

Folsom City Council Staff Report

MEETING DATE:	3/12/2024
AGENDA SECTION:	Scheduled Presentations
SUBJECT:	City Manager's Fiscal Year 2023-24 Second Quarter Financial Report
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

It is recommended that the City Council receive a presentation from the Finance Director for the City Manager's Fiscal Year 2023-24 Second Quarter Financial Report.

POLICY / RULE

Section 5.05R of the Charter of the City of Folsom requires the City Manager submit to the City Council a financial and management report showing the relationship between budgeted and actual revenues, and expenditures and encumbrances on a quarterly basis.

Section 3.02.050 (b) of the Folsom Municipal Code states "... within 30 days after the end of each quarter during the fiscal year, and more often if required by the City Council, the City Manager shall submit to the City Council a financial and management report."

Submitted,

Elaine Andersen
City Manager

Stacey Tamagni
Finance Director/CFO

ATTACHMENT:

1. Second Quarter Financial Report Fiscal Year 2023-24

ATTACHMENT 1



CITY OF
FOLSOM
DISTINCTIVE BY NATURE

City of Folsom Quarterly Financial Report

Fiscal Year 2023-24 Second Quarter

March 12, 2024

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

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Second Quarter Financial Report

Fiscal Year 2023-24



CITY OF
FOLSOM
DISTINCTIVE BY NATURE

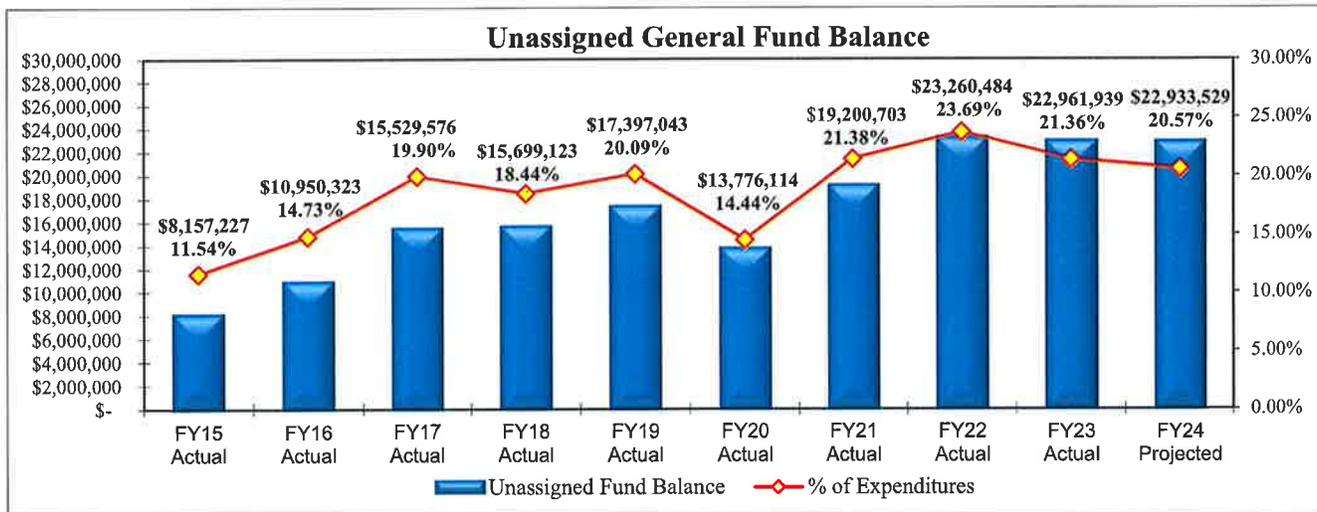
Introduction

This financial report provides an overview of the City’s unaudited financial position through the second quarter of Fiscal Year (FY) 2023-24 (July 1, 2023, through December 31, 2023) for (1) the General Fund, (2) Housing Special Revenue Fund and L&L Districts, (3) the major enterprise operating funds, and (4) the Risk Management Internal Service Fund. Notable cumulative second quarter to second quarter and budget to actual comparisons are included in this report in addition to year-end projections.

Executive Summary

The City’s audited General Fund unassigned fund balance at the end of FY 2022-23 was \$22.96 million, or 21.36% of expenditures.

As of the second quarter of FY 2023-24, the General Fund is projected to end the year with revenues at \$111.44 million and expenditures at \$111.47 million, resulting in a slight decrease in unassigned fund balance (\$28k) by the end of the fiscal year. It’s important to note that these projections include \$509k of ARPA expenditures and corresponding revenue. It is projected that the General Fund’s unassigned fund balance will decrease from \$22.96 million to \$22.93 million by the fiscal year end, a decrease from 21.36% to 20.57% as a percentage of expenditures. Below is a chart of the unassigned fund balance over the last ten years and displays the projected change from FY 2022-23 to FY 2023-24.



General Fund: Operating Revenues

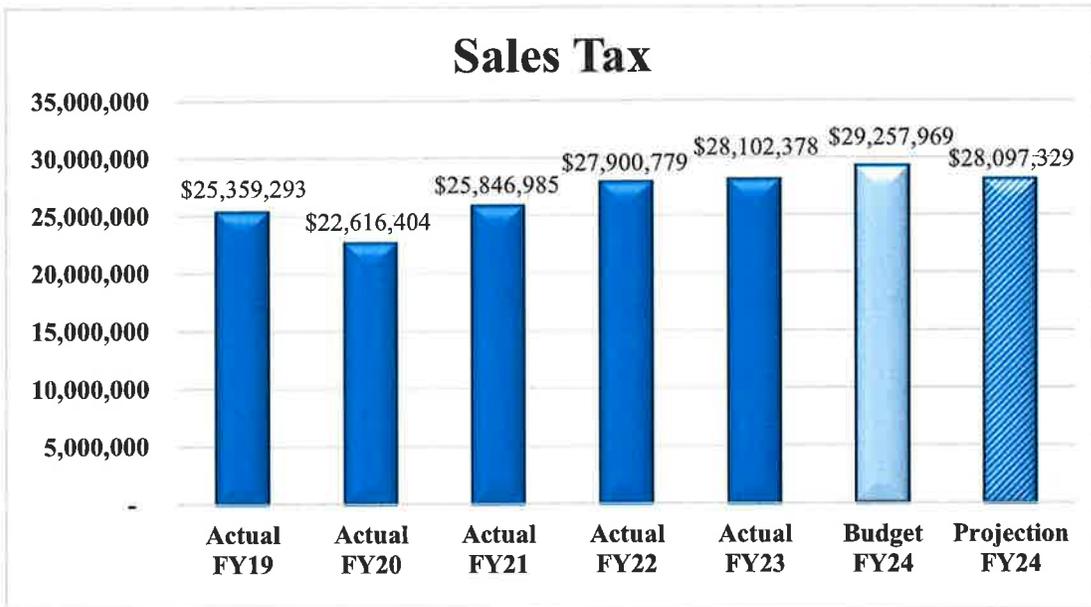
The following table includes cumulative revenue comparisons through the second quarter of FY 2022-23 and FY 2023-24 and a revenue budget comparison for FY 2023-24 with year-end projections.

