CITY OF
FOLSOM
DISTINCTIVE BY NATURE

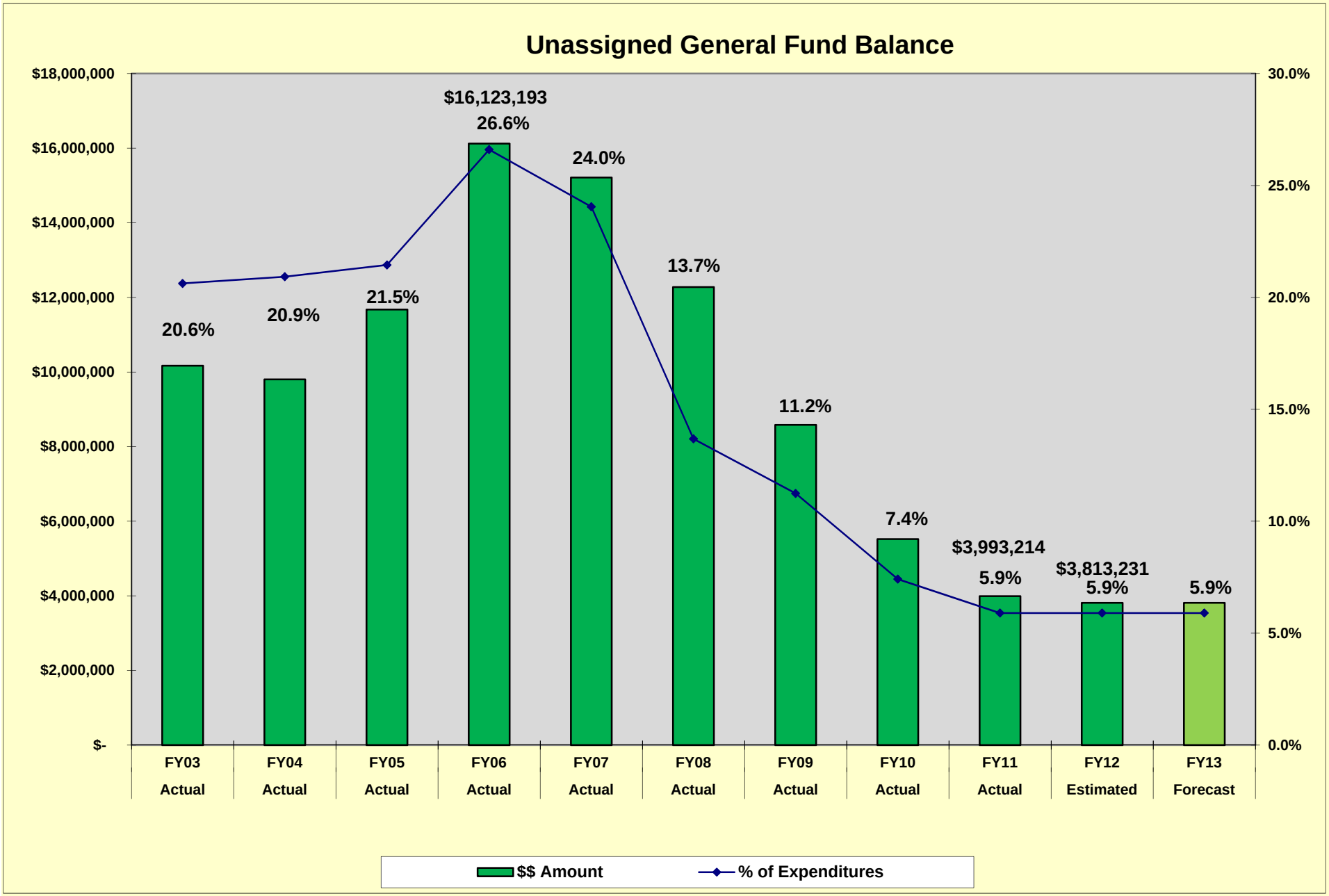
4th Quarter Report
FY 2011-12

Presentation to City Council

July 24, 2012

General Fund
FY12 Budget Summary

	FY 10 Actual	FY 11 Actual	FY 12 Estimate
Revenues	$ 66,499,209	$64,973,169	$ 64,474,538
Expenditures	$ 74,452,886	$67,333,812	$ 64,772,140
	$ (7,953,677)	$ (2,360,643)	$ (297,602)
Gen Fund Balance 6/30	$ 7,267,484	$ 4,906,841	$ 4,609,239
Restricted	$ 1,747,419	$ 913,627	$ 796,008
Undesignated, Unrestricted	$ 5,520,065	$ 3,993,214	$ 3,813,231
UnD, UnR Fund Bal as % of Expenditures	7.4%	5.9%	5.9%

