City of Folsom
Quarterly Financial Report
&
Strategic Plan Update

Fiscal Year 2006-07 Second Quarter

February 13, 2007

Prepared by the Department of Finance
Financial Analysis and Reporting Division

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Introduction

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.

This Quarterly Financial Report is an analysis of the financial status of the City's major funds for the second quarter of Fiscal Year (FY) 2006-07, covering the six month period from July 2006 through December 2006.

The report provides an analysis of each fund's actual revenues, expenditures and fund balance as compared to the FY 2006-07 Budget. Please refer to the Appendixes for detailed schedules of the City's key funds for the period ending December 31, 2006, including cumulative fund balances from prior years. The document includes an analysis of the revenue and expenditure activity for the City's:

- General Fund
- Special Revenue Funds – Development, Redevelopment, Library
- Enterprise Funds – Recreation, Aquatics, Sports and Teen Center, Water, Sewer, Solid Waste, Transit
- Outstanding Debt, Capital Improvement Plan and Encumbrances

Fund Financial Statements are designed to report information about groupings of related accounts which are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate finance related legal compliance.

Quarterly Report Highlights

- As previously reported, the City's outside sales tax consultant, has identified an overpayment to the City in the amount of approximately $1,000,000. The California State Board of Equalization has not contacted the City and it has not been determined when the state will recoup this amount.

- After adjusting for one-time revenues, the General Fund showed an increase of 5.1% or $1,187,421 from the prior year. Total General Fund revenues, including transfers in, were at 35% of budget. Total Combined General Fund Revenues decreased by 20% in the second quarter of FY 2007 compared to FY 2006 due to the Prairie City property sale that occurred in the first quarter of FY 2006.

- Total General Fund expenditures are at 44% of budget. Excluding transfers out, General Fund expenditures have increased 11.8% or $2,954,675 to $27,938,158 compared to those at December 31, 2005. The increase is due to budgeted increases in all General Fund departments.

- Overall residential building permits continued to follow the overall downward trend. Year-to-date permits issued were down 64% for the two quarters ending December 31, 2006, with 78 permits issued in the current year versus 214 permits issued in the same two quarters of the previous Fiscal Year.

Second Quarter Financial Report

FY 2006-07

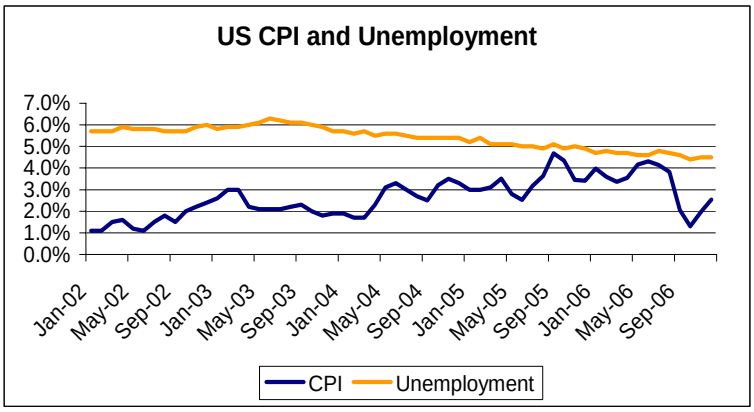
Economic Report & State Budget

Economic Report

Summary

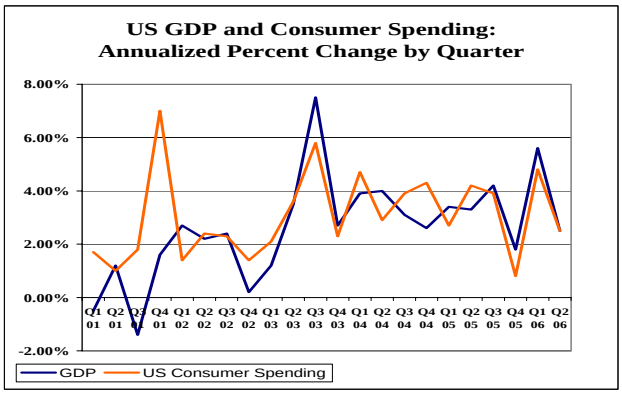
- National unemployment declined by 0.1% to 4.5%.
- National inflation increased at a rate of 2.5% over the prior year.
- According to Bloomberg.com, manufacturing in the U.S. expanded and construction spending fell less than forecasted, which may indicate the worst of the economic slowdown is over. The Institute for Supply Management's manufacturing index rose to 51.4 in December from 49.5 in November, when activity contracted for the first time in more than three years. Spending on construction dropped, 0.2% in November after a 0.3% drop in October that was smaller than originally reported, according to the U.S. Commerce Department.
- At the end of 2006, California gas prices continued upward for a third straight week. 2006 set new records for California gas prices both in actual and inflation-adjusted terms, with the yearly price averaging $2.81 per gallon. The average price of self-serve regular gasoline in the Sacramento area was $2.59, 10 cents higher than last month.
- The California Association of Realtors reported a sales volume decrease of 22.2% in November; and the median price of a home in California was at $555,290, up 1.4% from a year ago.
- Through December 2006, seasonally adjusted California unemployment decreased 0.3% to 4.8% versus 5.1% a year ago.
- Through December 2006, Sacramento County unemployment remained unchanged from the previous quarter at 4.4%

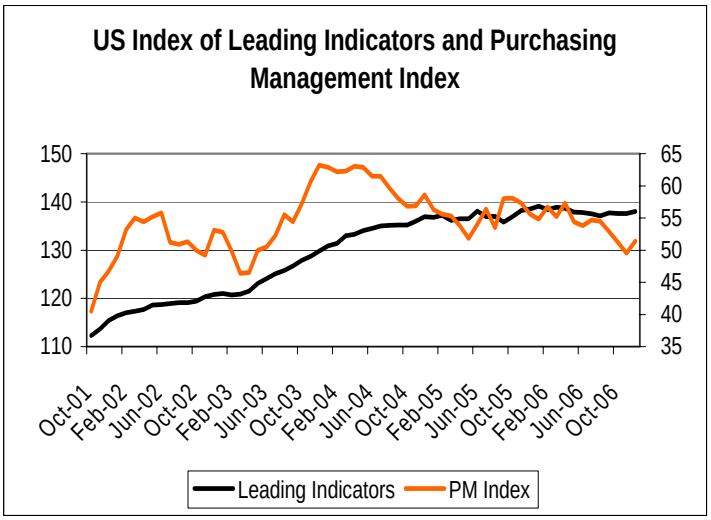
National Economy



CPI: Consumer prices continue to rise, however at a slightly lower rate than the previous quarter, and reached an annualized rate of 2.5% at the end of the fourth quarter; and unemployment continued to remain relatively stable at 4.5%.

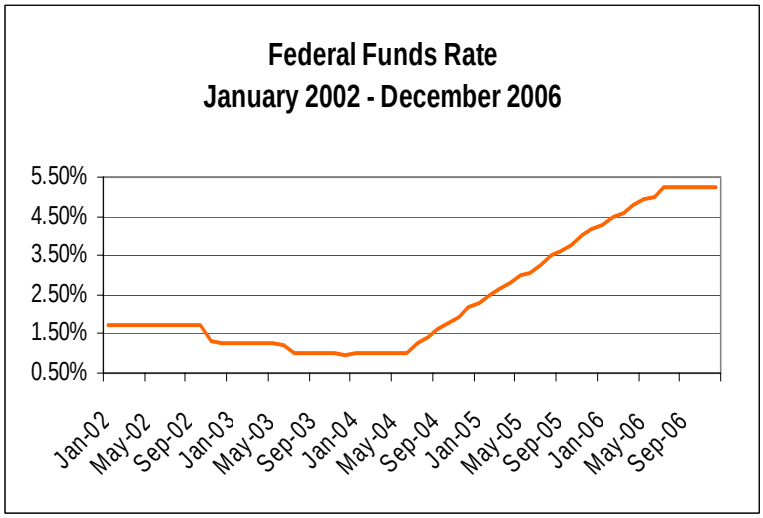
US GDP: Through September 30, 2006, the U.S. economy grew at an annual rate of 2.0%, 0.2 percentage points less than in the "preliminary" estimates, U.S. Gross Domestic Product and consumer spending growth increased to respective rates of 2.5% and 2.5%.





Leading Indicators: U.S. leading indicators rose 0.3% in December for the first time since September, signaling faster economic expansion in the next three to six months. The U.S. PMI increased in December to 51.4% up from November's reading of 49.5. A PMI reading above 50% indicates that the manufacturing economy is generally expanding while a reading below 50% indicates it is generally declining.

Fed Funds Rate: As of December 31, 2006, the Federal Reserve has lowered its target federal funds rate to 5.24%, a 0.01% decrease from the prior month.



State Economy and Budget

After sharp declines in home sales since mid-2005, recent indicators suggest that housing demand may be stabilizing. Sales of new and existing homes appear to have bottomed out, and consumer attitudes toward home-buying recovered somewhat in the fourth quarter. Housing starts bounced up a bit in November after a very sharp fall in October. But overall permit issuance for new homes has continued to fall.

The supply of homes on the market remains high. Inventories of both new and existing homes (measured as a ratio to monthly sales) are up sharply since 2005, suggesting that builders are dealing with an abundance of home supply. The median price of existing single-family homes sold in October $548,680 dropped 0.8% from September. Since reaching a record-setting peak in August, California's median home price has dropped 4.8%. October was the third consecutive month of sub-2% year-over-year price appreciation.

The State of California's sales and use tax receipts were $127 million below the month's forecast of $2.665 billion. November cash includes the final payments for third quarter

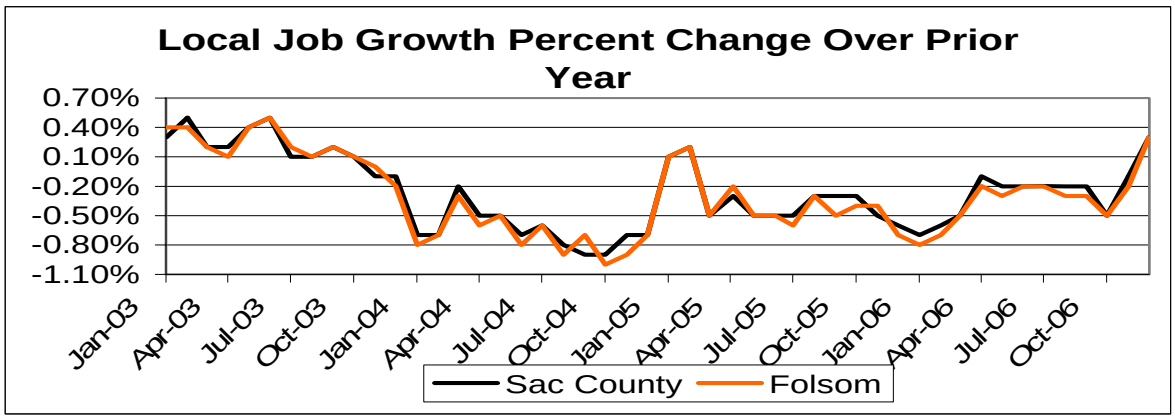
sales, as well as the first prepayment for fourth quarter sales. Early November receipts detail show that October's cash strength was timing related and due to posting to October cash that is normally seen in early November. Year-to-date, the sales tax cash is $24 million below forecast.

FY 2007-08 Governors' Budget - The 2007-08 Governors' proposed budget includes a few program expansions, and proposes a number of budget-balancing actions, including a major redirection of transportation funds, significant reductions in social services, and a variety of other actions to eliminate a significant shortfall in FY 2007-08. The plan assumes that adoption of its proposals will result in a balanced budget with over $2 billion in reserve. However, critics contend the budget contains a significant number of downside risks and is based on a number of optimistic assumptions.