	FY 22-23 Actual Dec. 31, 2022	FY 23-24 Actual Dec. 31, 2023	FY 23-24 Budget	FY 23-24 Projected	Over/Under Budget	% of Budget
Property Tax	\$ 14,970,044	\$ 16,552,427	\$ 40,094,946	\$ 40,094,946	\$ -	100%
Sales Tax	9,048,948	9,027,902	29,257,969	28,097,329	(1,160,640)	96%
Transient Occupancy Tax	635,808	473,705	2,375,000	2,375,000	-	100%
Charges for Services	7,076,225	7,855,627	12,673,834	14,047,466	1,373,633	111%
License, Permits & Intergov't	2,589,935	3,346,884	13,683,821	14,877,821	1,194,000	109%
Transfers In	2,277,559	2,949,107	7,484,724	7,484,724	-	100%
All Other	1,088,148	1,428,836	3,934,000	4,466,366	532,365	114%
Total Revenue	\$ 37,686,667	\$ 41,634,488	\$ 109,504,294	\$ 111,443,652	\$ 1,939,358	101.77%

General Fund operating revenues through the second quarter are \$41.6 million, which is 10.5% more than the same period in FY 2022-23. Revenues are at 38.02% of the budget through the second quarter of the current year, primarily due to the timing associated with receiving some of the larger revenue sources. For instance, property tax is the largest General Fund revenue source, but funding is received in two unequal installments, of which one has been received. The second installment will be received during the fourth quarter of the fiscal year.

The following is an explanation of the notable variances:

- Property tax revenues exceeded last year's cumulative second quarter by 10.57% or \$1.58 million. A comparison of home sales during the second quarter of FY 2023-24 and FY 2022-23 shows the number of homes sold decreased by 6, or 1.76%. The average median sales price through the second quarter of FY 2023-24 was \$746,481, which is an increase of 0.71% over FY 2022-23. Property tax revenue for FY 2023-24 year-end is projected to meet the budgeted amount of \$40.1 million, an increase over the prior year of \$2.87 million or 7.71%.
- Sales tax revenues through the second quarter decreased from last year's cumulative second quarter by 0.23% or \$21k. The most recent sales tax data shows the categories of food products and transportation increasing while general retail, construction, and business to business transactions experienced declines. Based on the latest sales tax forecast provided by the City's sales tax consultants, Avenu Insights, sales tax is trending to end the year below budget, at \$28.10 million. This would result in a decrease from the prior year's collections by \$5,000 or 0.02%. Below is a graph showing sales tax revenue for the current fiscal year (budget and year-end projection) and the past five fiscal years.



- Transient Occupancy Tax (TOT) collections are at \$474,000 through the second quarter and are projected to end the fiscal year at the budgeted amount of \$2.38 million.
- Charges for services, including Community Development building and engineering fees, Parks and Recreation user fees, and ambulance fees are at \$7.86 million through the second quarter and are projected to end the fiscal year at \$14.05 million. The Parks and Recreation charges through the second quarter were \$2.49 million and a comparison to the same quarter in the prior fiscal year shows an increase of \$245,000. Ambulance fee revenue through the second quarter was \$2.32 million and compared to the prior fiscal year this is an increase of \$378,000 or 19.49%, mostly due to new rates adopted by the City Council. The projection for ambulance fees at fiscal year-end is \$4.70 million. Community Development charges are at \$1.92 million through the second quarter and are currently projected to end the fiscal year at \$2.78 million or \$510k over budget. Compared to the prior fiscal year this would be a decrease of \$331,000 or 10.64%.
- License and permit fees and intergovernmental revenue increased \$757,000 compared to the same quarter in the prior fiscal year and are projected to end the fiscal year at \$14.9 million (including \$509k of ARPA funds) which would be an increase of \$1.2 million compared to the budget. \$750k of the increase over budget is related to increased building permit revenue that is offset by increased Community Development contract expenses. \$442k is related to state grants that were received and spent but not included in the original budget.
- Miscellaneous revenues increased \$341,000 through the second quarter when compared to the same period in the prior fiscal year. This is mostly related to interest income, and roughly half is interest earned on restricted SPIF fee funds and is not available for general fund purposes.

General Fund: Department Operating Expenditures

The following table includes cumulative second quarter actual expenditure comparisons for FY 2022-23 and FY 2023-24 and an expenditure budget-to-actual comparison for FY 2023-24.

	FY 22-23 Actual Dec. 31, 2022	FY 23-24 Actual Dec. 31, 2023	FY 23-24 Budget	FY 23-24 Projected	Over/Under Budget	% of Budget
Salaries	\$ 21,295,139	\$ 23,046,818	\$ 47,758,143	\$ 45,448,832	\$ (2,309,311)	95.2%
Benefits	13,761,799	14,561,273	30,681,059	29,600,415	(1,080,644)	96.5%
O&M	14,822,679	14,437,440	27,469,301	32,758,025	5,288,724	119.3%
Capital Outlay	1,875,777	1,545,756	3,247,160	3,316,160	69,000	102.1%
Debt Service	130,346	130,347	348,631	348,631	-	100.0%
Total Expenditures	\$ 51,885,740	\$ 53,721,634	\$ 109,504,294	\$ 111,472,063	\$ 1,967,769	101.8%

Overall, cumulative second quarter General Fund expenditures increased 3.54% compared to the second quarter of the prior year and are coming in at 49.06% percent of the budget through the second quarter of FY 2023-24. Based on activity during the first half of the year, the projection for the end of the fiscal year is for expenditures to be at \$111.47 million, which would be \$1.97 million or 1.80% over budget. The projected increase in expenditures is primarily due to increases in services and supplies such as utility costs, supply costs, emergency repair or replacement of equipment, and increased contracted service costs in Community Development covered by additional revenue.