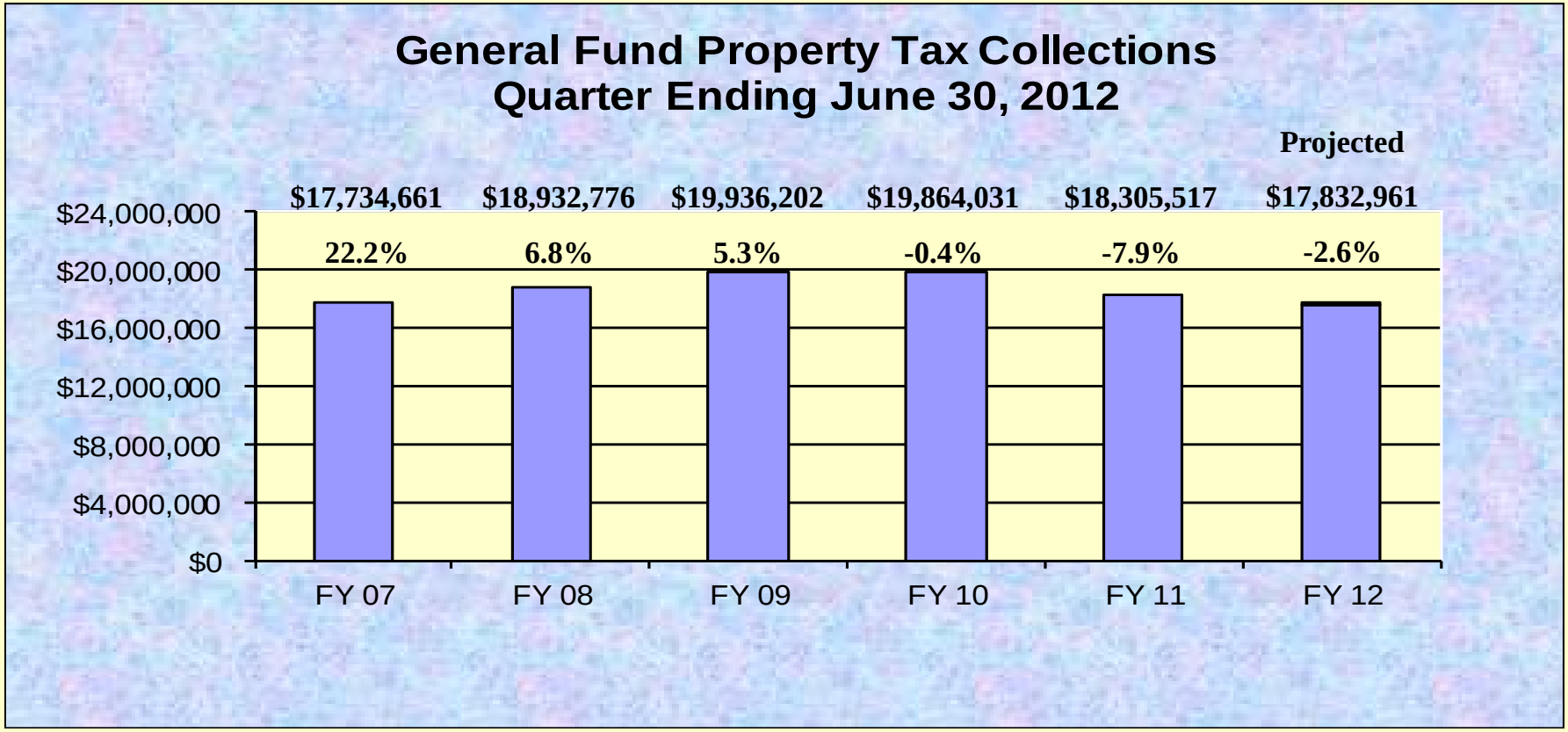

Unassigned General Fund Balance
$18,000,000
$16,000,000
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
30.0%
25.0%
20.0%
15.0%
10.0%
5.0%
0.0%
20.6%
20.9%
21.5%
$16,123,193
26.6%
24.0%
13.7%
11.2%
7.4%
$3,993,214
5.9%
$3,813,231
5.9%
5.9%
FY03 Actual
FY04 Actual
FY05 Actual
FY06 Actual
FY07 Actual
FY08 Actual
FY09 Actual
FY10 Actual
FY11 Actual
FY12 Estimated
FY13 Forecast
$$ Amount
% of Expenditures

General Fund
Revenues by Category

Source	FY 10 Actual	FY 11 Actual	FY 12 Projected
Property Tax	$ 19,864,031	$ 18,305,517	$ 17,832,962
Sales Tax	13,716,214	15,141,504	15,710,069
Transient Occupancy	1,109,369	1,152,717	1,229,626
Real Property Transfer	227,464	286,971	265,000
Other Taxes	505,478	349,975	320,235
Charges for current services	9,741,531	9,537,768	9,767,392
Intergovernmental revenues	6,501,729	6,974,257	6,477,660
Miscellaneous	492,683	190,097	809,579
Interest revenue	228,300	82,643	81,667
Licenses and permits	1,356,858	1,395,010	1,388,807
Franchise fees	711,458	736,927	741,146
Fines and forfeitures	424,345	378,927	329,456
Total before Transfers	54,879,460	54,532,313	54,953,599
Interfund transfers	11,619,749	10,440,856	9,520,939
Total	$66,499,209	$64,973,169	$64,474,538