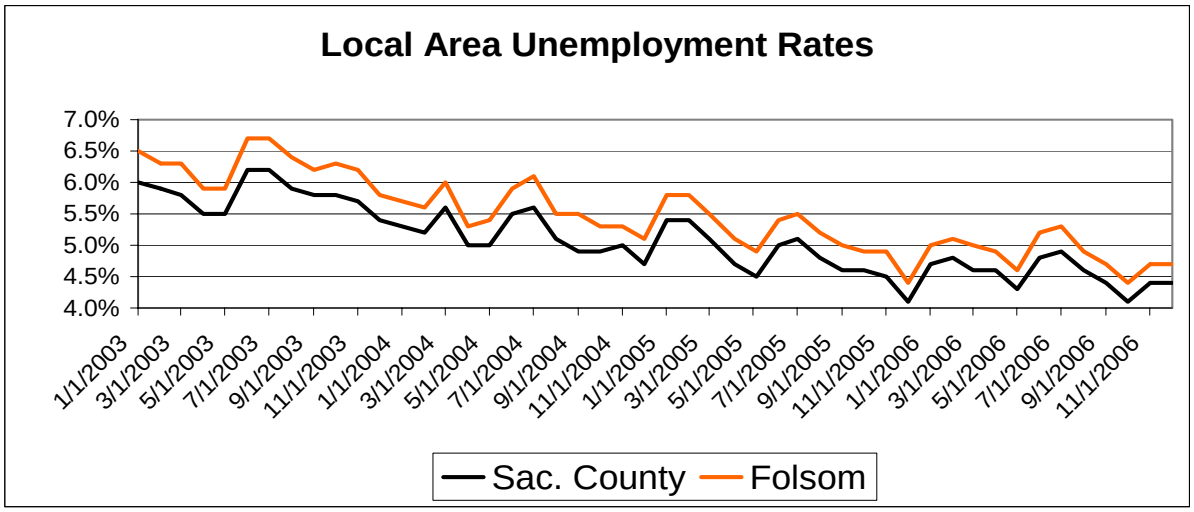
The administration's forecast assumes that current trends will improve in the second half of the fiscal year, but that total revenues and transfers will still increase by only 1.7% from the prior year reaching $95 billion for all of FY 2006-07. Major taxes are projected to increase by a slightly stronger rate of 2.7%. In FY 2007-08, the budget forecast projects that revenues and transfers will be $102.3 billion, a 7.7% increase from the current year. The increase is supported by the proposed expansion of tribal gambling compacts as well as one-time receipts from the assumed sale of pension obligation bonds. Adjusting for these and other special factors, revenues are expected to increase by 6.5% in the budget year.

The Governors' proposed budget provides funding to address a number of previously identified issues related to inmate capacity and health care in the state's prison system. However, in other areas, there are relatively few major new initiatives. Funding is generally provided to caseload and implementation costs associated with initiatives adopted in the current year. The two areas of the budget experiencing the biggest reductions are social services and transportation.

Local Economy



Through December 2006, the unemployment rate in the Sacramento-Arden-Arcade-Roseville Metropolitan Statistical Area (MSA) was 4.3%, which represents an increase of 0.1% from September 2006, and is above the 4.1% figure from one year ago. This compares with an unadjusted unemployment rate of 4.8% for California and 4.5% for the nation during the same period. The unemployment rate was 4.3% in El Dorado County, 3.6% in Placer County, 4.4% in Sacramento County, and 5.5% in Yolo County.



The North State Building Industry Association reported 379 new home sales in December 2006 in the 181 new home communities it tracks, and 6,069 sales for the year, versus 7,671 sales last year. Since the number of active communities varies from month to month and year to year, it is more telling to compare the average number of sales per month in those communities. This year the average was 3 sales per month, whereas last year it was 4.5 sales per month. 37% of new home sales in December were priced at or below $480,000. 58% were priced between $400,000 and $600,000. The remaining 5% were priced from $600,000. At the end of December 2006, the 30-year fixed-rate mortgage (FRM) averaged 6.18%, down slightly from last year's rate of 6.21%.

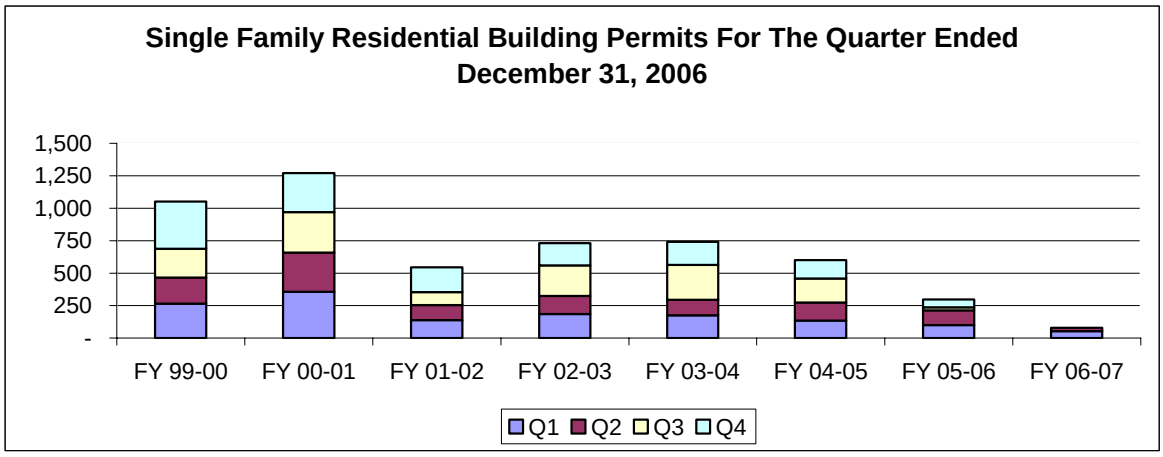
In the local region, Sacramento-area home builders closed 2006 on an up-note, boosting year-over-year quarterly sales of new homes for the first time since 2004 with steep price cuts and giveaways that often totaled as much as $150,000 per house. The aggressive sales tactics, designed to clear excess stock off builders' books by December 31, drove fourth quarter sales 58% higher than the same time in 2005 and 25% above the third quarter of 2006, according to a report released on January 12, 2007 by the Gregory Group. Lower median prices across the region helped drive the 2,445 reported sales, with prices dipping 4.7% below the same time last year. Only El Dorado Hills and Rocklin reported higher median sales prices than last year.

The six-county Sacramento Region continued its pattern of declining job growth in November 2006, falling to 1.4 percent year-over-year employment growth (a gain of 13,300 jobs). This reflects a 2 percentage point decline from the February 2006 peak of 3.4 percent. Sacramento has not seen employment growth rates at this level since mid-2004. The Region's recent declines are primarily a result of housing-related slowdowns combined with diminishing growth in a few other large sectors. Even with the descending job growth, the Region has remained above the statewide and national averages in recent months.

Please refer to Appendix R for a detailed analysis of the City's sales tax activity for the quarter provided by The HdL Companies.

New Construction

Overall residential building permits issued were down 64% for the two quarters ending December 31, 2006, with 78 permits issued in the current year versus 214 permits issued in the same two quarters of the previous Fiscal Year.



Significant Events

Historic District – In December 2006 the Folsom City Council approved selling tax-allocation bonds to help finance about $15 million of the city railroad block parking structure and public plaza project in historic Folsom. The project, located between Sutter, Reading, Leidesdorff, and Wool streets, includes the city-financed four-story, 315-space parking structure. Construction is expected to begin in mid-January 2007.
Light Rail commuters and others who park on the railroad turntable parking lot in Historic Folsom will find limited parking in that lot once construction on the 350-space parking structure begins.

Dam Bridge Update – In September 2006 the City of Folsom and the U.S. Army Corps of Engineers reached agreement for financing a four-land, two mile project downstream from the Folsom Dam over the American River. The Corps of Engineers will pay approximately two-thirds of the $117 million cost for the bridge, with the City covering the remaining third. Folsom's contribution includes funding from the Measure A Renewal Program, the California Department of Water Resources, and the Sacramento Flood Control Agency. Bids are expected to be opened and construction is scheduled to begin in January 2007, with an anticipated completion date of December 2008. In early January 2007 it was announced that after an extensive bidding process, the Corps selected Kiewit Pacific Company of Concord, CA to construct the Folsom bridge across the American River downstream of Folsom Dam.

Commercial Banking - The proposed Folsom Lake Bank is now working on its organization plans and capital campaign. With successful organization and regulatory approvals, the bank could open in spring 2007. The bank's headquarters will be on Sutter Street in Folsom's historic district. Folsom Lake Bank is the second new bank proposed in Folsom this year. The first, Commerce Bank of Folsom, released its offering circular in November and is now raising from $13 million to $16.3 million in capital.

Health Care – In early October 2006 Catholic Healthcare West (CHW) broke ground on a $27 million, 22,410 square-foot 85-bed emergency pavilion, which is expected to open in 2008. However, that's just the first step in a much broader development plan. Preliminary plans for the site indicate CHW may spend more than $225 million over the next 15 years to expand the hospital to more than 300 beds. The plan includes a 21-bed medical surgery unit followed by a new patient wing with up to 90 beds; and in 2020 or later an inpatient tower with up to 90 more beds.

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General Fund Financial Results

General Fund

The General Fund is the main operating fund of the City. For financial reporting purposes the following funds are presented on a combined basis: General Fund, Community Center, Cash Basis, Compensated Absences, Utilities Administration, Public Works, and the Folsom History Interpretive.

Revenues

Total General Fund revenues, including transfers in, were at 35% of budget. The low percentage of budget figure is somewhat misleading and is timing related as a significant amount of budget VLF triple-flip gap repayment revenue is historically received in the second half of the fiscal year.

Total Combined General Fund Revenues decreased by 20% in the second quarter of FY 2007 compared to FY 2006 due to the Prairie City property sale that occurred in the first quarter of FY 2006. After adjusting for one-time revenues, the General Fund showed an increase of 5.1% or $1,187,421 from the prior year.

The December advance of property tax revenue was received and is at 47% of budget and represents a 24% ($1,319,245) increase over the second quarter of FY 2006.

Sales tax revenues are slightly below estimates at 32% of budget - a 9% ($630,706) decrease compared to FY 2006, which is consistent with data provided by the HdL Companies. The State Board of Equalization has not contacted the City regarding the $1,000,000 that the City received in error, and it has not been determined when the state will recoup this amount.

Licenses and Permits increased 16% or $57,370 over the prior year's second quarter. This is 83% of the budgeted amount.

Intergovernmental revenues increased 103% or $254,000 over the same period in the prior year. This increase is due to grants of $170,000 and VLF of $84,000.

Charges for current services decreased 72% or $6,334,954 to $2,434,753 because of one-time revenues that were received in the first quarter of fiscal year 2006 associated with the sale of the Prairie City property in the amount of $7,249,553. After adjusting for one-time revenues, charges for current services in the current fiscal year have increased over FY 2006 by 61% or $914,599.

Revenues	Budget FY 2007	Actual 12/31/2006	% of Budget	% of Total revenue
Taxes:				
Property	$ 14,541,736	$ 6,806,701	46.8%	28.2%
Sales and use	20,756,063	6,610,046	31.8%	27.4%
Transient occupancy	1,361,000	478,971	35.2%	2.0%
Real property transfer	734,117	-	0.0%	0.0%
Franchise fees	463,029	-	0.0%	0.0%
Other	-	46,582	0.0%	0.2%
Licenses and permits	511,900	424,688	83.0%	1.8%
Intergovernmental	5,365,545	500,142	9.3%	2.1%
Charges for current services	6,342,583	2,434,753	38.4%	10.1%
Fines and forfeitures	226,000	29,380	13.0%	0.1%
Interest	525,000	325,071	61.9%	1.3%
Miscellaneous	3,665,551	5,039	0.1%	0.0%
Operating transfers in	14,904,438	6,494,535	43.6%	26.9%
Total revenues	$ 69,396,962	$ 24,155,908	34.8%	

Expenditures

Total General Fund expenditures are at 44% of budget. Finance is the only department with expenditures over the target amount of 50% of budget and is currently at 51% due to an unbudgeted personnel change and timing related audit contracts.