The table below shows a comparison for FY 2022-23 and FY 2023-24 for each General Fund Department.

	FY 22-23 Actual Dec. 31, 2022	FY 23-24 Actual Dec. 31, 2023	FY 23-24 Budget	FY 23-24 Projected	Over/Under Budget	% of Budget
General Government	\$ 4,783,818	\$ 5,280,278	\$ 10,422,797	\$ 10,271,162	\$ (151,635)	98.5%
Police	13,118,759	13,957,727	27,377,097	27,356,038	(21,059)	99.9%
Fire	13,137,438	13,716,636	28,040,510	27,478,215	(562,295)	98.0%
Community Development	4,121,807	4,187,143	6,983,854	8,377,815	1,393,961	120.0%
Parks & Recreation	8,633,838	8,931,081	17,246,919	18,597,888	1,350,969	107.8%
Library	905,491	1,014,481	2,127,267	2,034,746	(92,521)	95.7%
Public Works	3,777,808	4,233,136	8,801,075	8,485,700	(315,375)	96.4%
Non-Departmental	3,406,779	2,401,152	8,504,776	8,870,500	365,724	104.3%
Total Expenditures	\$ 51,885,740	\$ 53,721,634	\$ 109,504,294	\$ 111,472,063	\$ 1,967,769	101.8%

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

- The Fire department is projected to end the year under budget by \$562k due to savings from vacant positions for the first half of the year.
- The Parks & Recreation department, based on activity through the first half of the year, is projected to end the fiscal year \$1.35 million (7.83%) over the budgeted amount. A portion of the projected expenditures over budget are related to prior year encumbrances and funding for those previously approved purchases was reserved in assigned fund balance in the prior year. Additional amounts over budget are mostly due to increases in categories such as utility costs, printing costs, credit cards service fees, supply costs, and emergency repairs or replacement of equipment. This increase is spread across most of the Parks and Recreation divisions and is partially offset by increased program revenues mentioned in the revenue section above. In addition, about \$200k of this increase is related to expenses for the approved ladder fuel grant and will be reimbursed.
- The Community Development department is projected to end the fiscal year \$1.39 million (19.96%) over the budgeted amount, which is due to increases in contracted service costs that are paid for by increased revenues in the Charges for Services and Licenses and Permits categories with the Community Development department.

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

Enterprise Funds:

Water Fund

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

The table below includes cumulative second quarter actual revenue and expense comparisons for FY 2022-23 and FY 2023-24 and a budget to actual comparison for FY 2023-24 for the Water Operating Fund.

	FY 22-23 Actual Dec. 31, 2022	FY 23-24 Actual Dec. 31, 2023	FY 23-24 Budget	FY 23-24 Projected	Over/Under Budget	% of Budget
Program Revenues	\$ 9,624,069	\$ 10,598,747	\$ 19,278,300	\$ 19,930,100	\$ 651,800	103.4%
Salaries	1,645,506	1,719,584	3,785,497	3,508,724	(276,773)	92.7%
Benefits	1,165,681	1,213,802	2,588,958	2,564,603	(24,355)	99.1%
Operating Expenses	2,978,393	2,967,244	9,286,009	8,381,816	(904,193)	90.3%
Transfers Out	451,454	471,518	1,332,209	1,164,209	(168,000)	87.4%
Debt Service	6,500	3,000	1,842,428	1,842,428	-	100.0%
	<u>\$ 6,247,534</u>	<u>\$ 6,375,147</u>	<u>\$ 18,835,101</u>	<u>\$ 17,461,780</u>	<u>\$ (1,373,321)</u>	<u>92.71%</u>
Capital Expenses	\$ 1,076,107	\$ 697,210	\$ 16,146,174	\$ 6,096,174	\$ (10,050,000)	37.76%
Working Capital			\$ 24,721,208	\$ 21,093,354		

The Water Fund is projected to end the year with program revenues of \$19.93 million. Total operating expenses, including transfers out are projected to end the year at \$17.46 million, or 92.71% of budget. This reduction from budgeted amounts is mostly due to savings due to vacant positions for part of the fiscal year. Total expenditures for capital projects are estimated to be \$6.10 million at year-end. The fund will end the year with projected working capital of \$21.09 million.

Wastewater Fund

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

	FY 22-23 Actual Dec. 31, 2022	FY 23-24 Actual Dec. 31, 2023	FY 23-24 Budget	FY 23-24 Projected	Over/Under Budget	% of Budget
Program Revenues	\$ 6,457,273	\$ 7,019,246	\$ 11,963,700	\$ 12,963,700	\$ 1,000,000	108.36%
Salaries	879,558	917,539	1,979,351	2,005,436	26,085	101.32%
Benefits	662,629	667,994	1,435,294	1,391,003	(44,291)	96.91%
Operating Expenses	678,098	538,358	2,251,372	1,936,372	(315,000)	86.01%
Transfers Out	362,298	353,721	743,616	743,616	-	100.00%
Debt Service	-	-	-	-	-	-
	<u>\$ 2,582,583</u>	<u>\$ 2,477,611</u>	<u>\$ 6,409,633</u>	<u>\$ 6,076,427</u>	<u>\$ (333,206)</u>	<u>94.80%</u>
Capital Expenses	\$ 394,316	\$ 3,828,001	\$ 21,153,061	\$ 11,903,061	\$ (9,250,000)	56.27%
Working Capital			\$ 21,768,416	\$ 16,752,628		

The Wastewater Fund is projected to end the year with program revenues of \$12.96 million. Total operating expenses, including transfers out, are projected to end the year at \$6.08 million, or 94.80% of budget. This reduction from budgeted amounts is mostly due to less expenses in contracts than anticipated. Total expenditures for capital projects are estimated to be \$11.90 million at year-end. The fund will end the year with projected working capital of \$16.75 million.

