



FY 2019-20 2nd Quarter Financial Report
and FY 2018-19 CAFR

Presented to
Folsom City Council
February 11, 2020



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FOLSOM

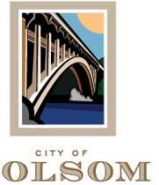
General Fund Summary



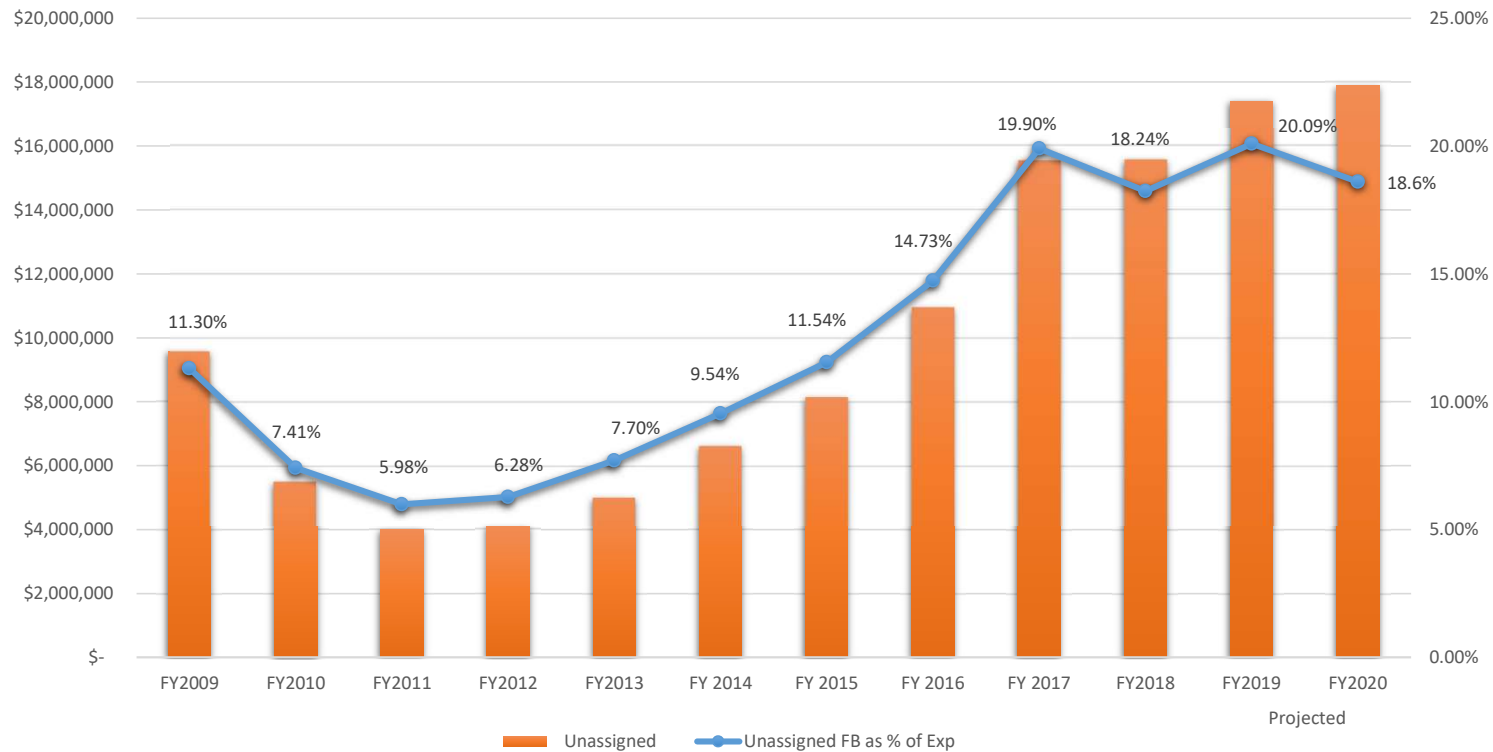
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	CAFR FY 17-18	CAFR FY 18-19	Projected FY 19-20
Revenue	\$ 86,107,564	\$ 92,260,837	\$ 92,698,161
Expenditures	\$ 85,284,054	\$ 86,601,533	\$ 96,074,531
Change in Fund Balance	\$ 823,510	\$ 5,659,304	\$ (3,376,370)
Adj. for Transit Annexation	\$ -	\$ (2,900,000)	\$ 2,900,000
Unassigned Fund Balance	\$ 15,699,123	\$ 17,364,046	\$ 17,882,439
% of Expenditures	18.4%	20.1%	18.6%