Excluding transfers out, General Fund expenditures have increased 11.8% or $2,954,675 to $27,938,158 compared to Fiscal Year 2006. The increase is due to budgeted increases in all General Fund departments.

The 2007 expenditure budget includes approximately $282,000 carried forward from Fiscal Year 2006 including $70,000 for fire department capital outlay; $68,000 for park maintenance; $74,900 for police department capital outlay & supplies; $30,000 for non-departmental contracts; and the remainder for other one-time operating expenditures.

Expenditures	Budget FY 2007	Actual 12/31/2006	% of Budget	% of Total Exp
General government	$ 14,203,892	$ 6,257,381	44.1%	20.0%
Public safety	33,939,659	15,008,645	44.2%	48.0%
Utilities	1,397,412	602,221	43.1%	1.9%
Public works	8,239,259	3,243,655	39.4%	10.4%
Culture and recreation	6,059,634	2,826,257	46.6%	9.0%
Operating transfers out	6,746,488	3,336,675	49.5%	10.7%
Total expenditures	$ 70,586,344	$ 31,274,833	44.3%	

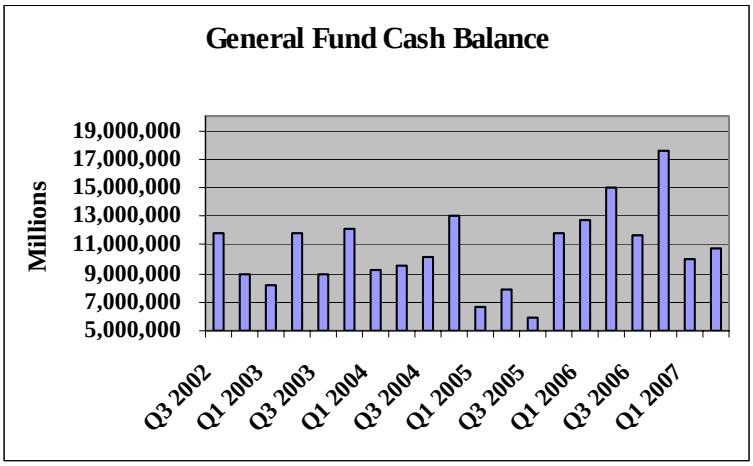
The 2007 expenditure budget for retiree health insurance is $857,500. The expense through the second quarter 2007 is $540,000, which is 63% of budget. The revenue received from retirees for the premium share is $31,635. Taking the revenue into account brings the comparison to budget down to 59%, which is still slightly higher than the second quarter target of 50%.

	# of Retirees		Actual $		FY 07 % of
Fund	12.31.2005	12.31.2006	12/31/2005	12/31/2006	Total Exp.
General Fund	66	72	$ 282,417	$ 294,229	54.5%
CCF	19	19	70,134	82,031	15.2%
Utilities Admin.	1	1	8,715	8,552	1.6%
Public Works	4	4	10,568	14,607	2.7%
Development	20	19	52,072	81,929	15.2%
Library	1	1	5,557	6,200	1.1%
Recreation	1	2	3,309	11,488	2.1%
Transit	5	5	12,469	16,928	3.1%
Water	2	2	9,362	4,536	0.8%
Solid Waste	3	3	14,079	14,910	2.8%
Information Systems	1	1	4,834	4,595	0.9%
Total	123	129	$ 473,516	$ 540,006	

Note: The number of retiree's as of December 31, 2006, does not take into account employees who separated from City service in the months of November and December 2006.

General Fund Cash Balance

The available combined General Fund operating cash balance was approximately $10.7 million at the end of the second quarter of fiscal year 2006-07, a decrease of $4.2 million from a year ago. The decrease is due to one-time revenues relating to the sale of Prairie City property in the first quarter of FY 2006. The chart on the right provides a twenty-quarter comparison of the General Fund cash balance.



Second Quarter Financial Report

FY 2006-07

Special Revenue Funds Financial Results

- Development
- Redevelopment
- Library

SPECIAL REVENUE FUNDS

Development Fund

Total Development Fund revenues, including transfers in, were at 23% of budget. License and permit revenue was at 39% of budget as of the end of the quarter, with $627,775 received. Approximately 92% of this revenue is made up of building permit fees. Charges for current services revenue was at 38% of budget as of the end of the quarter, with $1,080,774 received. The majority of this revenue is associated with structure plan check fees, subdivision improvement plan fees, subdivision improvement inspections, and underground utilities.

The 2007 expenditure budget includes approximately $90,000 carried forward from FY 2006; approximately $65,000 of this is related to economic development contracts.

The chart below provides condensed financial activity for the previous four years and the results of the current two quarters. The Development fund has incurred recurring losses from operations and has a negative fund balance of $4,372,700. Management is evaluating corrective action steps to address the structural deficit.

	Fiscal Year Ending				As of
	6.30.2003	**6.30.2004**	**6.30.2005**	**6.30.2006**	**12.31.2006**
Revenues	6,234,938	4,862,717	5,338,214	4,816,604	1,722,675
Expenditures	4,850,407	5,578,363	6,566,002	6,329,617	2,944,294
Excess (Deficiency) of revenues over expenditures	1,384,531	(715,646)	(1,227,788)	(1,513,013)	(1,221,619)
Other financing sources (uses):	(1,055,642)	(1,524,146)	(1,402,152)	(1,121,889)	(1,074,022)
Net change in fund balance	328,889	(2,239,792)	(2,629,940)	(2,634,902)	(2,295,641)
Fund balance (deficit), beginning of year	5,098,686	5,427,575	3,187,783	557,843	(2,077,059)
Fund balance (deficit) , end of year	$ 5,427,575	$ 3,187,783	$ 557,843	$ (2,077,059)	$ (4,372,700)

Redevelopment Funds

Low to Moderate Housing Fund

Revenues were $724,489, or 13% of budget. This is up from the first quarter, as the City received the first installment of property taxes in December. Budgeted sundry revenue in the amount of $4,279,166 represents a budget appropriation of fund balance to balance expenditures with revenues.

Expenditures were $1,168,507, or 20% of budget. Contract expenditures were at 19% of budget, with $981,432 in expenditures at the end of the quarter. The majority of these expenditures are attributable to $420,000 for the Down Payment Assistance Program and a $500,000 loan to Mercy Housing.

Unrestricted fund balance at December 31, 2006 and 2005, was $2,762,525 and $3,197,316 respectively, a decrease of $434,791 from the prior year.

Central Folsom Redevelopment Project Fund

Revenues were $2,356,504, or 66% of budget, as the City received the first installment of property taxes in December.

Excluding transfers out, expenditures were at 40% of budget. Of the $594,722 spent, approximately $441,000 was for AB 1290 program expenditures. The 2007 expenditure budget includes approximately $127,000 carried forward from FY 2006. Operating transfer out activity includes approximately $2.2 million to the RDA capital project fund and $669,370 for debt service.

Unrestricted fund balance at December 31, 2006 and 2005, was $8,091,302 and $10,281,873 respectively, a decrease of $2,190,571 from the prior year.

Library Fund

Revenues were $1,014,084, or 34% of budget, as the City received the first installment of property taxes in December.

Expenditures were at 25% of budget. Of the $727,993 spent, approximately 55% or $400,094 was for salaries and benefits.

Unrestricted fund balance at December 31, 2006 and 2005, was $695,630 and $1,190,180 respectively, a decrease of $494,550 from the prior year. This decline in unrestricted fund balance is mostly due to a corresponding increase of approximately $862,000 to the reserve for encumbrances related to the future purchase of books for circulation and other capital related items.

Second Quarter Financial Report

FY 2006-07

Enterprise Funds Financial Results

- Recreation
- Aquatics
- Sports & Teen Center
- Water
- Sewer
- Solid Waste
- Transit

ENTERPRISE FUNDS

Recreation Fund

Through December 31, 2006, total revenues totaled $1,264,843 (41% of budget) and expenses totaled of $1,426,425 (46% of budget), which resulted in a decrease in net assets of $161,582. Significant revenue sources during the quarter were: (1) subsidy transfer in $760,050; (2) sports $239,079; and (3) cultural services $190,230. In the sports category, adult sports accounted for $155,455 or 65% of the category's revenue. Cultural services revenue consisted mostly fee based special events of $88,636 and of youth-related revenues of $60,661. Revenues with the exception of subsidy transfers in and fee-based special events were below the quarterly target of 50%.

In the expenditure category, the two largest categories were employee services $926,172 (47% of budget) and contractual services $221,865 (38% of budget). Overall expenditures were below the second quarter target of 50%.

This fund ended the quarter with a deficit fund balance of $438,698; an improvement of $118,031 from December 31, 2005. As shown in Attachment I, the Recreation fund has incurred recurring losses from operations, and as of December 31, 2006, the funds' total liabilities exceeded its total assets by $438,698. The chart below provides condensed financial activity for the previous five years and the results of the current two quarters.

	Fiscal Year Ending					As of
	06.30.2002	06.30.2003	06.30.2004	06.30.2005	06.30.2006	12.31.2006
Revenues	$ 1,073,517	$ 1,198,008	$ 1,326,720	$ 1,511,614	$ 1,432,871	$ 504,793
Expenditures	1,746,431	1,884,622	2,304,446	2,542,052	2,643,743	1,352,540
Excess (Deficiency) of revenues over expenditures	(672,914)	(686,613)	(977,726)	(1,030,438)	(1,210,872)	(847,747)
Other financing sources (uses) net:	809,770	821,566	870,558	963,470	1,021,863	686,165
Net Change in fund balance	136,856	134,953	(107,168)	(66,968)	(189,009)	(161,582)
Fund Balance, beginning of year	(185,780)	(48,924)	86,029	(21,139)	(88,107)	(277,116)
Fund Balance, end of year	$ (48,924)	$ 86,029	$ (21,139)	$ (88,107)	$ (277,116)	$ (438,698)

Aquatics Fund

Through December 31, 2006, total revenues of $536,697 (43% of budget) and expenditures of $550,210 (44% of budget) resulted in a decrease in net assets of $13,513. Overall revenues and expenditures are slightly behind the targeted 50%; however, the Aquatic Center operations are cyclical with the majority of revenues being earned in the spring and summer months.

Significant revenues during the quarter were from recreation swim and lap swim activities $131,609 (54.9% of budget). In the expenditure category, employee services was the most significant activity $322,658 (45% of budget).

Fund deficit at December 31, 2006, was $105,912; an improvement of $39,988 from December 31, 2005. Both Finance and Recreation department staff will continue to closely monitor this fund as current liabilities exceed current assets by $69,950.