Solid Waste Fund

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

	FY 22-23 Actual Dec. 31, 2022	FY 23-24 Actual Dec. 31, 2023	FY 23-24 Budget	FY 23-24 Projected	Over/Under Budget	% of Budget
Program Revenues	\$ 12,983,214	\$ 15,343,171	\$ 25,973,000	\$ 27,873,000	\$ 1,900,000	107.3%
Salaries	1,961,580	2,118,205	4,731,876	4,397,715	(334,161)	92.9%
Benefits	1,538,893	1,626,101	3,512,580	3,494,315	(18,265)	99.5%
Operating Expenses	3,736,728	3,568,256	9,702,783	9,410,783	(292,000)	97.0%
Transfers Out	819,214	804,774	1,663,916	1,663,916	-	100.0%
Debt Service	-	-	-	-	-	0.0%
	<u>\$ 8,056,415</u>	<u>\$ 8,117,336</u>	<u>\$ 19,611,155</u>	<u>\$ 18,966,729</u>	<u>\$ (644,426)</u>	<u>96.7%</u>
Capital Expenses	\$ -	\$ 5,802,009	\$ 9,760,616	\$ 9,260,616	\$ (500,000)	94.9%
Working Capital			\$ 15,103,688	\$ 14,749,343		

The Solid Waste Fund is projected to end the year with program revenues of \$27.87 million. Total operating expenses, including transfers out, are projected to end the year at \$18.97 million, or 96.7% of budget. This reduction from budgeted amounts is mostly due to vacant positions for part of the fiscal year. Total expenditures for capital outlay costs are estimated to be \$9.26 million at year-end. The fund will end the year with projected working capital of \$14.75 million.

Other Funds

City Housing Fund

The City Housing Fund as of December 31, 2023 had a cash balance of \$14,440,979. The City Council had also previously approved housing project loans in an amount up to \$3.5 million for the Scholar Way project of which \$2.75 million has now been expended.

Risk Management Internal Service Fund

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

As of December 31, 2023, the City has paid \$3.61 million for health, vision, and dental insurance for active employees and \$2.29 million for retired employees and \$1.34 million for workers' compensation. Liability insurance payments were \$4.34 million. The total expenditures for FY 2023-24 are projected at \$21.65 million, which is an increase from the prior fiscal year of \$1.85 million, which is mostly seen in health insurance and liability insurance costs.

The projected ending unrestricted net position is \$3.51 million, a \$1.18 million decrease from FY 2022-23.

Lighting and Landscape Funds

There are 30 Lighting and Landscape (L&L) Districts in the City of Folsom. Each District has its own budget and maintenance requirements to maintain various types of assets ranging from shrub beds, mini parks, walls, fences, monument signs, streetlights, bollards, landscape lighting, irrigation systems, artwork, a waterfall, walkways/trails, open space, trees, and electrical services.

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

District	Project	Date	Cost
Prairie Oaks Ranch	Grover Entry Renovation	12/27/2023	\$168,839.58
Briggs Ranch	Fence Replacement	10/18/2023	\$4,198.21
American River Canyon North	Cobble Drain Repair	11/22/2023	\$6,732.08
Sierra Estates	Tree and shrub planting / mulch install	11/30/2023	\$5,494.76

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

- High level of tree removals and replacements.
- Working to get landscape beds topped off with mulch.
- Drainage improvements and clearing for winter weather.

Plan Area Impact Fees

Total Plan Area Impact Fees received through the second quarter of FY 2023-24 were \$9.87 million. Expenditures during the second quarter totaled approximately \$6.04 million in all Plan Area Impact Fee funds. Expenditures were for Fire Station 34 construction, Prospector Park construction, and reimbursement for the Russell Ranch Bike Trail.

APPENDIX A

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

**Revenue and Expense Statement
Quarter Ended December 31, 2023**

	FY 2023	FY 2024	FY 2023	FY 2024	FY24 Forecast	VARIANCE		VARIANCE	
	As of 12/31/2022	As of 12/31/2023	ACTUAL	BUDGET	As of 12/31/2023	Forecast vs Budget \$	%	Actual vs Budget \$	%
REVENUES:									
Taxes:									
Property	\$ 14,970,044	\$ 16,552,427	\$ 37,224,284	\$ 40,094,946	\$ 40,094,946	\$ -	100%	\$ (23,542,519)	41%
Sales And Use	9,048,948	9,027,902	28,102,378	29,257,969	28,097,329	(1,160,640)	96%	(20,230,067)	31%
Transient Occupancy	635,808	473,705	2,496,365	2,375,000	2,375,000	-	100%	(1,901,295)	20%
Real Property Transfer	-	-	1,027,125	900,000	900,000	-	100%	(900,000)	0%
Franchise Fees	-	-	831,235	817,000	817,000	-	100%	(817,000)	0%
Other	316,915	225,577	1,236,529	1,187,500	1,187,500	-	100%	(961,923)	19%
Licenses And Permits	2,202,588	3,053,748	3,944,073	3,293,325	4,038,325	745,000	123%	(239,577)	93%
Intergovernmental	387,347	293,136	12,665,805	10,390,496	10,839,496	449,000	104%	(10,097,360)	3%
Charges For Current Services	7,076,225	7,855,627	15,423,489	12,673,834	14,047,466	1,373,633	111%	(4,818,207)	62%
Fines And Forfeitures	18,421	12,369	134,751	106,000	113,500	7,500	107%	(93,631)	12%
Interest	360,926	666,057	894,693	250,000	774,865	524,865	310%	416,057	266%
Miscellaneous	391,885	524,832	1,242,559	673,500	673,500	-	100%	(148,668)	78%
Operating Transfers In	2,277,559	2,949,107	6,134,877	7,484,724	7,484,724	-	100%	(4,535,617)	39%
TOTAL REVENUES	37,686,667	41,634,488	111,358,164	109,504,294	111,443,652	1,939,358	101.77%	(67,869,806)	38%
EXPENDITURES:									
Current Operating:									
General Government	\$ 6,702,570	\$ 7,532,002	\$ 13,986,265	\$ 15,172,006	\$ 15,186,717	\$ 14,711	100%	\$ 7,640,004	50%
Public Safety	26,244,756	27,502,430	51,602,106	55,046,743	54,480,884	(565,859)	99%	27,544,313	50%
Public Ways and Facilities	3,777,808	4,233,136	8,308,069	8,801,075	8,485,700	(315,375)	96%	4,567,938	48%
Community Services	4,121,807	4,187,143	9,175,089	6,983,854	8,377,815	1,393,961	120%	2,796,711	60%
Culture and Recreation	7,732,019	7,865,772	16,852,994	14,995,840	16,070,447	1,074,607	107%	7,130,069	52%
Non-Departmental	3,306,779	2,401,152	7,588,332	8,404,776	8,770,500	365,724	104%	6,003,624	29%
Operating Transfers Out	-	-	-	100,000	100,000	-	100%	100,000	0%
TOTAL EXPENDITURES	51,885,740	53,721,634	107,512,855	109,504,294	111,472,063	1,967,769	101.8%	55,782,659	49%
APPROPRIATION OF FUND BALANCE	(14,199,073)	(12,087,147)	3,845,309	-	(28,411)				
FUND BALANCE, JULY 1	26,919,048	30,764,357	26,919,048	30,764,357	30,764,357				
FUND BALANCE	12,719,976	18,677,211	30,764,357	30,764,357	30,735,947				
NONSPENDABLE FUND BALANCE	(247,159)	(1,380,323)	(1,507,764)	1,380,323	(1,507,764)				
RESTRICTED FUND BALANCE	-	-	-	-	-				
COMMITTED FUND BALANCE	-	-	-	-	-				
ASSIGNED FUND BALANCE	(925,796)	(5,898,537)	(6,294,654)	-	(6,294,654)				
UNRESTRICTED FUND BALANCE	\$ 11,547,021	\$ 11,398,351	\$ 22,961,939	\$ 32,144,680	\$ 22,933,529				

