles of storm drains added	0.3	0.5	0.6	0.2	-	8	6	5	1	6
Area of Slurry Seal applied (sq ft)	1,034,100	1,500,000	2,250,000	-	-	4,350,000	1,000,000	2,440,000	1,740,000	-
<b>Parks and Recreation</b>										
Aquatic center paid admissions	68,257	62,668	58,694	61,731	56,586	48,978	33,895	30,117	49,134	53,975
Community facilities reservations	2,949	3,449	3,269	3,115	3,315	2,859	2,188	1,318	2,859	3,277
Community facilities paid rentals	1,113	1,107	1,111	1,059	1,127	1,086	678	448	644	1,164
Total park acreage	439	439	439	439	451	456	456	479	479	479
Open space acreage	420	499	631	631	631	631	631	824	824	857
Trails maintenance	36	36	45	48	48	50	48.5	50.1	53	59
Recreation program participation	559,776	524,545	560,973	523,268	542,249	515,120	366,198	119,367	224,650	394,397
Zoo attendance	123,440	121,360	116,057	121,953	143,367	134,741	87,019	55,750	109,795	100,392
<b>Library</b>										
Volumes in collection	96,833	92,979	91,519	89,133	92,033	94,960	97,777	100,710	95,670	95,443
Total volumes borrowed	608,536	609,441	613,597	603,421	618,458	644,158	501,160	408,312	557,266	540,180
<b>Water</b>										
New connections	356	348	268	180	253	501	406	782	1,135	2,004
Water main breaks	3	8	5	1	4	1	1	1	4	4
Average consumption (gal/day)	16.6 MGD	14.9 MGD	14.2 MGD	16.65 MGD	17.35 MGD	15.44 MGD	16.81 MGD	17 MGD	15.4 MGD	15.29 MGD
Plant capacity (gal/day)	50 MGD	50 MGD	50 MGD	50 MGD	50 MGD	50 MGD	50 MGD	50MGD	50 MGD	50 MGD
<b>Wastewater</b>										
Average daily sewage treatment (thousands of gallons)										
Daily average flow in gallons	5.75 MGD	5.75 MGD	5.98 MGD	8.03 MGD	7.1 MGD	7.1 MGD	7.1 MGD	7.1 MGD	7.1 MGD	7.1 MGD
Pump station capacity (gal/day) (1)	14.2 MGD	14.2 MGD	14.2 MGD	14 MGD	14 MGD	40.91 MGD	40.91 MGD	40.91 MGD	40.91 MGD	40.91 MGD
<b>Refuse collection</b>										
Solid Waste (tons per day)	136	140	144	150	151	152	151	155	154	143
Recycling (tons per day)	38	41	44	44	40	39	39	43	46	43
Organics (tons per day)	33	34	36	40	38	44	41	37	37	48
<b>Transit (2)</b>										
Total route miles	175,402	195,390	200,897	195,989	197,147	113,043	N/A	N/A	N/A	N/A
Passengers-Folsom Stage Line	92,489	91,930	83,180	92,282	89,794	50,183	N/A	N/A	N/A	N/A
Passengers-Light Rail	734,500	702,935	689,935	619,684	627,850	722,364	N/A	N/A	N/A	N/A

Source: City of Folsom

- (1) Beginning in FY19, pump station capacity includes capacity for each lift station
- (2) Transit route miles and Folsom Stage Line passengers are through 2/1/2019 as Transit operations were annexed by the Sacramento Regional Transit District effective 2-4-19
- (3) Beginning in FY 2021 item measured in pounds instead of lineal ft.