General Fund Summary



Unassigned Fund Balance



General Fund Major Revenue Sources



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	CAFR FY 18-19	Budget FY 19-20	Projected FY 19-20
Property Tax	\$ 26,669,899	\$ 27,851,631	\$ 27,851,631
Sales Tax	\$ 25,359,293	\$ 26,349,287	\$ 25,700,006
Charges for Services	\$ 16,000,415	\$ 14,398,625	\$ 14,964,935
Transfers In	\$ 7,348,394	\$ 7,211,844	\$ 7,211,844

General Fund Revenue Detail



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	CAFR FY 18-19	Budget FY 19-20	Projected FY 19-20
Vehicle Lic Fees	\$ 6,902,484	\$ 7,276,719	\$ 7,276,719
Park & Rec Fees	\$ 5,018,254	\$ 5,236,900	\$ 5,073,928
Ambulance Fees	\$ 4,056,780	\$ 4,000,000	\$ 4,300,000
Development Fees	\$ 3,929,009	\$ 2,689,775	\$ 3,039,775
Building Permits	\$ 2,023,999	\$ 1,303,000	\$ 2,103,000

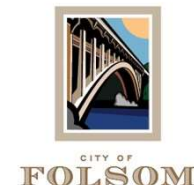
Plan Area Impact Fee Revenue



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	<u>FY 20 Actual</u>	<u>Cash Balance 12/31/2019</u>
FPASP – Public Facilities Fee	\$2,506,961	\$ 5,828,358
Stand Alone Fees:		
Solid Waste Capital	\$ 96,195	\$ 222,215
Corporation Yard Capital	\$ 23,978	\$ 38,197
Transit Capital	\$ 218,947	\$ 572,641
Highway 50 Improvements	\$ 213,411	\$ 520,279
Highway 50 Interchange	\$ 431,730	\$ 1,104,413
OffSite Roadway	\$ 13,340	\$ 13,340

General Fund Major Expenditure Categories

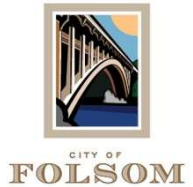


	CAFR FY 18-19	Budget FY 19-20	Projected FY 19-20
Salaries	\$ 37,065,727	\$ 38,215,462	\$ 39,153,462
Benefits	23,520,220	27,049,277	26,534,352
O&M	22,057,504	23,082,843	26,461,868
Capital Outlay	3,053,379	2,545,940	3,015,615
Debt Service	904,703	909,234	909,234
	\$ 86,601,533	\$ 91,802,756	\$ 96,074,531

Economic Outlook

U.S. Recession Risk Indicators

- 12 variables have historically foreshadowed a looming recession
- The overall signal suggests caution



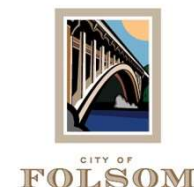
		Recession							
		Current	2007-2009	2001	1990-1991	1981-1982	1980	1973-1975	1969-1970
Financial	Yield Curve	✗	✗	✗	✗	✗	✗	✗	✗
	Credit Spreads	↑	✗	✗	✗	✗	✗	↑	●
	Money Supply	●	✗	✗	✗	✗	✗	✗	✗
Inflation	Wage Growth	✗	✗	✗	✗	✗	✗	✗	✗
	Commodities	●	✗	✗	✗	✗	●	●	●
Consumer	Housing Permits	↑	✗	●	✗	✗	✗	✗	✗
	Jobless Claims	↑	●	✗	✗	✗	✗	↑	✗
	Retail Sales	↑	✗	✗	✗	✗	✗	●	✗
	Job Sentiment	↑	✗	✗	✗	✗	●	●	●
Business Activity	ISM New Orders	✗	✗	✗	✗	✗	✗	✗	✗
	Profit Margins	●	✗	✗	✗	✗	✗	●	✗
	Truck Shipments	↑	●	✗	✗	✗	✗	n/a	n/a
	Overall	●	✗	✗	✗	✗	✗	●	✗

↑ Expansion ● Caution ✗ Recession



Data as of Dec. 31, 2019. Source: BLS, Federal Reserve, Census Bureau, ISM, BEA, American Chemistry Council, American Trucking Association, Conference Board, and Bloomberg. The ClearBridge Recession Risk Dashboard was created in January 2016. References to the signals it would have sent in the years prior to January 2016 are based on how the underlying data was reflected in the component indicators at the time.