Sports and Teen Center

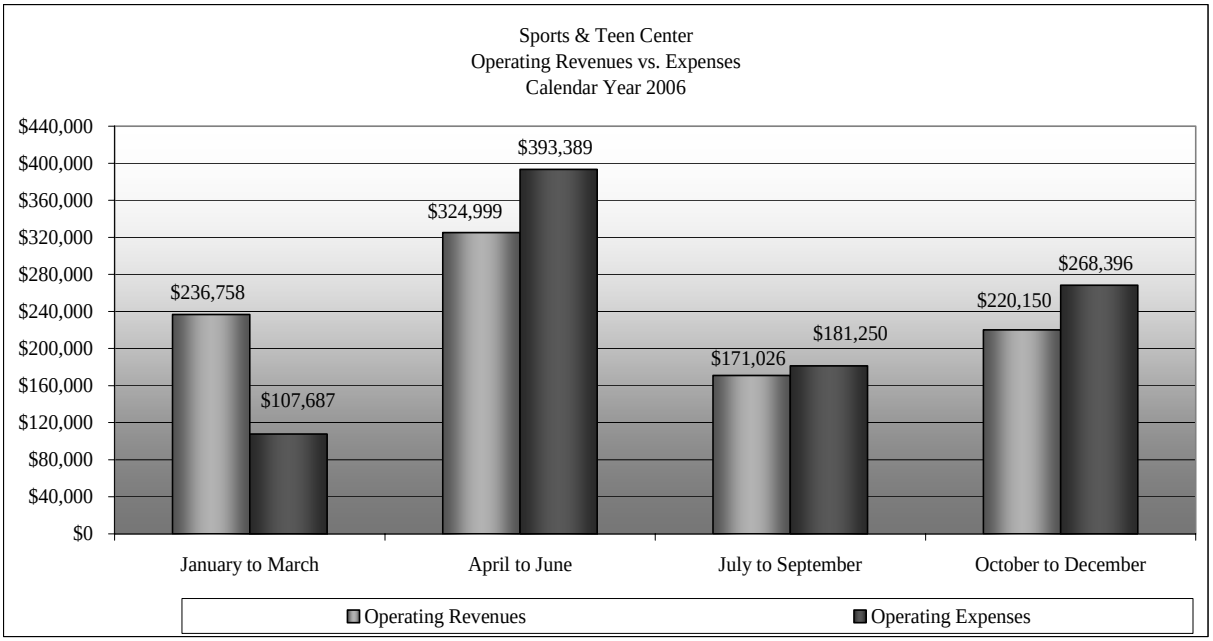
Through December 31, 2006, total revenues of $901,423 (53% of budget) and expenditures of $498,982 (29% of budget) resulted in an increase in net assets of $405,441. Transfers in amounted to $500,937, of which $500,000 represents the annual debt service requirement and has skewed net income upwards as the corresponding expenditure has not been incurred. After adjusting for this transfer, the funds' operating and net losses were $58,469 and $94,559 respectively.

Significant operating revenue sources included youth sports, adult sports, and facility rentals and café sales in the amounts of $112,892, $106,532, and $83,242 respectively. In the expenditure category significant expenditures were employee services $190,108, contractual services $59,453, and supplies $43,280.

For calendar year 2006, the Sports and Teen Center, which the City purchased on January 31, 2006, essentially broke even as operating revenues totaled $952,934 compared to operating expenses of $950,722. The top five revenue sources as a percent of total operating revenues are as follows:

- Youth Soccer $182,244 (19%)
- Adult Soccer $142,527 (15%)
- Batting Cage $114,459 (12%,
- Facility Rental $100,188 (11%)
- Preschool $81,071 (9%).

The two largest expenditures were employee services at $337,512 (36%) and contractual services at $158,822 (17%). The chart below shows the Center's operating revenues and expenses by quarter for calendar year 2006:



Zoo

Through December 31, 2006, Zoo Sanctuary has incurred expenditures of $662,592 and received revenues of $168,844 resulting in a net cost to the General Fund of $493,748. Attendance through December 31 was 52,767 an increase of 6,619 versus the prior year. Please refer to the chart below for a five-year analysis of the Zoo's operations and the results of the current quarter.

	Fiscal Year					Through
	2002	2003	2004	2005	2006	12.31.2006
Expenditures						
Salaries	$ 390,358	$ 436,813	$ 519,983	$ 614,495	$ 587,297	$ 299,652
Benefits	151,375	169,504	270,065	356,572	290,029	164,714
Supplies & Services	107,817	126,474	203,526	200,733	230,914	111,798
Liability Insurance	22,084	29,704	(856)	(18,090)	22,599	28,942
Contracts	44,389	62,911	65,545	83,764	85,662	35,520
Capital Outlay	4,075	18,069	16,140	54,404	30,890	21,966
Less Transfer from Zoo Trust	2,575	18,069	12,354	54,404	17,012	-
Net Expenditures	717,523	825,406	1,062,049	1,237,474	1,230,379	662,592
Revenues						
Ticket Sales	134,408	125,545	170,593	182,253	202,965	121,650
Gift Shop Sales			63,177	61,210	60,758	34,275
Other Programs	30,066	37,505	47,746	52,323	62,362	12,919
Gross Revenue	164,474	163,050	281,516	295,786	326,084	168,844
Less Transfer to Zoo Trust	(92,541)	(75,366)	(118,534)	(120,859)	(135,658)	-
Net Revenue	71,933	87,684	162,982	174,927	190,426	168,844
Net Cost to General Fund	$ 645,590	$ 737,722	$ 899,067	$ 1,062,547	$ 1,039,953	$ 493,748
Attendance	79,331	73,610	102,212	103,364	110,200	52,767

Water Fund - The Water Funds are reported on a combined basis and include the following funds: Water Impact, Water Operating, Water Capital, Water Meters, and the 1998 Water Bonds Project.

Total revenues were $6,530,435 (34% of budget) and expenditures of $8,526,014 (31% of budget) resulted in a decrease to net assets of $1,995,579 for the second quarter of FY 2006-2007. Operating revenues of $5,116,294 and expenses of $4,353,634 resulted in an operating gain of $762,660 for the second quarter of FY 2006-2007. Operating revenues and expenses were 63% and 45% respectively of current year budget projections. Charges for services were at 63% of budget and are due to three factors: (1) higher rates; (2) increased customer base; and (3) increased non-residential consumption.

Non-operating and transfer activities included investment income of $293,018, impact fees of $418,557, capital outlay expenses of $2,552,630, and transfers out of $995,058. Total net assets increased by $8,448,962 to $79,637,903, compared to $71,188,941 at December 31, 2005. Of the total net assets, $6,081,967 is restricted and relates to outstanding encumbrances.

Sewer Fund - The Sewer Fund is reported on a combined basis and includes Funds 530 (Sewer) and 531 (Sewer Capital).

Total revenues were $2,595,110 (47% of budget) and expenses of $3,181,249 (46% of budget) which resulted in a decrease to net assets of $586,139 for the second quarter of FY 2006-2007.

Operating revenues of $2,497,281 (51% of budget) and operating expenses of $1,552,914 (45% of budget) resulted in operating income of $944,367 for the second quarter of FY 2006-2007. Operating expenditure percentages were below budget targets due to limited activity in the contractual services line item (14% of budget).

Non-operating and transfer activities consisted of impact fees of $40,539, investment income of $56,903, capital outlay costs of $1,215,121, and transfers out of $413,214.

Total net assets increased by $1,435,129 to $35,469,390 compared to $34,034,261 at December 31, 2006. Of the total net assets $601,903 is restricted and relates to outstanding encumbrances.

Solid Waste Fund - The Solid Waste Fund is reported on a combined basis and includes Funds 540 (Solid Waste Operating) and 541 (Solid Waste Capital).

Total revenues of $5,052,040 (47% of budget) and expenses of $4,754,687 (43% of budget) resulted in an increase to net assets of $297,353 for the second quarter of FY 2006-2007. Operating revenues of $4,956,708 (50% of budget) and operating expenses of $3,418,395 (41% of budget) resulted in an operating gain of $1,538,313 for the second quarter of FY 2006-2007. Operating expenses are below the target level of 50% due to limited activity in the contractual services line item (24% of budget).

Recycling revenue totaled $184,857 (55% of budgeted projections). These revenues represent the City's efforts to recycle cardboard, newspaper, metal, and miscellaneous recycling materials collected via the City's residential recycling program.

Non-operating and transfer activities included intergovernmental revenues of $18,255, investment income of $25,228, impact fees of $51,849, debt service expense of $638,136, and transfers out of $688,757.

Net assets totaled $2,271,121, a decrease of $276,820 compared to December 31, 2005, and is largely due to budgeted FY 2006 expenditures relating to the three cart recycling rollout.

Transit Fund

Operating revenues of $68,618 (45% of budget) and operating expenses of $906,350 (47% of budget) resulted in an operating loss of $837,732 for the second quarter of FY 2006-2007.

The Transit Fund receives most of its revenues via non-operating intergovernmental revenues (Local Transportation Fund and State Transit Assistance) and is budgeted to receive $3.7 million for FY 2006-2007, and is typically received later in the fiscal year.

Total net assets were $719,322. Of the total net assets, $1.5 million is restricted and relates to outstanding encumbrances for the purchase of new buses, which will be reimbursed to the City via State Transit Bus Replacement Grant funds.

Outstanding Debt, Capital Improvement Plan and Encumbrances

Outstanding Debt

At the end of the second quarter of FY 2007, the City had approximately $138.3 million of outstanding debt comprised as follows: General obligation $25.5 million; certificates of participation $9.2 million; revenue bonds $89.5 million; and tax allocation bonds of $14.1 million. General obligation debt is backed by the full faith and credit of the City and by general taxes. Certificates of participation are used to finance capital improvements while complying with or avoiding constitutional debt limitations applicable to the State of California, its cities, counties, school districts, and to public entities in various other states. Tax allocation bonds are issued by the Folsom Redevelopment Agency for specific projects and are secured by anticipated increments in the property taxes generated from the redeveloped property. Revenue bond debt is supported by a pledge of specific revenues. Approximately $30.9 million of the City's revenue bond debt is supported by the City's water utility.

A complete list of the City's outstanding debt is included in Attachment P.

Capital Improvement Plan (CIP)

This section presents a summary of all CIP projects adopted with the passage of the FY 2006-2007 budget. Capital improvements are projects that contribute to providing essential municipal services that make Folsom a community of choice for living, working, and enjoying leisure activities. The CIP section of the annual City Budget has detailed information about CIP projects and funding sources. Some funds may only be used for specific types of projects, and there is a backlog of projects with no funding at all.

At the end of the second quarter of FY 2007, the City had sixty-six active projects with an approved budget totaling $58,087,768. During the current quarter, significant progress was made on the following projects:

Culture and Recreation – Seniors and Arts Center

General Service – Folsom Main Library

Open Space and Greenbelts – Oak Parkway Trail and Overlook Trail Extension

Sewer – Miscellaneous Infiltration/Inflow Improvements

Streets – Street Overlay

Transportation –New Bridge below Folsom Dam

Water – Water Main Replacement Program

The table below provides a summary of the original budget, revised budget (including encumbrances), total expenditures through December 31, 2006, and percent of revised budget expended. A more detailed listing of CIP expenditures by project is included in Attachment Q.

	Adopted Budget FY 06-07	Revised Budget FY 06-07	Expenditures per quarter Q1	Expenditures per quarter Q2	Total Expended FY 06-07	% of Budget Expended
Culture and Recreation	$ 3,252,692	$ 5,334,910	$ 64,901	$ 629,710	$ 694,610	13.0%
Drainage	1,325,000	1,763,554	30,706	93,642	124,347	7.1%
General Services	15,889,967	16,254,118	8,292	3,378,341	3,386,633	20.8%
Open Space and Greenbelts	193,200	1,616,146	152,291	254,816	407,107	25.2%
Sewer	1,345,000	2,680,441	156,589	1,057,925	1,214,514	45.3%
Streets	1,942,500	4,271,887	1,316,063	292,402	1,608,465	37.7%
Transportation	18,486,560	19,921,572	5,397,954	5,752,200	11,150,153	56.0%
Water	4,495,000	6,245,140	468,267	539,071	1,007,338	16.1%
	$ 46,929,919	$ 58,087,768	$ 7,595,062	$ 11,998,106	$ 19,593,168	33.7%

Encumbrances

This section presents a summary of open encumbrances/purchase orders. Encumbrances are the recognition of commitments that will subsequently become expenditures when goods and services are received. An encumbrance does not represent an expenditure for the period, only a commitment to expend resources. California Government Code Section 16304 states that "An appropriation shall be deemed to be encumbered at the time and to the extent that a valid obligation against the appropriation is created.

Folsom Municipal Code Section 3.02.030 provides further clarification and states the following: "All appropriations, except for capital projects involving capital replacements and capital additions, shall lapse at the end of the fiscal year to the extent that such appropriation has not been expended or encumbered, except: (1) All capital project appropriations shall continue in force until expended, revised or repealed by action of the City Council; and (2) all capital project appropriations shall be deemed to be abandoned if three years pass without disbursement from or encumbrance against the appropriation."