APPENDIX B

City of Folsom, California

**Expenditure Summary - General Fund Departments
Quarter Ended December 31, 2023**

	FY 2023	FY 2024	FY 2023	FY 2024	FY24 Forecast	VARIANCE		VARIANCE	
	As of	As of	FY 2023	FY 2024	As of	Forecast vs Budget		Actual vs. Budget	
	12/31/2022	12/31/2023	ACTUAL	BUDGET	12/31/2023	\$	%	\$	%
EXPENDITURES:									
City Council	\$ 48,609	\$ 56,893	118,539	\$ 117,437	\$ 121,244	\$ 3,807	103.24%	\$ (60,544)	48%
City Manager	580,820	621,026	1,207,940	1,256,732	1,288,182	31,450	102.50%	(635,706)	49%
City Clerk	377,481	334,782	694,280	681,049	591,868	(89,181)	86.91%	(346,267)	49%
Office of Mgmt & Budget	2,870,668	3,276,269	5,556,187	6,246,759	6,148,048	(98,711)	98.42%	(2,970,490)	52%
City Attorney	622,090	573,776	1,307,443	1,234,309	1,235,309	1,000	100.08%	(660,533)	46%
Human Resources	284,150	417,532	673,714	886,511	886,511	-	100.00%	(468,979)	47%
Police	13,218,759	13,957,727	26,259,847	27,377,097	27,356,038	(21,059)	99.92%	(13,419,369)	51%
Fire	13,137,438	13,716,636	25,620,154	28,040,510	27,478,215	(562,295)	97.99%	(14,323,874)	49%
Community Development	4,121,807	4,187,143	9,175,090	6,983,854	8,377,815	1,393,961	119.96%	(2,796,711)	60%
Parks & Recreation	8,633,839	8,931,081	18,810,497	17,246,919	18,597,888	1,350,969	107.83%	(8,315,837)	52%
Library	905,491	1,014,481	2,192,763	2,127,267	2,034,746	(92,521)	95.65%	(1,112,786)	48%
Public Works	3,777,808	4,233,136	8,308,069	8,801,075	8,485,700	(315,375)	96.42%	(4,567,938)	48%
Other	-	-	-	-	-	-	-	-	-
Non Departmental	3,306,779	2,401,152	7,588,332	8,404,776	8,770,500	365,724	104.35%	(6,003,624)	29%
Operating Transfers Out	-	-	-	100,000	100,000	-	100.00%	(100,000)	0%
TOTAL EXPENDITURES:	<u>\$ 51,885,740</u>	<u>\$ 53,721,634</u>	<u>\$ 107,512,855</u>	<u>\$ 109,504,294</u>	<u>\$ 111,472,063</u>	<u>\$ 1,967,769</u>	<u>101.80%</u>	<u>\$ (55,782,659)</u>	<u>49%</u>

APPENDIX C

**City of Folsom, California
Housing Fund**

**Revenue and Expense Statement
Quarter Ended December 31, 2023**

	FY 2024	FY 2023	FY 2024	FY24 Forecast	VARIANCE		VARIANCE	
	As of			BUDGET	As of	Forecast vs Budget		Actual vs Budget
	12/31/2023	ACTUAL	BUDGET	12/31/2023	\$	%	\$	%
REVENUES:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Intergovernmental	-	-	-	-	-		-	
Charges for Current Services	5,491	14,730	20,000	20,000	-	100%	(14,509)	27%
Impact Fee Revenue	2,939,755	4,176,929	300,000	5,000,000	4,700,000	1667%	2,639,755	980%
Interest Revenue	308,631	385,276	250,000	450,000	200,000	180%	58,631	123%
Other Revenue	-	(129,762)	56,402	496,105	439,703	880%	(56,402)	0%
Operating Transfers In	-	-	-	-	-		-	
TOTAL REVENUES	3,253,876	4,447,173	626,402	5,966,105	5,339,703	952%	2,627,474	519%
EXPENDITURES:								
Salary & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Services & Supplies	-	-	-	-	-		-	
Contracts	263,810	75,909	575,000	575,000	-	100%	311,190	46%
Insurance	-	-	-	-	-		-	
Other Operating Expenses	-	12,509	40,300	25,300	(15,000)	63%	40,300	0%
Capital Outlay	-	-	-	-	-		-	
Extraordinary Loss on Dissolution of RDAs	-	-	-	-	-		-	
Operating Transfers Out	5,551	115,529	11,102	11,102	-	100%	5,551	50%
TOTAL EXPENDITURES	269,361	203,947	626,402	611,402	15,000	98%	357,041	43%
APPROPRIATION OF FUND BALANCE	2,984,516	4,243,226	-	5,354,703				
FUND BALANCE, JULY 1	42,032,267	37,789,041	42,032,267	42,032,267				
FUND BALANCE	\$ 45,016,782	\$ 42,032,267	\$ 42,032,267	\$ 47,386,970				
NONSPENDABLE FUND BALANCE	(30,573,328)	(30,574,821)	(42,032,267)	(47,386,970)				
RESTRICTED FUND BALANCE	-	-	-	-				
COMMITTED FUND BALANCE	-	-	-	-				
ASSIGNED FUND BALANCE	-	-	-	-				
UNRESTRICTED FUND BALANCE (DEFICIT)	\$ 14,443,454	\$ 11,457,446	\$ -	\$ -				