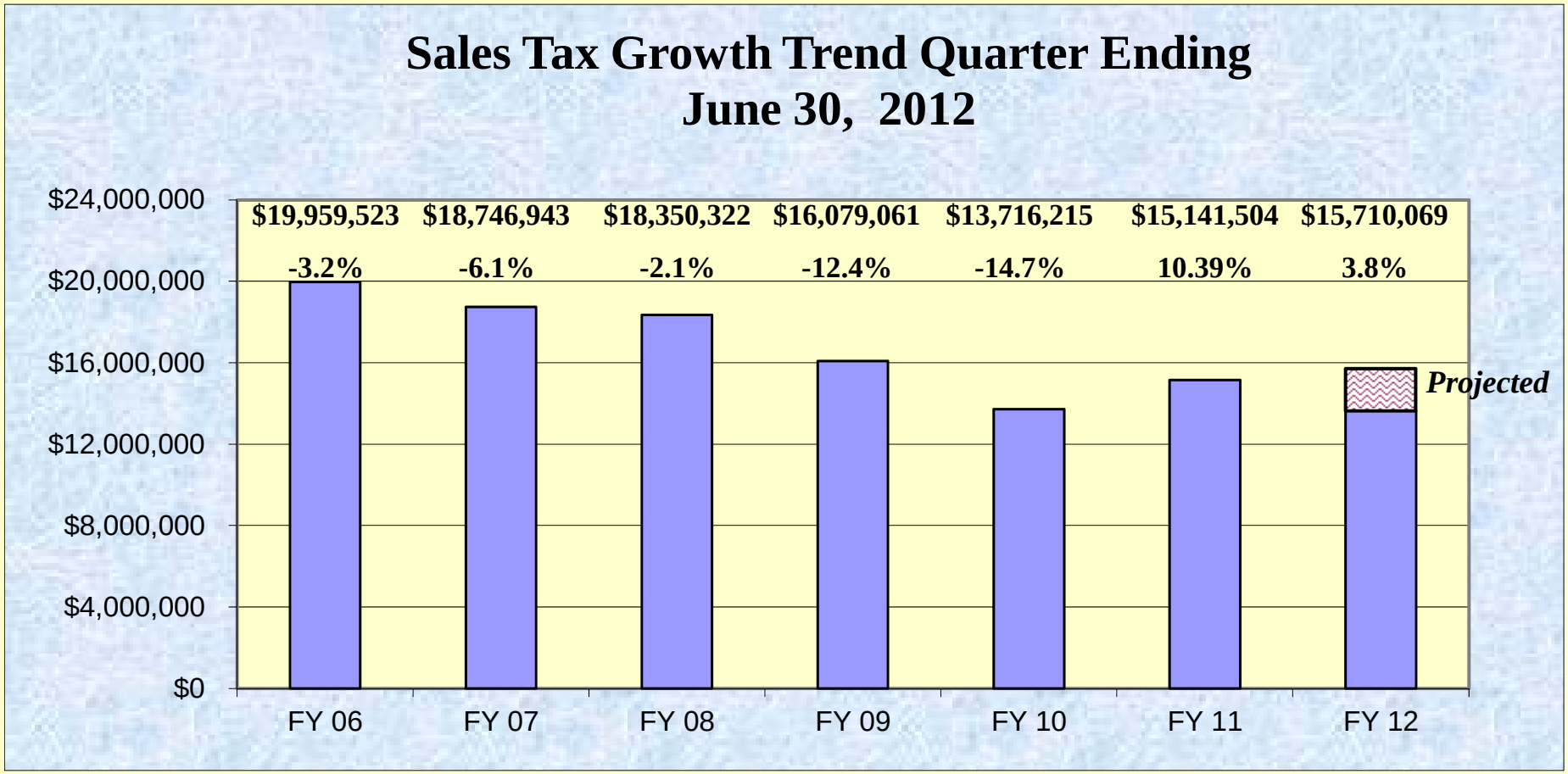
Property Tax

- Folsom's Assessed Value for real property and improvements decreased approximately $213 million from Aug of 2011 to July of 2012.
- Median sales price has fallen for the sixth straight year.
- Conventional sales represent only 50.6% of FY 12 sales compared to 50.4% in FY 11 and 60% in FY 10.



Sales Tax

- FY 12 year-end projected revenue is $15.71 million, which is an increase of approximately 3.76% over the prior year.



Charges for Service

- **Projection for FY 12 up approximately $391,000 compared to the budgeted amount.**

Major Fee Generators:	FY 10 Actual	FY 11 Actual	FY 12 Projected
• Parks and Recreation	$ 3,979,473	$ 4,054,991	$ 4,599,272
• Ambulance Fees	$ 1,875,004	$ 1,958,964	$ 2,060,198
• Development Fees	$ 893,068	$ 1,208,162	$ 923,433
• All Other Charges	$ 2,993,986	$ 2,315,651	$ 2,184,489
Total Charges for Svcs	$ 9,741,531	$ 9,537,768	$ 9,767,392

General Fund Operating Expenditures by Program Area

Department	FY 12 Budget	FY 12 Projected	Estimate as % of Budget
City Council	$ 103,876	$ 99,470	95.8%
City Manager	1,110,676	928,018	83.6%
City Clerk	372,417	372,393	100.0%
Finance	3,291,211	3,217,102	97.7%
City Attorney	785,069	704,815	89.8%
Human Resources	707,978	620,607	87.7%
Police	17,705,222	17,382,297	98.2%
Fire	13,656,749	14,218,382	104.1%
Community Dev	3,089,155	3,060,908	99.1%
Park & Recreation	10,988,623	11,165,490	101.6%
Public Works	6,892,724	6,132,329	89.0%
Library	1,322,254	1,416,463	107.1%
Other	-	853	
Trail Grants	753,461	33,345	4.4%
Non Departmental	6,119,577	5,330,973	87.1%
Transfers Out	-	88,695	
Total	$ 66,898,992	$ 64,772,140	96.8%

Redevelopment Funds

- Redevelopment agencies dissolved as of February 1, 2012
- City is Successor Agency
- City to retain the housing function
- Currently in the process of winding down and transferring assets
- Primary concern is unapproved costs that may put City at risk