The table below provides a summary listing of outstanding encumbrances by operating and capital projects funds at December 31, 2006:

Fund #	Fund Name	Fund Type	Total Fund Budget FY 06/07	Encumbrance $ Total	% of total Fund Budget
10	General	General	$ 59,748,300	$ 730,011	1.22%
23	Public Works	General	7,328,884	480,501	6.56%
220	Development	Special Revenue	9,021,954	176,992	1.96%
225	General Plan Amendment	Special Revenue	302,102	10,000	3.31%
238	RDA Low to Mod	Special Revenue	5,705,879	410	0.01%
239	RDA Project Area	Special Revenue	3,684,825	153,675	4.17%
255	Library	Special Revenue	2,913,316	862,000	29.59%
760	Wetland/Open Space Maintenance	Special Revenue	23,200	23,200	100.00%
510	Recreation	Enterprise	3,090,520	10,200	0.33%
511	Aquatics	Enterprise	1,247,568	371	0.03%
512	Recreation & Teen Center	Enterprise	1,710,056	3,422	0.20%
519	Transit	Enterprise	4,423,352	1,592,179	35.99%
520	Water	Enterprise	11,786,458	1,329,045	11.28%
530	Sewer	Enterprise	4,493,791	284,341	6.33%
540	Solid Waste	Enterprise	10,797,050	288,630	2.67%
603	Information Systems	Internal Service	1,626,073	38,660	2.38%
		Subtotal non-capital related	$ 127,903,328	$ 5,983,637	4.68%

Fund #	Fund Name	Fund Type	Total Fund Budget FY 06/07	Encumbrance $ Total	% of total Fund Budget
412	Park Improvements	Capital Project	4,546,360	1,026,535	22.58%
425	Zoo Capital	Capital Project	1,321,038	309,163	23.40%
431	RDA Capital Project	Capital Project	12,346,376	831,176	6.73%
446	Transportation Improvement	Capital Project	20,659,310	1,544,958	7.48%
448	Drainage Capital	Capital Project	1,546,349	398,819	25.79%
451	Light Rail Transportation	Capital Project	1,096,605	77,932	7.11%
458	Library	Capital Project	5,457,673	1,413,836	25.91%
601	Major Capital & Renovation	Capital Project	284,481	72,773	25.58%
456	Water Impact Fees	Enterprise	1,152,142	4,347	0.38%
520	Water	Enterprise	10,476,973	3,581,840	34.19%
521	Water Capital	Enterprise	3,192,608	1,080,004	33.83%
530	Sewer	Enterprise	2,280,169	260,820	11.44%
531	Sewer Capital	Enterprise	72,477	15,880	21.91%
536	FAC Augmentation Critical	Enterprise	16,168	8,257	51.07%
537	FAC Augmentation General	Enterprise	283,812	128,879	45.41%
541	Solid Waste - Capital	Enterprise	340,730	4,975	1.46%
203	Traffic Congestion Relief	Special Revenue	450,000	89,026	19.78%
223	Humbug Willow Creek	Special Revenue	2,321,064	55,135	2.38%
243	Gas Tax 2106	Special Revenue	491,493	178,051	36.23%
244	Gas Tax 2107	Special Revenue	347,528	61,278	17.63%
247	Gas Tax 2105	Special Revenue	351,680	7,767	2.21%
264	Park Renovation Fund	Special Revenue	1,630,497	522,562	32.05%
		Subtotal Capital	$ 70,665,533	$ 11,674,013	16.52%
		Total Citywide	$ 198,568,861	$ 17,657,650	8.89%

APPENDIX A

City of Folsom
Revenue Summary by Fund
Quarter Ended December 31, 2006

Fund # and Description	Revenues through 12/31/2005	Revenues through 12/31/2006	2007 vs. 2006	Percent Change	Budget FY 2006/2007	Percent of 2007 Budget
FUND 010 GENERAL FUND	$ 27,361,554	$ 20,536,302	$ (6,825,252)	-24.9%	$ 59,491,783	34.5%
FUND 012 COMMUNITY CENTER	368,671	420,162	51,491	14.0%	911,748	46.1%
FUND 015 COMPENSATED LEAVES	-	1,200,000	1,200,000	-	1,200,000	100.0%
FUND 016 COMM CORR FACILITY	-	-	-	-	-	-
FUND 022 UTILITIES ADMINISTRATION	-	349,465	349,465	-	1,397,412	25.0%
FUND 023 PUBLIC WORKS	2,487,688	1,649,814	(837,874)	-33.7%	7,008,193	23.5%
FUND 025 FSLM HISTORY INTERPRETION	127	165	38	29.6%	-	-
FUND 201 COMM DEV BLOCK GRANT	21,759	236,465	214,706	986.7%	568,625	41.6%
FUND 203 TRAFFIC CONGESTION RELIEF	84,358	14,284	(70,074)	-	350,000	4.1%
FUND 204 LOS CERROS L&L AD	3,349	4,598	1,250	37.3%	87,020	5.3%
FUND 205 BRIGGS RANCH L&L AD	2,886	3,992	1,106	38.3%	108,750	3.7%
FUND 206 TRANSPORTATION SYSTEM MGT	38,812	32,187	(6,625)	-17.1%	64,350	50.0%
FUND 207 NATOMA STATION L&L AD	6,266	8,587	2,321	37.0%	293,769	2.9%
FUND 208 FOLSOM HGHTS L&L AD	1,774	2,184	411	23.2%	47,766	4.6%
FUND 209 BROADSTONE UNIT 3 L & L	411	935	524	127.5%	15,640	6.0%
FUND 210 BROADSTONE L&L AD	18,948	6,751	(12,197)	-64.4%	520,988	1.3%
FUND 212 HANNAFORD CROSS L & L A	1,374	1,567	192	14.0%	41,166	3.8%
FUND 213 LAKE NATOMA SHORES L &	1,483	1,641	158	10.7%	71,996	2.3%
FUND 214 COBBLE HILLS/REFLECT L&	4,347	5,945	1,598	36.8%	151,328	3.9%
FUND 219 FOLSOM ARTS & CULT'L CO	1,079	3,663	2,585	239.6%	5,000	73.3%
FUND 220 DEVELOPMENT FUND	2,550,651	2,070,246	(480,406)	-18.8%	8,914,922	23.2%
FUND 221 HOUSING TRUST FUND	263,046	186,755	(76,291)	-29.0%	-	-
FUND 223 HUMBUG WILLOW CREEK	58,479	26,281	(32,198)	-55.1%	875,906	3.0%
FUND 225 GENERAL PLAN AMENDMENT	48,542	47,293	(1,249)	-2.6%	302,102	15.7%
FUND 226 TREE PLANTING & REPLACEMENT	63,037	211,380	148,343	235.3%	33,815	625.1%
FUND 231 SIERRA ESTATES L & L	68	130	61	89.7%	5,864	2.2%
FUND 232 LAKERIDGE ESTATES L & L	272	1,620	1,348	495.0%	48,571	3.3%
FUND 233 LA COLLINA DEL LAGO L &	633	1,447	814	128.5%	36,699	3.9%
FUND 234 COBBLE RIDGE L & L	414	841	427	103.2%	17,361	4.8%
FUND 236 PRAIRIE OAKS RANCH L&L	25,924	9,965	(15,958)	-61.6%	288,088	3.5%
FUND 237 SILVERBROOK L&L	1,540	2,623	1,083	70.3%	16,052	16.3%
FUND 238 REDEVELOPMENT AGY 20% M	565,462	724,489	159,027	28.1%	5,705,469	12.7%
FUND 239 REDEVELOPMENT AGY 80% M	2,063,698	2,356,504	292,805	14.2%	3,557,515	66.2%
FUND 240 PARK DEDICATION (QUIMBY)	1,804,877	14,529	(1,790,348)	-99.2%	640,074	2.3%
FUND 241 MISCELLANEOUS GRANTS	-	2,399	2,399	-	-	-
FUND 243 GAS TAX 2106	123,438	138,114	14,677	11.9%	291,493	47.4%
FUND 244 GAS TAX 2107	241,857	245,139	3,282	1.4%	217,905	112.5%
FUND 245 GAS TAX 2107.5	7,796	8,225	429	5.5%	47	17499.0%
FUND 246 PLANNING SERVICES	17,935	167,986	150,051	836.7%	14,405	1166.2%
FUND 247 GAS TAX 2105	203,305	184,731	(18,574)	-9.1%	230,047	80.3%
FUND 248 TRANSPORTATION TAX(SB32	7,395	6,440	(955)	-12.9%	106,394	6.1%
FUND 249 WILLOW CREEK EAST L&L A	1,952	2,751	799	40.9%	94,288	2.9%
FUND 250 BLUE RAVINE OAKS L&L AD	5,020	2,379	(2,641)	-52.6%	62,250	3.8%
FUND 251 STEEPLECHASE L&L AD	1,978	6,442	4,464	225.7%	63,708	10.1%
FUND 252 WILLOW CREEK SOUTH L&L	10,274	13,465	3,191	31.1%	258,374	5.2%
FUND 253 AMERICAN RV CANYON NO L	293	56	(237)	-80.8%	103,828	0.1%
FUND 254 HISTORICAL DISTRICT	5,373	5,229	(144)	-2.7%	274	1908.2%
FUND 255 LIBRARY	811,976	1,014,084	202,108	24.9%	2,961,316	34.2%
FUND 257 CULTURAL EVENTS	201	351	150	74.5%	13,990	2.5%
FUND 259 SAC.PLAC.TRANS. BILLBOARD	18,593	6,777	(11,816)	-63.5%	-	-
FUND 260 WILLOW SPRINGS L & L	341	387	46	13.6%	19,737	2.0%
FUND 262 WILLOW SPGS CFD 11 M. D	6,683	12,153	5,470	81.8%	153,798	7.9%
FUND 264 PARK RENOVATION FUND	74,012	285,304	211,292	285.5%	1,287,722	22.2%
FUND 265 SPONSORSHIP-LEMBI AQUATIC	11,270	13,053	1,784	15.8%	16,000	81.6%
FUND 266 CFD #12 MAINT. DIST.	12,678	15,273	2,595	20.5%	686,808	2.2%
FUND 267 CFD #13 ARC MAINT. DIST	1,345	1,480	135	10.1%	108,471	1.4%
FUND 270 ARC NO. L & L DIST #2	396	915	519	131.1%	11,396	8.0%
FUND 271 THE RESIDENCES AT ARC,	255	711	456	179.0%	16,537	4.3%
FUND 272 FIELDSTONE MEADOWS L&L	226	330	104	46.2%	12,808	2.6%
FUND 274 OAKS AT WILLOW SPRINGS	-	2,709,335	2,709,335	-	-	-
FUND 302 CCF DEBT SERVICE	15,064	1,171,438	1,156,374	7676.6%	1,273,715	92.0%
FUND 305 1993 G O SCHOOL FAC D S	17,900	23,303	5,404	30.2%	3,463,090	0.7%