APPENDIX D

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

Revenue and Expenditure Statement
Quarter Ended December 31, 2023

	Fund 204	Fund 205	Fund 207	Fund 208	Fund 209	Fund 210	Fund 212	Fund 213	Fund 214	Fund 215	Fund 231	Fund 232	Fund 234
	Los Cerros	Briggs Ranch	Natoma Station	Folsom Heights	Broadstone Unit 3	Broadstone	Hannaford Cross	Lake Natoma Shores	Cobble Hills Reflect	Prairie Oaks #2	Sierra Estates	Natoma Valley	Cobble Ridge
Revenues:													
Special Assessment	121	245	413	71	89	799	-	-	226	942	364	428	-
Interest	2,490	-	-	881	453	2,582	-	1,808	-	5,470	400	5,134	2,480
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 2,611	\$ 245	\$ 413	\$ 952	\$ 542	\$ 3,381	\$ -	\$ 1,808	\$ 226	\$ 6,412	\$ 764	\$ 5,562	\$ 2,480
Expenditures:													
Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	6,153	10,548	37,658	5,304	816	100,518	2,417	2,654	7,330	-	587	2,406	1,118
Contracts	3,254	7,773	17,210	1,034	517	28,364	2,797	2,339	5,485	517	1,481	4,627	1,424
Maintenance	15,521	35,789	51,503	667	4,480	-	7,884	9,566	16,139	260,873	9,053	28,424	3,449
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	606	1,161	2,708	234	391	2,504	256	245	713	601	87	641	154
Total Expenditures	\$ 25,534	\$ 55,271	\$ 109,079	\$ 7,239	\$ 6,204	\$ 131,386	\$ 13,354	\$ 14,804	\$ 29,667	\$ 261,991	\$ 11,208	\$ 36,098	\$ 6,145

APPENDIX D

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

Revenue and Expenditure Statement
Quarter Ended December 31, 2023

	<u>Fund 236</u>	<u>Fund 237</u>	<u>Fund 249</u>	<u>Fund 250</u>	<u>Fund 251</u>	<u>Fund 252</u>	<u>Fund 253</u>	<u>Fund 260</u>	<u>Fund 262</u>	<u>Fund 266</u>	<u>Fund 267</u>	<u>Fund 270</u>
	<u>Praire Oaks Ranch</u>	<u>Silverbrook</u>	<u>Willow Creek East</u>	<u>Blue Ravine Oaks</u>	<u>Steeplechase</u>	<u>Willow Creek So.</u>	<u>Am River Canyon No.</u>	<u>Willow Springs</u>	<u>Willow Sprgs CFD#11</u>	<u>Broadstone 3 CFD #12</u>	<u>ARC No.2 CFD #13</u>	<u>ARC No. 2</u>
Revenues:												
Special Assessment	641	-	201	-	-	927	1,029	70	-	3,184	1,494	194
Interest	-	1,643	-	2,863	896	10,229	13	208	5,178	26,838	322	3,701
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 641	\$ 1,643	\$ 201	\$ 2,863	\$ 896	\$ 11,156	\$ 1,042	\$ 278	\$ 5,178	\$ 30,022	\$ 1,816	\$ 3,895
Expenditures:												
Communications	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	46,490	427	11,985	7,753	2,801	38,309	30,736	2,959	10,907	57,233	14,641	146
Contracts	30,651	1,481	517	517	2,919	3,563	517	517	6,812	34,484	13,351	517
Maintenance	22,121	2,724	752	309	6,240	52,105	111,991	780	94,375	204,465	43,789	1,025
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	3,172	151	566	324	348	2,600	1,717	165	1,724	8,059	1,106	190
Total Expenditures	\$ 102,434	\$ 4,783	\$ 13,820	\$ 8,903	\$ 12,308	\$ 96,577	\$ 144,961	\$ 4,421	\$ 113,818	\$ 304,241	\$ 72,887	\$ 1,878

APPENDIX D

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

Revenue and Expenditure Statement
Quarter Ended December 31, 2023

	Fund 271	Fund 275	Fund 278	Fund 281	Fund 282	Fund 283	Fund 284	Fund 285	Fund 288	Fund 289	Fund 291	Fund 293	
	Residences At ARC	ARC North #3	Blue Ravine Oaks No. 2	Folsom Hts #2	Broadstone #4	Islands CFD #16	Willow Creek Estates #2	Prospect Ridge	Maint Dist CFD #18	Maint Dist CFD #19	Maint Dist CFD #23 A1	Maint Dist CFD #23 IA3	TOTAL
Revenues:													
Special Assessment	1,170	2,315	-	208	164	-	259	-	-	-	-	-	15,554
Interest	837	22,024	2,986	5,613	-	12,784	1,442	674	38,654	14,227	4,444	3,660	180,934
Other Revenue	-	-	-	3,184	-	-	-	-	-	-	-	-	3,184
Total Revenue	\$ 2,007	\$ 24,339	\$ 2,986	\$ 9,005	\$ 164	\$ 12,784	\$ 1,701	\$ 674	\$ 38,654	\$ 14,227	\$ 4,444	\$ 3,660	\$ 199,672
Expenditures:													
Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	2,198	176	-	-	-	6,797	-	1,080	98,210	5,433	1,350	-	517,140
Contracts	2,915	8,585	2,949	2,945	4,409	7,064	7,804	3,519	35,874	460	5,097	-	254,289
Maintenance	6,213	38,630	17,769	37,568	145,493	40,126	26,391	7,262	208,985	13,307	4,167	-	1,529,935
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	304	2,003	430	741	3,188	1,318	1,528	322	5,739	709	132	-	46,837
Total Expenditures	\$ 11,630	\$ 49,394	\$ 21,148	\$ 41,254	\$ 153,090	\$ 55,305	\$ 35,723	\$ 12,183	\$ 348,808	\$ 19,909	\$ 10,746	\$ -	\$ 2,348,201