**Schedule 18**  
**CITY OF FOLSOM, CALIFORNIA**  
**Capital Asset and Infrastructure Statistics by Function/Program**  
**Fiscal Year 2023, With Ten Year Trend Analysis**

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>Public Works</b>					
Miles of streets	300	301	302	303	303
Number of street lights	6,699	6,699	6,714	6,749	6,749
Number of traffic signals (1)	118	118	119	119	122
<b>Culture and recreation</b>					
Zoo	1	1	1	1	1
Community centers	4	4	4	4	4
Community clubhouse	2	2	2	2	2
Parks	46	46	46	46	47
Park acreage	439	439	439	439	451
Swimming pools	3	3	3	3	3
Tennis courts	23	23	23	23	25
Fire Stations	4	4	4	4	5
<b>Police</b>					
Stations	1	1	1	1	1
Patrol Units	56	54	53	53	59
<b>Sewage System</b>					
Miles of sanitary sewers (2)	267	267	267	268	285
Number of pump stations	15	15	15	14	14
Number of service connections	22,295	22,743	22,927	22,974	23,506
<b>Water</b>					
Miles of water mains	343	343	343	346	365
Number of service connections	19,919	20,267	20,535	20,755	21,177
Number of fire hydrants (3)	2,977	2,989	2,996	2,994	3,434
Daily average consumption in gallons	16.6 MGD	14.9 MGD	14.2 MGD	16.65 MGD	17.35 MGD
Maximum daily capacity of plant in gallons	50 MGD	50 MGD	50 MGD	50 MGD	50 MGD
<b>Drainage System</b>					
Miles of storm drains	250	250	250	250	250

Source: City of Folsom

- (1) Beginning in FY 2019, excludes signals located within City boundaries but not owned or maintained by the City  
(2) Beginning in FY 2019, excludes private or abandoned sewer lines  
(3) Beginning in FY 2019, excludes San Juan, private, and blow-off hydrants

**Schedule 18**  
**CITY OF FOLSOM, CALIFORNIA**  
**Capital Asset and Infrastructure Statistics by Function/Program**  
**Last Ten Fiscal Years**

2019	2020	2021	2022	2023	<u>Function/Program</u>
					Public Works
305	312	325	350	352	Miles of streets
6,806	6,810	6,957	6,986	6,986	Number of street lights
107	108	111	112	115	Number of traffic signals
					Culture and recreation
1	1	1	1	1	Zoo
4	4	4	4	4	Community centers
2	2	2	2	2	Community clubhouse
48	48	48	48	48	Parks
456	456	456	479	479	Park acreage
3	3	3	3	3	Swimming pools
25	25	25	23	23	Tennis courts
5	5	5	5	5	Fire Stations
					Police
1	1	1	1	1	Stations
60	64	64	54	53	Patrol Units
					Sewage System
261	272	279	282	312	Miles of sanitary sewers
17	17	17	17	17	Number of pump stations
23,525	23,962	24,483	25,498	24,330	Number of service connections
					Water
367	367	376	419	441	Miles of water mains
21,602	21,851	22,633	23,770	24,658	Number of service connections
3,174	3,234	3,456	3,686	3,669	Number of fire hydrants
15 MGD	16.81 MGD	17 MGD	15.4 MGD	15.29 MGD	Daily average consumption in gallons
50 MGD	50 MGD	50 MGD	50 MGD	50 MGD	Maximum daily capacity of plant in gallons
					Drainage System
258	264	269	270	276	Miles of storm drains

Schedule 19  
**CITY OF FOLSOM, CALIFORNIA**  
**Miscellaneous Statistics**  
**Fiscal Year 2023, With Ten Year Trend Analysis**

	Education				Hospitals	
	Elementary schools	Secondary schools	Number of school instructors - FTE	Community colleges	Number of hospitals	Patient beds
2014	10	5	453	1	1	131
2015	10	5	489	1	1	131
2016	10	5	540	1	1	131
2017	10	5	550	1	1	131
2018	10	5	552	1	1	131
2019	10	5	556	1	1	131
2020	10	5	511	1	1	131
2021	10	5	507	1	1	131
2022	11	5	542	1	1	131
2023	11	5	558	1	1	131

Sources: Folsom Cordova Unified School District, City of Folsom  
 Mercy Hospital of Folsom