APPENDIX A

City of Folsom
Revenue Summary by Fund
Quarter Ended December 31, 2006

Fund # and Description	Revenues through 12/31/2005	Revenues through 12/31/2006	2007 vs. 2006	Percent Change	Budget FY 2006/2007	Percent of 2007 Budget
FUND 313 REDEVELOPMENT AGY DEBT	10,871,544	17,664,478	6,792,934	62.5%	1,118,792	1578.9%
FUND 320 FSAD REFUNDING	2,773	4,844	2,071	74.7%	-	-
FUND 321 1982-1 NIMBUS AD D S	9,649	16,861	7,211	74.7%	-	-
FUND 325 TRAFFIC SIGNAL COP REFI	1,536	37,706	36,170	2355.0%	40,003	94.3%
FUND 337 RECREATION FACILITIES C	28,338	25,438	(2,900)	-10.2%	62,575	40.7%
FUND 338 CENTRAL FIRE STA COP'S	276,047	195,021	(81,026)	-29.4%	271,823	71.7%
FUND 411 SUPPLEMENTAL PARK FEE	46,280	22,651	(23,628)	-51.1%	1,853	1222.4%
FUND 412 PARK IMPROVEMENTS	748,049	448,419	(299,631)	-40.1%	2,099,425	21.4%
FUND 416 CFD #10 RUSSELL RANCH	141,873	171,626	29,753	21.0%	-	-
FUND 418 PRAIRIE OAK 92-2 1915 A	2,297	3,625	1,328	-	-	-
FUND 422 LAKE NATOMA SHORES 1915	2,091	-	(2,091)	-	-	-
FUND 425 ZOO CAPITAL PROJECTS	46,990	256,681	209,692	-	1,092,663	23.5%
FUND 428 POLICE CAPITAL	177,087	113,760	(63,327)	-35.8%	249,040	45.7%
FUND 431 REDEVELOPMENT AGY CAP P	-	17,205,776	17,205,776	-	15,336,231	112.2%
FUND 438 PARKWAY II CFD #14	62,129	664,362	602,233	969.3%	327	203168.8%
FUND 440 CENTRAL FIRE STATION CO	-	-	-	-	-	-
FUND 441 FIRE CAPITAL	197,948	651,191	453,243	229.0%	1,639	39731.0%
FUND 445 GENERAL CAPITAL	305,406	149,874	(155,532)	-50.9%	647,674	23.1%
FUND 446 TRANSPORTATION IMPR	1,412,885	1,246,922	(165,964)	-11.7%	18,322,366	6.8%
FUND 448 DRAINAGE CAPITAL IMPRV	210,717	525,843	315,126	149.5%	1,103,293	47.7%
FUND 451 LIGHT RAIL TRANSPORTATION	299,295	51,620	(247,675)	-82.8%	501,146	10.3%
FUND 452 GENERAL PARK EQUIP CAP	24,090	8,107	(15,983)	-66.3%	52,024	15.6%
FUND 453 LIGHT RAIL	275,872	9,943	(265,929)	-96.4%	1,905,139	0.5%
FUND 456 WATER IMPACT FEE(ORD912	269,174	218,763	(50,411)	-18.7%	1,147,795	19.1%
FUND 458 LIBRARY DEVELOPMENT FUND	8,116,923	115,023	(8,001,899)	-98.6%	36,144	318.2%
FUND 510 RECREATION	1,114,457	1,264,844	150,387	13.5%	3,061,814	41.3%
FUND 511 AQUATICS CENTER	541,243	536,696	(4,547)	-0.8%	1,247,197	43.0%
FUND 512 RECREATION AND TEEN CENTER	-	901,423	901,423	-	1,692,645	53.3%
FUND 519 TRANSIT	139,692	(1,082,414)	(1,222,106)	-874.9%	4,362,379	-24.8%
FUND 520 WATER OPERATING	3,987,764	5,880,766	1,893,003	47.5%	16,540,796	35.6%
FUND 521 WATER CAPITAL	730,913	388,930	(341,984)	-46.8%	1,116,411	34.8%
FUND 522 WATER METERS	71,410	41,977	(29,433)	-41.2%	281,577	14.9%
FUND 530 SEWER OPERATING	2,208,947	2,546,018	337,071	15.3%	5,475,164	46.5%
FUND 531 SEWER CAPITAL	157,288	49,091	(108,196)	-68.8%	62,130	79.0%
FUND 536 FAC AUGMENTATION CRITIC	6,195	10,255	4,059	65.5%	1,682	609.7%
FUND 537 FAC AUGMENTATION GENERAL	17,250	38,071	20,821	120.7%	273,255	13.9%
FUND 540 SOLID WASTE OPERATING	4,932,218	4,990,553	58,334	1.2%	10,327,114	48.3%
FUND 541 SOLID WASTE CAPITAL	101,126	61,487	(39,638)	-39.2%	335,755	18.3%
FUND 542 RECYLING FUND	68,128	-	(68,128)	-100.0%	-	-
FUND 601 MAJOR CAPITAL & RENOVATION	10,265	9,877	(388)	-3.8%	119,391	8.3%
FUND 602 EQUIPMENT FUND	33,246	74,448	41,202	123.9%	1,625,487	4.6%
FUND 603 INFORMATION SYSTEMS	536,894	799,387	262,493	48.9%	1,578,474	50.6%
FUND 605 FOLSOM PUBLIC FINANC AUTH	2,453,416	2,701,011	247,594	10.1%	6,158,845	43.9%
FUND 750 INSURANCE SPECIAL REVENUE	10,115	9,909	(206)	-2.0%	-	-
FUND 751 POLICE SPECIAL REVENUE	65,420	67,302	1,882	2.9%	421,888	16.0%
FUND 752 GENERAL SPECIAL REVENUE	245,862	271,833	25,971	10.6%	564,881	48.1%
FUND 753 ZOO SPECIAL REVENUE	11,378	20,388	9,010	79.2%	521,449	3.9%
FUND 759 BUILDINGS & GRNDS SP RE	88,360	158,107	69,747	78.9%	18,677	846.5%
FUND 760 WETLAND/OPEN SPACE MAIN	4,031	7,040	3,009	74.6%	23,200	30.3%

APPENDIX B

City of Folsom
Expenditure Summary by Fund
Quarter Ended December 31, 2006

Fund # and Description	Expenditures through 12/31/2005	Expenditures through 12/31/2006	2007 vs. 2006	Percent Change	Budget FY 2006/2007	Percent of 2007 Budget
FUND 010 GENERAL FUND	$ 24,311,997	$ 26,831,073	$ 2,519,076	10.4%	$ 59,748,300	44.9%
FUND 012 COMMUNITY CENTER	391,743	406,521	14,778	3.8%	911,748	44.6%
FUND 015 COMPENSATED LEAVES	435,191	553,564	118,373	27.2%	1,200,000	46.1%
FUND 016 COMM CORR FACILITY	271	-	(271)	-100.0%	-	-
FUND 022 UTILITIES ADMINISTRA	635,909	602,221	(33,688)	-	1,397,412	43.1%
FUND 023 PUBLIC WORKS	2,654,108	2,880,302	226,194	8.5%	7,328,884	39.3%
FUND 025 FSLM HISTORY INTERPR	1,123	1,152	29	2.6%	-	-
FUND 201 COMM DEV BLOCK GRANT	250,437	331,726	81,289	32.5%	568,625	58.3%
FUND 203 TRAFFIC CONGESTION R	-	10,974	10,974	-	450,000	2.4%
FUND 204 LOS CERROS L&L AD	11,768	12,396	628	5.3%	87,020	14.2%
FUND 205 BRIGGS RANCH L&L AD	84,190	24,654	(59,535)	-70.7%	108,750	22.7%
FUND 206 TRANSPORTATION SYSTE	41,070	49,085	8,015	19.5%	119,935	40.9%
FUND 207 NATOMA STATION L&L A	111,928	152,383	40,455	36.1%	293,769	51.9%
FUND 208 FOLSOM HGHTS L&L AD	7,349	14,261	6,913	94.1%	47,766	29.9%
FUND 209 BROADSTONE UNIT 3 L	6,904	1,137	(5,767)	-83.5%	15,640	7.3%
FUND 210 BROADSTONE L&L AD	156,819	219,055	62,236	39.7%	520,988	42.0%
FUND 212 HANNAFORD CROSS L &	4,677	4,891	215	4.6%	41,166	11.9%
FUND 213 LAKE NATOMA SHORES L	11,820	28,871	17,051	144.3%	71,996	40.1%
FUND 214 COBBLE HILLS/REFLECT	12,764	8,503	(4,261)	-33.4%	151,328	5.6%
FUND 219 FOLSOM ARTS & CULT'L	100	-	(100)	-	5,000	0.0%
FUND 220 DEVELOPMENT FUND	3,968,586	4,365,887	397,301	10.0%	9,021,954	48.4%
FUND 221 HOUSING TRUST FUND	-	13,958	13,958	-	-	-
FUND 223 HUMBUG WILLOW CREEK	464,791	320,022	(144,769)	-31.1%	2,321,064	13.8%
FUND 225 GENERAL PLAN AMENDME	35,173	28,205	(6,968)	-19.8%	302,102	9.3%
FUND 226 TREE PLANTING & REPL	6,215	10,289	4,074	65.6%	33,815	30.4%
FUND 231 SIERRA ESTATES L & L	3,150	2,150	(1,000)	-31.7%	5,864	36.7%
FUND 232 LAKERIDGE ESTATES L	60	1,261	1,201	1999.8%	48,571	2.6%
FUND 233 LA COLLINA DEL LAGO	109	1,651	1,543	1421.8%	36,699	4.5%
FUND 234 COBBLE RIDGE L & L	1,828	3,646	1,818	99.4%	17,361	21.0%
FUND 236 PRAIRIE OAKS RANCH L	68,106	148,965	80,859	118.7%	288,088	51.7%
FUND 237 SILVERBROOK L&L	1,670	743	(927)	-55.5%	16,052	4.6%
FUND 238 REDEVELOPMENT AGY 20	181,493	1,168,508	987,014	543.8%	5,705,879	20.5%
FUND 239 REDEVELOPMENT AGY 80	1,156,021	3,781,002	2,624,981	227.1%	3,684,825	102.6%
FUND 240 PARK DEDICATION (QUI	217,375	502,093	284,718	131.0%	640,074	78.4%
FUND 243 GAS TAX 2106	45,544	65,544	20,001	43.9%	491,493	13.3%
FUND 244 GAS TAX 2107	241,706	34,467	(207,239)	-85.7%	347,528	9.9%
FUND 245 GAS TAX 2107.5	-	24	24	-	47	50.0%
FUND 246 PLANNING SERVICES	121,446	23,412	(98,034)	-80.7%	106,736	21.9%
FUND 247 GAS TAX 2105	467,561	57,747	(409,815)	-87.6%	351,680	16.4%
FUND 248 TRANSPORTATION TAX(S	9,241	109,571	100,329	1085.6%	496,542	22.1%
FUND 249 WILLOW CREEK EAST L&	17,238	21,123	3,885	22.5%	94,288	22.4%
FUND 250 BLUE RAVINE OAKS L&L	14,984	6,198	(8,786)	-58.6%	62,250	10.0%
FUND 251 STEEPLECHASE L&L AD	4,903	3,413	(1,490)	-30.4%	63,708	5.4%
FUND 252 WILLOW CREEK SOUTH L	43,427	75,325	31,899	73.5%	258,374	29.2%
FUND 253 AMERICAN RV CANYON N	43,970	36,495	(7,475)	-17.0%	103,828	35.1%
FUND 254 HISTORICAL DISTRICT	6,201	460	(5,740)	-92.6%	274	167.9%
FUND 255 LIBRARY	633,615	727,994	94,379	14.9%	2,913,316	25.0%
FUND 257 CULTURAL EVENTS	-	-	-	-	13,990	-
FUND 260 WILLOW SPRINGS L & L	10,646	10,483	(164)	-1.5%	14,417	72.7%
FUND 262 WILLOW SPGS CFD 11 M	8,412	81,791	73,379	872.3%	159,118	51.4%
FUND 264 PARK RENOVATION FUND	105,942	327,278	221,336	208.9%	1,630,497	20.1%
FUND 265 SPONSORSHIP-LEMBI AQ	-	501	501	-	16,000	3.1%
FUND 266 CFD #12 MAINT. DIST.	139,504	222,776	83,272	59.7%	686,808	32.4%
FUND 267 CFD #13 ARC MAINT. D	62,337	22,235	(40,102)	-64.3%	108,471	20.5%
FUND 270 ARC NO. L & L DIST #	6,487	1,132	(5,356)	-82.6%	11,396	9.9%
FUND 271 THE RESIDENCES AT AR	2,438	2,570	132	5.4%	16,537	15.5%
FUND 272 FIELDSTONE MEADOWS L	-	-	-	-	12,808	-