APPENDIX E

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

	FY 2023	FY 2024	FY 2023	FY 2024	FY24 Forecast	VARIANCE		VARIANCE	
	As of	Forecast vs Budget		Actual vs Budget					
	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2023	\$	%	\$	%
OPERATING REVENUES:									
Charges For Services	9,624,069	10,598,747	19,763,490	19,278,300	19,930,100	651,800	103%	(8,679,553)	55%
TOTAL OPERATING REVENUES	9,624,069	10,598,747	19,763,490	19,278,300	19,930,100	651,800	103%	(8,679,553)	55%
OPERATING EXPENSES:									
Salaries	1,645,506	1,719,584	3,302,101	3,785,497	3,508,724	(276,773)	93%	(2,065,913)	45%
Benefits	1,165,681	1,213,802	2,692,580	2,588,958	2,564,603	(24,355)	99%	(1,375,156)	47%
Utilities	492,653	444,114	985,271	912,500	1,062,500	150,000	116%	(468,386)	49%
Supplies	546,868	709,918	1,401,651	1,703,100	1,633,100	(70,000)	96%	(993,182)	42%
Maintenance and Operation	496,641	451,986	822,075	1,143,430	1,143,430	-	100%	(691,445)	40%
Contractual Services	917,201	755,585	2,079,114	4,049,965	3,065,772	(984,193)	76%	(3,294,380)	19%
Depreciation	2,321,078	-	4,791,075	-	-	-	-	-	-
Other Operating Expenses	525,029	605,641	941,038	1,477,014	1,477,014	-	100%	(871,373)	41%
TOTAL OPERATING EXPENSES	8,110,658	5,900,629	17,014,906	15,660,464	14,455,143	(1,205,321)	92%	(9,759,835)	38%
OPERATING INCOME	1,513,411	4,698,118	2,748,584	3,617,836	5,474,957		151%	(2,210,029)	
NONOPERATING REVENUE (EXPENSES):									
Impact Fees	282,278	499,717	353,900	252,510	904,805	652,295	358%	247,207	198%
Other	51,304	28,827	5,605,847	14,616,908	5,768,866	(8,848,042)	39%	(14,588,081)	0%
Investment Income	293,774	577,468	654,734	365,000	862,000	497,000	236%	212,468	158%
Intergovernmental	6,756	-	15,256	-	-	-	-	-	-
Proceeds of Financing	-	-	-	-	-	-	-	-	-
Debt Service Expense	(6,500)	(3,000)	(437,148)	(1,842,428)	(1,842,428)	-	100%	1,839,428	0%
Other Reimbursements	-	-	-	-	-	-	-	-	-
Capital Outlay - Projects	(1,076,107)	(697,210)	(54,883)	(16,146,174)	(6,096,174)	10,050,000	38%	15,448,965	4%
TOTAL NONOPERATING REVENUE (EXPENSE)	(448,495)	405,802	6,137,706	(2,754,184)	(402,931)	2,351,253	15%	3,159,986	-15%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	1,064,916	5,103,920	8,886,290	863,652	5,072,026				
CAPITAL CONTRIBUTIONS AND TRANSFERS:									
Transfers In	-	75,557	207,763	468,557	468,557	-	100%	(393,000)	16%
Transfers Out	(451,454)	(471,518)	(1,111,334)	(1,332,209)	(1,164,209)	(168,000)	87%	860,692	35%
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(451,454)	(395,961)	(903,571)	(863,652)	(695,652)				
CHANGE IN NET ASSETS	613,462	4,707,960	7,982,719	-	4,376,374				
NET ASSETS, JULY 1	112,989,848	120,972,567	112,989,848	120,972,567	120,972,567				
NET ASSETS	113,603,310	125,680,527	120,972,567	120,972,567	125,348,941				
RESTRICTED NET ASSETS	(4,766,131)	-	(1,789,908)	-	-				
UNRESTRICTED NET ASSETS	\$ 108,837,179	\$ 125,680,527	\$ 119,182,659	\$ 120,972,567	\$ 125,348,941				