Water Enterprise Fund



	CAFR FY 18-19	Budget FY 19-20	Projected FY 19-20
Charges for Services	\$ 13,912,610	\$ 14,176,455	\$ 14,196,455
Operating Expenses	\$ 10,239,172	\$ 11,654,925	\$ 10,886,925
Transfers Out	936,633	1,020,004	1,020,004
Debt Service	2,070,691	2,013,703	2,013,703
	<u>\$ 13,246,496</u>	<u>\$ 14,688,632</u>	<u>\$ 13,920,632</u>
Capital Expenses	\$ 844,523	\$ 12,813,817	\$ 5,570,257
Working Capital	\$ 18,198,366	\$ 18,198,366	\$ 15,200,000

Wastewater Enterprise Fund



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	CAFR FY 18-19	Budget FY 19-20	Projected FY 19-20
Charges for Services	\$ 6,734,594	\$ 6,968,739	\$ 6,740,739
Operating Expenses	\$ 4,258,956	\$ 4,886,519	\$ 4,416,519
Transfers Out	673,404	585,165	585,165
Debt Service	-	-	-
	<u>\$ 4,932,360</u>	<u>\$ 5,471,684</u>	<u>\$ 5,001,684</u>
Capital Expenses	\$ 6,290,855	\$ 8,070,257	\$ 5,570,257
Working Capital	\$ 11,100,895	\$ 11,100,895	\$ 12,900,000

Solid Waste Enterprise Fund



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	CAFR FY 18-19	Budget FY 19-20	Projected FY 19-20
Charges for Services	\$ 10,939,391	\$ 11,168,600	\$ 11,054,959
Operating Expenses	\$ 9,709,664	\$ 10,850,592	\$ 10,650,592
Transfers Out	1,289,401	1,385,091	1,385,091
Debt Service	-	-	-
	\$ 10,999,065	\$ 12,235,683	\$ 12,035,683
Capital Expenses	\$ -	\$ 1,050,000	\$ 1,072,588 (encumbered)
Working Capital	\$ 6,009,927	\$ 6,009,927	\$ 6,050,000

Risk Management Internal Service Fund



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	CAFR FY 18-19	Budget FY 19-20	Projected FY 19-20
Charges for Services	\$ 18,048,270	\$ 18,290,604	\$ 17,317,316
Operating Expenses	\$ 17,024,050	\$ 18,290,604	\$ 17,323,712
Unrestricted Net Position	\$ 8,608,160	\$ 8,608,160	\$ 8,601,764
Major Expense Categories			
- Active Employee Health	\$ 8,348,533	\$ 7,993,219	\$ 7,273,271
- Retiree Health	\$ 4,561,367	\$ 4,707,981	\$ 4,523,360
- Workers Comp	\$ 2,205,453	\$ 2,183,973	\$ 2,168,536
- Liability Insurance	\$ 1,798,574	\$ 1,897,925	\$ 1,785,754
- Contracts	\$ 646,455	\$ 1,007,864	\$ 1,051,864

Trail Grant Fund Special Revenue Fund



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	<u>CAFR FY17-18</u>	<u>CAFR FY18-19</u>	<u>Projected FY19-20</u>
Revenue	\$2,737,183	\$2,546,662	\$ 152,718
Transfers In	\$ 40,063	\$ 207,278	\$ 0
Expenses	\$2,452,182	\$2,784,658	\$ 700,000
Fund Balance	(\$ 793,809)	(\$ 824,527)	(\$1,371,809)

CIP Highlights –



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General Services

- Fire Apparatus (\$794,901)

Parks & Recreation:

- Oak Parkway Trail Undercrossing (\$645,739)

Public Works:

- Green Valley Road Widening (\$2,932,450)
- Street Overlay/Pavement Management (\$1,834,188)

Water/Wastewater:

- East Tank No. 1 (\$962,067)
- Water Treatment Plant System Improvement (\$198,940)
- GSWC Inter-Tie Booster Pump Station Project (\$150,353)



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QUESTIONS / COMMENTS