APPENDIX B

City of Folsom
Expenditure Summary by Fund
Quarter Ended December 31, 2006

Fund # and Description	Expenditures through 12/31/2005	Expenditures through 12/31/2006	2007 vs. 2006	Percent Change	Budget FY 2006/2007	Percent of 2007 Budget
FUND 273 SPHERE OF INFLUENCE	-	39,233	39,233			
FUND 302 CCF DEBT SERVICE	6,888	2,161,984	2,155,096	31289.5%	1,273,715	169.7%
FUND 305 1993 G O SCHOOL FAC	2,844,893	2,885,455	40,561	1.4%	3,463,090	83.3%
FUND 313 REDEVELOPMENT AGY DEBT SERV	8,537,421	16,197,422	7,660,001	89.7%	1,118,792	1447.8%
FUND 325 TRAFFIC SIGNAL COP R	16,016	19,141	3,125	19.5%	40,003	47.9%
FUND 337 RECREATION FACILITIE	2,720	2,725	5	-	62,575	4.4%
FUND 338 CENTRAL FIRE STA COP	189,140	190,971	1,831	1.0%	271,823	70.3%
FUND 411 SUPPLEMENTAL PARK FE	-	927	927	-	1,853	50.0%
FUND 412 PARK IMPROVEMENTS	439,683	772,141	332,457	75.6%	4,546,360	17.0%
FUND 418 PRAIRIE OAK 92-2 191	688	-	(688)	-	-	-
FUND 425 ZOO CAPITAL PROJECTS	49,517	150,885	101,369	204.7%	1,321,038	11.4%
FUND 428 POLICE CAPITAL	248,308	248,674	366	0.1%	249,040	99.9%
FUND 431 REDEVELOPMENT AGY CA	1,948,832	453,851	(1,494,981)	-76.7%	12,346,376	3.7%
FUND 438 PARKWAY II CFD #14	4,486	1,654,869	1,650,383	36788.5%	327	506076.1%
FUND 440 CENTRAL FIRE STATION	217,181	-	(217,181)	-		-
FUND 441 FIRE CAPITAL	1,490	(681)	(2,171)	-145.7%	1,639	-41.5%
FUND 445 GENERAL CAPITAL	496,692	647,183	150,491	30.3%	647,674	99.9%
FUND 446 TRANSPORTATION IMPR	752,690	10,810,073	10,057,383	1336.2%	20,659,310	52.3%
FUND 448 DRAINAGE CAPITAL IMP	1,049,750	200,399	(849,351)	-80.9%	1,546,349	13.0%
FUND 451 LIGHT RAIL TRANSPORT	2,206,265	52,558	(2,153,707)	-97.6%	1,096,605	4.8%
FUND 452 GENERAL PARK EQUIP	-	87	87	-	52,024	0.2%
FUND 453 LIGHT RAIL	3,602	(1,092,207)	(1,095,810)	-30418.5%	1,908,605	-57.2%
FUND 456 WATER IMPACT FEE(ORD	64,307	540,413	476,105	740.4%	1,152,142	46.9%
FUND 458 LIBRARY DEVELOPMENT	2,393,602	3,127,970	734,367	30.7%	5,457,673	57.3%
FUND 510 RECREATION	1,347,018	1,426,425	79,407	5.9%	3,090,520	46.2%
FUND 511 AQUATICS CENTER	636,383	550,208	(86,175)	-13.5%	1,247,568	44.1%
FUND 512 RECREATION AND TEEN CENTER	113,850	495,983	382,133	-	1,710,056	29.0%
FUND 519 TRANSIT	1,490,505	1,124,790	(365,715)	-24.5%	4,423,352	25.4%
FUND 520 WATER OPERATING	10,852,537	7,480,391	(3,372,146)	-31.1%	22,263,431	33.6%
FUND 521 WATER CAPITAL	788,094	471,046	(317,048)	-40.2%	3,192,608	14.8%
FUND 522 WATER METERS	95,764	34,163	(61,601)	-64.3%	281,577	12.1%
FUND 524 1998 WATER BONDS PRO	84,318	-	(84,318)	-	329,983	0.0%
FUND 530 SEWER OPERATING	1,846,566	3,175,920	1,329,354	72.0%	6,773,960	46.9%
FUND 531 SEWER CAPITAL	17,529	5,329	(12,200)	-69.6%	72,477	7.4%
FUND 536 FAC AUGMENTATION CRI	14,403	7,070	(7,333)	-50.9%	16,168	43.7%
FUND 537 FAC AUGMENTATION GEN	81,004	15,983	(65,021)	-	283,812	5.6%
FUND 540 SOLID WASTE OPERATIN	6,131,843	4,666,023	(1,465,820)	-23.9%	10,797,050	43.2%
FUND 541 SOLID WASTE CAPITAL	82,811	88,663	5,853	7.1%	340,730	26.0%
FUND 542 RECYLING FUND	-	-	-	-	-	-
FUND 601 MAJOR CAPITAL &RENOV	44,150	105,397	61,247	138.7%	284,481	37.0%
FUND 602 EQUIPMENT FUND	315,762	388,030	72,268	22.9%	1,625,487	23.9%
FUND 603 INFORMATION SYSTEMS	714,682	780,203	65,520	9.2%	1,626,073	48.0%
FUND 605 FOLSOM PUBLIC FINANC	4,241,656	3,663,100	(578,556)	-	6,158,845	59.5%
FUND 750 INSURANCE SPECIAL REVENUE	9,271	7,122	(2,150)	-23.2%	-	-
FUND 751 POLICE SPECIAL REVENUE	1,643	52,320	50,677	3085.4%	303,688	17.2%
FUND 752 GENERAL SPECIAL REVENUE	149,637	406,069	256,432	171.4%	564,881	71.9%
FUND 753 ZOO SPECIAL REVENUE	3,640	25,987	22,346	613.9%	516,449	5.0%
FUND 759 BUILDINGS & GRNDS SP REV	6,768	9,339	2,571	38.0%	18,677	50.0%
FUND 760 WETLAND/OPEN SPACE MAIN	-	-	-	-	23,200	0.0%

APPENDIX C

December 2006

City of Folsom, California

50% of Year Elapsed

Combined General Funds *

Revenue and Expense Statement
Quarter Ended December 31, 2006

	FY 2006 As of 12/31/2005	FY 2007 BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	%
REVENUES:					
Taxes:					
Property	$ 5,487,456	$ 14,541,736	$ 6,806,701	$ 7,735,035	**47%**
Sales And Use	7,240,753	20,756,063	6,610,046	14,146,017	**32%**
Transient Occupancy	714,086	1,361,000	478,971	882,029	**35%**
Real Property Transfer	(51,956)	734,117	-	734,117	**0%**
Franchise Fees	-	- 463,029	-	463,029	**0%**
Other	-	-	46,582	(46,582)	**0%**
Licenses And Permits	367,319	511,900	424,688	87,212	**83%**
Intergovernmental Revenues	245,837	5,365,545	500,142	4,865,403	**9%**
Charges For Current Services	8,769,707	6,342,583	2,434,753	3,907,830	**38%**
Fines And Forfeitures	89,347	226,000	29,380	196,620	**13%**
Interest Revenue	253,369	525,000	325,071	199,929	**62%**
Miscellaneous	82,102	3,665,551	5,039	3,660,512	**0%**
Operating Transfers In	7,020,023	14,904,438	6,494,535	8,409,903	**44%**
TOTAL REVENUES	30,218,040	69,396,962	24,155,908	45,241,054	**35%**
EXPENDITURES:					
Current Operating:					
General Government	5,421,159	14,203,892	6,257,381	7,946,511	**44%**
Public Safety	13,447,350	33,939,659	15,008,645	18,931,014	**44%**
Utilities	436,631	1,397,412	602,221	795,191	**43%**
Public Works	2,926,234	8,239,259	3,243,655	4,995,604	**39%**
Culture And Recreation	2,752,109	6,059,634	2,826,257	3,233,377	**47%**
Operating Transfers Out	3,446,859	6,746,488	3,336,675	3,409,813	**49%**
TOTAL EXPENDITURES	28,430,342	70,586,344	31,274,833	39,311,511	**44%**
DEFICIENCY OF REVENUES OVER EXPE	1,787,698	(1,189,382)	(7,118,925)		
FUND BALANCE, JULY 1					
As Previously Reported	16,482,125	18,930,817	21,681,618		
Prior period Adjustment	-	-	-		
As Restated	16,482,125	18,930,817	21,681,618		
FUND BALANCE, DECEMBER 31	$ 18,269,822	$ 17,741,435	$ 14,562,692		
RESTRICTED FUND BALANCE	(5,599,601)	-	(4,317,259)		
UNRESTRICTED FUND BALANCE	$ 12,670,221	$ 17,741,435	$ 10,245,434		

*Includes the following funds: General Fund, Community Center, Cash Basis, Reserve for Economic Uncertainty, Compensated Absences, Community Correctional Facility, Utilities Administration, Public Works and Folsom History Interpretive

APPENDIX D

City of Folsom, California

City of Folsom, California
Expenditure Summary - General Fund Departments
Quarter Ended December 31, 2006

	Expenditures through		Variance			
	12/31/2005	12/31/2006	FY 2007 vs. 2006	Percent Change	Budget FY 06/07	Percent of 2007 Budget
EXPENDITURES:						
City Council	$ 60,362	$ 69,968	$ 9,606	15.9%	$ 148,646	47%
City Manager	564,241	420,147	(144,094)	-25.5%	1,913,133	22%
City Clerk	203,029	245,615	42,586	21.0%	503,727	49%
Finance	1,018,482	1,233,839	215,357	21.1%	2,437,860	51%
City Attorney	358,349	383,795	25,446	7.1%	970,234	40%
Personnel	460,720	540,456	79,735	17.3%	1,201,617	45%
Admin Srvs	671,055	675,671	4,616	0.7%	1,515,713	45%
Police	7,599,920	8,508,466	908,546	12.0%	18,569,886	46%
Fire	5,847,159	6,500,179	653,019	11.2%	15,369,773	42%
Rec Admin	195,962	209,833	13,871	7.1%	441,088	48%
Streets	2,910	-	(2,910)	-100.0%	-	
Fleet Mngmt	568,129	640,012	71,883	12.7%	1,463,693	44%
Parks & Trails	1,612,393	1,596,202	(16,190)	-1.0%	3,463,010	46%
Zoo	595,932	662,591	66,659	11.2%	1,341,570	49%
Non Departmental	1,648,607	2,133,175	484,568	29.4%	4,312,962	49%
Operating Transfers Out	2,904,748	3,011,125	106,377	3.7%	6,095,388	49%
TOTAL EXPENDITURES	$ 24,311,997	$ 26,831,073	$ 2,519,076	10.4%	$ 59,748,300	45%