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

APPENDIX F

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

	FY 2023	FY 2024	FY 2023	FY 2024	FY24 Forecast	VARIANCE		VARIANCE	
	As of	As of	FY 2023	FY 2024	As of	Forecast vs Budget		Actual vs Budget	
	12/31/2022	12/31/2023	ACTUAL	BUDGET	12/31/2023	\$	%	\$	%
OPERATING REVENUES:									
Charges For Services	6,423,673	6,985,646	11,631,677	11,896,500	12,896,500	1,000,000	108%	(4,910,854)	59%
Prison Services	33,600	33,600	67,200	67,200	67,200	-	100%	(33,600)	50%
TOTAL OPERATING REVENUES	6,457,273	7,019,246	11,698,877	11,963,700	12,963,700	1,000,000	108%	(4,944,454)	59%
OPERATING EXPENSES:									
Salaries	879,558	917,539	1,738,619	1,979,351	2,005,436	26,085	101%	(1,061,812)	46%
Benefits	662,629	667,994	1,495,264	1,435,294	1,391,003	(44,291)	97%	(767,300)	47%
Utilities	37,708	35,202	109,956	95,000	105,000	10,000	111%	(59,798)	37%
Supplies	155,724	111,042	336,500	535,512	460,512	(75,000)	86%	(424,470)	21%
Maintenance and Operation	130,383	121,905	228,565	298,190	298,190	-	100%	(176,285)	41%
Contractual Services	163,247	69,115	331,313	838,194	588,194	(250,000)	70%	(769,079)	8%
Depreciation	1,126,893	-	2,279,803	-	-	-	-	-	-
Other Operating Expenses	191,036	201,095	344,557	484,476	484,476	-	100%	(283,381)	42%
TOTAL OPERATING EXPENSES	3,347,178	2,123,890	6,864,577	5,666,017	5,332,811	(333,206)	94%	(3,542,127)	37%
OPERATING INCOME (LOSS)	3,110,095	4,895,355	4,834,300	6,297,683	7,630,889		121%		
NONOPERATING REVENUE (EXPENSES):									
Impact Fees	133,366	53,002	219,485	79,950	99,950	20,000	125%	(1,223,288)	66.3%
Investment Income	245,115	504,148	426,409	215,000	710,000	495,000	330%	(289,148)	234%
Other	6,236	48,831	3,499,935	17,888,964	3,867,977	(14,020,987)	22%	(17,840,134)	0%
Debt Service	-	-	(486)	-	-	-	-	-	-
Capital Outlay - Projects	(394,316)	(3,828,001)	39,460	(21,153,061)	(11,903,061)	9,250,000	56%	17,325,060	18%
TOTAL NONOPERATING REVENUE (EXPENSE)	(9,598)	(3,222,021)	4,184,803	(2,969,147)	(7,225,134)	(4,255,987)	243%	(252,874)	109%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	3,100,497	1,673,335	9,019,103	3,328,536	405,755				
CAPITAL CONTRIBUTIONS AND TRANSFERS:									
Transfers In	-	-	101,100	-	-	-	-	-	-
Transfers Out	(362,298)	(353,721)	(725,258)	(743,616)	(743,616)	-	0%	(389,895)	91%
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(362,298)	(353,721)	(624,158)	(743,616)	(743,616)				
CHANGE IN NET ASSETS	2,738,200	1,319,614	8,394,945	2,584,920	(337,861)				
NET ASSETS, JULY 1	70,888,708	79,283,653	70,888,708	79,283,653	79,283,653				
NET ASSETS RESTRICTED NET ASSETS	73,626,908	80,603,266	79,283,653	81,868,573	78,945,792				
UNRESTRICTED NET ASSETS	(8,234,732)	-	(11,416,040)	-	-				
	\$ 65,392,175	\$ 80,603,266	\$ 67,867,613	\$ 81,868,573	\$ 78,945,792				

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

APPENDIX G

**City of Folsom, California
 Combined Solid Waste Funds*
 Revenue and Expense Statement
 Quarter Ended December 31, 2023**

	FY 2023	FY 2024	FY 2023	FY 2024	FY24 Forecast	VARIANCE		VARIANCE	
	As of	As of	FY 2023	FY 2024	As of	Forecast vs Budget		Actual vs Budget	
	12/31/2022	12/31/2023	ACTUAL	BUDGET	12/31/2023	\$	%	\$	%
OPERATING REVENUES:									
Charges For Services	12,983,214	15,343,171	23,949,088	25,973,000	27,873,000	1,900,000	107%	(10,629,829)	59%
TOTAL OPERATING REVENUES	12,983,214	15,343,171	23,949,088	25,973,000	27,873,000	1,900,000	107%	(10,629,829)	59%
OPERATING EXPENSES:									
Salaries	1,961,580	2,118,205	3,912,798	4,731,876	4,397,715	(334,161)	93%	(2,613,671)	45%
Benefits	1,538,893	1,626,101	3,358,053	3,512,580	3,494,315	(18,265)	99%	(1,886,479)	46%
Utilities	21,677	22,263	46,542	48,500	56,500	8,000	116%	(26,237)	46%
Supplies	732,844	571,657	1,924,591	2,008,868	1,833,868	(175,000)	91%	(1,437,211)	28%
Maintenance and Operation	631,572	474,107	1,284,290	944,533	944,533	-	100%	(470,426)	50%
Contractual Services	1,966,531	2,094,352	5,267,427	5,766,084	5,641,084	(125,000)	98%	(3,671,732)	36%
Depreciation	422,872	-	1,037,047	-	-	-	-	-	-
Other Operating Expenses	384,105	405,878	707,601	934,798	934,798	-	100%	(528,920)	43%
TOTAL OPERATING EXPENSES	7,660,073	7,312,562	17,538,349	17,947,239	17,302,813	(644,426)	96%	(10,634,677)	41%
OPERATING INCOME (LOSS)	5,323,141	8,030,609	6,410,739	8,025,761	10,570,187				
NONOPERATING REVENUE (EXPENSE):								(347,511)	
Impact Fees	219,273	306,163	573,568	526,066	594,066	68,000	112.9%	(219,903)	58%
Investment Income	155,740	356,015	242,789	138,000	504,500	366,500	366%	218,015	258%
Intergovernmental Revenues	40,474	-	121,546	120,415	120,415	-	100%	(120,415)	0%
Other	179,401	226,178	311,488	10,996,790	300,000	(10,696,790)	3%	(10,770,612)	2%
Debt Service-Expense	-	-	(2,367)	-	-	-	-	-	-
Capital Outlay	-	(5,802,009)	19,984	(9,760,616)	(9,260,616)	500,000	95%	3,958,607	59%
TOTAL NONOPERATING REVENUE (EXPENSE)	594,889	(4,913,653)	1,267,008	2,020,655	(7,741,635)	(9,762,290)	-383%	(6,934,308)	-243%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	5,918,030	3,116,955	7,677,747	10,046,416	2,828,552				
CAPITAL CONTRIBUTIONS AND TRANSFERS:									
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	(819,214)	(804,774)	(1,639,216)	(1,663,916)	(1,663,916)	-	0%	859,142	-94%
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(819,214)	(804,774)	(1,639,216)	(1,663,916)	(1,663,916)				
CHANGE IN NET ASSETS	5,098,816	2,312,181	6,038,531	8,382,500	1,164,636				
NET ASSETS, JULY 1	1,003,668	7,042,199	1,003,668	7,042,199	7,042,199				
NET ASSETS	6,102,484	9,354,380	7,042,199	15,424,699	8,206,835				
RESTRICTED NET ASSETS	-	-	(7,214,754)	-	-				
UNRESTRICTED NET ASSETS	\$ 6,102,484	\$ 9,354,380	\$ (172,556)	\$ 15,424,699	\$ 8,206,835				

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