Solid Waste Fund

	FY 10 Actual	FY 11 Actual	FY 12 Projected
Revenues			
Operating & Capital	$ 10,912,335	$ 9,859,789	$ 10,198,587
Capital Contributions	-	-	-
	$ 10,912,335	$ 9,859,789	$ 10,198,587
Expenses			
Operating	8,161,367	7,269,576	7,261,714
Depreciation	891,090	737,041	286,141
Capital	-	70,739	997
Debt	45,729	27,396	157,434
Transfers Out	1,666,578	1,495,253	1,437,063
	$ 10,764,764	$ 9,600,005	$ 9,143,349
Change in Net Assets	$ 147,571	$ 259,784	$ 1,055,238

Wastewater Fund

	FY 10 Actual	FY 11 Actual	FY 12 Projected
Revenues			
Operating & Capital	$ 5,991,169	$ 5,625,484	$ 6,084,340
Capital Contributions	43,940	573,568	-
	$ 6,035,109	$ 6,199,052	$ 6,084,340
Expenses			
Operating	2,133,672	2,640,545	2,789,895
Depreciation	1,208,562	1,278,267	1,354,731
Capital	575,734	72,400	337,999
Debt	-	8,176	82,595
Transfers Out	1,686,304	658,403	656,025
	$ 5,604,272	$ 4,657,791	$ 5,221,245
Change in Net Assets	$ 430,837	$ 1,541,261	$ 863,095

Water Fund

	FY 10 Actual	FY 11 Actual	FY 12 Projected
Revenues			
Operating & Capital	$ 12,026,174	$ 12,220,735	$ 13,548,761
Capital Contributions	453,845	541,040	-
	$ 12,480,019	$ 12,761,775	$ 13,548,761
Expenses			
Operating	12,207,897	8,702,524	8,124,298
Depreciation	3,678,669	3,515,626	3,426,126
Capital	597,530	74,583	343,962
Debt	1,272,487	1,180,466	2,063,861
Transfers Out	1,463,276	1,063,930	1,085,237
	$ 19,219,859	$ 14,537,129	$ 15,043,484
Change in Net Assets	$ (6,739,840)	$ (1,775,354)	$ (1,494,723)

Transit Fund

	FY 10 Actual	FY 11 Actual	FY 12 Projected
Revenues			
Operating & Capital	$ 3,455,732	$ 3,245,019	$ 3,507,729
Capital Contributions	-	-	-
	$ 3,455,732	$ 3,245,019	$ 3,507,729
Expenses			
Operating	3,080,089	3,003,669	3,062,068
Depreciation	348,015	321,698	319,644
Capital	-	22,594	-
Debt	-	-	-
Transfers Out	627,595	334,789	299,491
	$ 4,055,699	$ 3,682,750	$ 3,681,203
Change in Net Assets	$ (599,967)	$ (437,731)	$ (173,474)

Funds on Watch:

Humbug Willow Creek – Negative cash balance. Grant reimbursements being pursued.

Park Improvement Fund – Cash balance is insufficient. Need to limit expenses until balanced.

Compensated Leave Fund – Negative balance. Three year plan to eliminate.

General Fund FY 12 Estimate Changes

$1,650,000 Projected Use of Fund Balance - December 31, 2011

Changes:

1. $110,000 - unanticipated SMUD rebate
2. $290,000 - unanticipated County Admin reimbursement
3. $450,000 - Big League Dreams return of expense
4. $350,000 - Early implementation of budget reductions
5. $150,000 - Various expenditure reductions

$1,350,000 Reduction to use of fund balance

$ 300,000 Projected use of Fund Balance - June 30, 2012

FY 12-13 General Fund Budget Pressures

- Uncertainty due to State and County budgets
- Continued decline of property tax revenue
- Easing of sales tax growth
- At-Risk Redevelopment costs
- Uncertainty of development sustainability
- Spending pressures due to lower appropriations
- Program revenues may not meet expectations

Looking ahead to FY 13-14

- $64.2 million appropriated in FY 12/13

- $66.4 million needed to fund existing levels
- $63.9 million anticipated revenue in FY 13/14

($ 2.5) million potential shortfall for FY 13/14

Efforts to present a balanced budget are being developed and worked on.

Questions/Comments