APPENDIX E

City of Folsom, California

December 2006

50% of Year Elapsed

Development Fund

Revenue and Expense Statement
Quarter Ended December 31, 2006

	FY 2006 As of 12/31/2005	FY 2007 BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	VARIANCE 2007 Budget %
REVENUES:					
Licenses And Permits	$ 843,305	$ 1,626,800	$ 627,775	$ 999,025	**39%**
Intergovernmental	-	50,000	14,126	35,874	**28%**
Charges for Current Services	1,607,897	2,868,140	1,080,774	1,787,366	**38%**
Interest Revenue	20,584	26,269	-	26,269	**0%**
Sundry Revenue	-	3,794,615	-	3,794,615	**0%**
Operating Transfers In	78,864	549,098	347,571	201,527	**63%**
TOTAL REVENUES	2,550,650	8,914,922	2,070,246	6,844,676	**23%**
EXPENDITURES:					
Economic Development					
Salaries & Benefits	93,621	285,008	106,894	178,114	**38%**
Services & Supplies	10,622	75,444	37,833	37,611	**50%**
Insurance Liability	6,333	8,928	8,928	0	**100%**
Contracts	155,899	233,557	66,792	166,765	**29%**
Public Information Officer					
Contracts	504	-	-	-	
Community Development					
Salaries & Benefits	1,035,393	2,650,409	927,276	1,723,133	**35%**
Services & Supplies	72,044	190,975	57,690	133,285	**30%**
Insurance Liability	132,408	179,396	163,457	15,939	**91%**
Contracts	86,561	385,250	23,502	361,748	**6%**
Neighborhood Services					
Salaries & Benefits	1,069,885	2,556,898	1,050,426	1,506,472	**41%**
Services & Supplies	84,238	255,304	85,154	170,150	**33%**
Insurance Liability	84,020	101,858	87,545	14,313	**86%**
Contracts	183,093	409,000	197,989	211,011	**48%**
SAVSA					
Salaries & Benefits		-	39,654	(39,654)	**0%**
Services & Supplies	19,597	28,086	3,329	24,757	**12%**
Capital Outlay	-	18,258	-	18,258	**0%**
L & L Administration (Poggione) 2340					
Salaries & Benefits	-	217,117	77,757	139,360	**36%**
Services & Supplies	-	26,462	2,082	24,380	**8%**
Insurance Liability	-	6,800	6,800	-	**100%**
Contracts	-		1,186	(1,186)	**0%**
Capital Outlay	-	23,000		23,000	**0%**
Traffic Maintenance (Streets) 3201					
Salaries & Benefits	-	-		-	
Insurance Liability	1,392	-		-	
Operating Transfers Out	932,975	1,370,204	1,421,593	(51,389)	**104%**
TOTAL EXPENDITURES	3,968,585	9,021,954	4,365,887	4,656,067	**48%**
APPROPRIATION OF FUND BALANCE	(1,417,935)		(2,295,641)		
FUND BALANCE, JULY 1	557,843		(2,077,059)		
FUND BALANCE DECEMBER 31	$ (860,092)		$ (4,372,700)		
RESTRICTED FUND BALANCE	(214,938)		(179,944)		
UNRESTRICTED FUND BALANCE	$ (1,075,030)		$ (4,552,644)		

APPENDIX F

City of Folsom, California

Redevelopment Agency Fund, Low To Moderate Housing

Revenue and Expense Statement
Quarter Ended December 31, 2006

December 2006
50% of Year Elapsed

	FY 2006 As of 12/31/2005	FY 2007 BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	VARIANCE 2007 Budget %
REVENUES:					
Tax	$ 410,611	$ 1,352,901	$ 509,571	$ 843,330	**38%**
Charges for Current Services	-	-	172	(172)	**0%**
Interest Revenue	37,114	73,402	43,672	29,730	**59%**
Other (Sundry) Revenue	-	4,279,166	-	4,279,166	**0%**
Operating Transfers In (Adjust 20% to 25%)	117,736	-	171,074	(171,074)	
TOTAL REVENUES	565,461	5,705,469	724,489	4,980,980	**13%**
EXPENDITURES:					
Salary & Benefits	96,955	247,394	122,096	125,298	**49%**
Services & Supplies	9,417	14,300	5,406	8,894	**38%**
Contracts	24,830	5,280,410	981,432	4,298,978	**19%**
Insurance	6,025	8,822	8,823	(1)	**100%**
Operating Transfers Out	44,266	154,953	50,750	104,203	**33%**
TOTAL EXPENDITURES	181,493	5,705,879	1,168,507	4,537,372	**20%**
APPROPRIATION OF FUND BALANCE	383,968		(444,018)		
FUND BALANCE, JULY 1	4,683,913		5,468,828		
FUND BALANCE DECEMBER 31	$ 4,611,575		$ 5,024,810		
RESTRICTED FUND BALANCE	(1,414,259)		(2,262,285)		
UNRESTRICTED FUND BALANCE (DEFICIT)	$ 3,197,316		$ 2,762,525		

APPENDIX G

City of Folsom, California

Redevelopment Agency Fund Central Folsom Redevelopment Project **December 2006**

Revenue and Expense Statement 50% of Year Elapsed

Quarter Ended December 31, 2006

	FY 2006 As of 12/31/2005	FY 2007 BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	VARIANCE 2007 Budget %
REVENUES:					
Tax	$ 1,880,607	$ 3,162,306	$ 2,038,285	$ 1,124,021	**64%**
Charges for Current Services	18,304	50,000	116,311	(66,311)	**233%**
Interest Revenue	164,787	345,209	201,908	143,301	**58%**
TOTAL REVENUES	2,063,698	3,557,515	2,356,504	1,201,011	**66%**
EXPENDITURES:					
Salary & Benefits	51,029	111,422	97,509	13,913	**88%**
Services & Supplies	5,085	23,700	8,634	15,066	**36%**
Contracts	220,564	1,959,810	485,017	1,474,793	**25%**
Insurance	3,390	3,562	3,562	0	**100%**
Operating Transfers Out (Inc Adj 80% to 75%)	875,952	1,586,331	3,186,281	(1,599,950)	**201%**
TOTAL EXPENDITURES	1,156,020	3,684,825	3,781,003	(96,178)	**103%**
EXCESS REVENUES OVER EXPENDITURES	(831,891)		(1,424,499)		
FUND BALANCE, JULY 1	13,112,269		11,073,279		
FUND BALANCE DECEMBER 31	$ 12,280,378		$ 9,648,780		
RESTRICTED FUND BALANCE	(1,998,505)		(1,557,478)		
UNRESTRICTED FUND BALANCE	$ 10,281,873		$ 8,091,302		

APPENDIX H

City of Folsom, California

Library Fund

Revenue and Expense Statement
Quarter Ended December 31, 2006

December 2006

50% of Year Elapsed

	FY 2006 As of 12/31/2005	FY 2007 BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	VARIANCE 2007 Budget %
REVENUES:					
Taxes	$ 548,550	$ 1,469,599	$ 673,190	$ 796,409	**46%**
Fines and Forfeitures	19,961	50,000	15,897	34,103	**32%**
Interest Revenue	22,152	-	40,152	(40,152)	**0%**
Miscellaneous (Includes Donations)	58,813	1,116,717	122,345	994,372	**11%**
Transfers In	162,500	325,000	162,500	162,500	**50%**
TOTAL REVENUES	811,976	2,961,316	1,014,084	1,947,232	**34%**
EXPENDITURES:					
Salaries & Benefits	375,485	1,112,756	400,094	712,662	**36%**
Supplies & Services	65,515	1,205,112	80,698	1,124,414	**7%**
Contracts	19,753	69,300	4,718	64,582	**7%**
Insurance Liability	30,671	34,902	41,104	(6,202)	**118%**
Capital Outlay	-	88,488	-	88,488	**0%**
Operating Transfers Out	142,190	402,758	201,379	201,379	**50%**
TOTAL EXPENDITURES	633,614	2,913,316	727,993	4,132,555	**25%**
APPROPRIATION OF FUND BALANCE	178,362		286,091		
FUND BALANCE, JULY 1	1,499,318		1,759,039		
FUND BALANCE DECEMBER 31	$ 1,677,680		$ 2,045,130		
RESTRICTED FUND BALANCE	(487,500)		(1,349,500)		
UNRESTRICTED FUND BALANCE	$ 1,190,180		$ 695,630		

ATTACHMENT I

City of Folsom, California

December 2006

50% of Year Elapsed

Recreation Fund *

Revenue and Expense Statement
Period Ending December 31, 2006

	FY 2006 As of 12/31/2005	BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	%
OPERATING REVENUES:					
Charges For Services	$ 395,740	$ 1,463,234	$ 453,726	$ (1,009,508)	**31%**
Miscellaneous Revenue	108,967	78,480	50,997	(27,483)	**65%**
TOTAL OPERATING REVENUES	504,707	1,541,714	504,723	(1,036,991)	**33%**
OPERATING EXPENSES:					
Employee Services	796,078	1,957,231	926,172	(1,031,059)	**47%**
Supplies	75,463	225,209	81,937	(143,272)	**36%**
Maintenance and Operation	2,734	12,279	5,217	(7,062)	**42%**
Contractual Services	277,502	578,317	221,865	(356,452)	**38%**
Depreciation	1,252	-	1,252	1,252	**0%**
Other Operating Expenses	83,589	169,715	116,097	(53,618)	**68%**
TOTAL OPERATING EXPENSES	1,236,618	2,942,751	1,352,540	(1,590,211)	**46%**
OPERATING INCOME (LOSS)	(731,911)	(1,401,037)	(847,817)	553,220	**61%**
NONOPERATING REVENUE (EXPENSES):					
Investment Income	298	-	70	70	**0%**
TOTAL NONOPERATING REVENUE (EXPENSE)	298	-	70	70	**0%**
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(731,613)	(1,401,037)	(847,747)	-	**61%**
CAPITAL CONTRIBUTIONS AND TRANSFERS:					
Transfers In	609,453	1,520,100	760,050	(760,050)	**50%**
Transfers Out	(110,400)	(147,769)	(73,885)	73,884	**50%**
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	499,053	1,372,331	686,165		
CHANGE IN NET ASSETS	(232,560)	(28,706)	(161,582)		
NET ASSETS, JULY 1	(88,107)	(277,116)	(277,116)		
NET ASSETS, December 31	(320,667)	(305,822)	(438,698)		
RESTRICTED NET ASSETS	(16,668)	-	(10,244)		
UNRESTRICTED NET ASSETS (DEFICIT)	$ (337,335)	$ (305,822)	$ (448,942)		

ATTACHMENT J

City of Folsom, California

December 2006

50% of Year Elapsed

Aquatics Fund *

Revenue and Expense Statement
Period Ending December 31, 2006

	FY 2006 As of 12/31/2005	BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	%
OPERATING REVENUES:					
Charges For Services	$216,768	$559,246	$197,649	$(361,597)	**35%**
Miscellaneous Revenue	71,127	169,352	82,404	(86,948)	**49%**
TOTAL OPERATING REVENUES	287,895	728,598	280,053	(448,545)	**38%**
OPERATING EXPENSES:					
Employee Services	354,983	723,993	322,658	(401,335)	**45%**
Utilities	76,916	169,600	58,725	(110,875)	**35%**
Supplies	91,784	146,877	66,120	(80,757)	**45%**
Maintenance and Operation	17,327	26,128	12,074	(14,054)	**46%**
Contractual Services	11,599	25,490	7,927	(17,563)	**31%**
Depreciation	1,253	-	-	-	**0%**
Other Operating Expenses	28,479	60,654	35,293	(25,361)	**58%**
TOTAL OPERATING EXPENSES	582,341	1,152,742	502,797	(649,945)	**44%**
OPERATING INCOME (LOSS)	(294,446)	(424,144)	(222,744)	201,400	**53%**
NONOPERATING REVENUE :					
Investment Income	129	-	-	-	**0%**
TOTAL NONOPERATING REVENUE (EXPENSE)	129	-	-	-	**0%**
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(294,317)	(424,144)	(222,744)	201,400	**53%**
CAPITAL CONTRIBUTIONS AND TRANSFERS:					
Transfers In	253,219	518,599	256,644	(261,955)	**49%**
Transfers Out	(54,043)	(94,826)	(47,413)	47,413	**50%**
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	199,176	423,773	209,231		
CHANGE IN NET ASSETS	(95,141)	(371)	(13,513)		
NET ASSETS, JULY 1	(50,759)	(92,399)	(92,399)		
NET ASSETS, DECEMBER 31	(145,900)	(92,770)	(105,912)		
RESTRICTED NET ASSETS	(1,252)	-	(371)		
UNRESTRICTED NET ASSETS (DEFICIT)	$ (147,152)	$ (92,770)	$ (106,283)		

* Depreciation expense not budgeted as it is a non-cash item

ATTACHMENT K

City of Folsom, California

December 2006

50% of Year Elapsed

Sports and Teen Center *

Revenue and Expense Statement
Period Ending December 31, 2006

	FY 2006 As of 12/31/2005	BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	%
ASSETS					
Cash	$ (113,850)		$ 594,103		
Accounts Receivable / Accrued Interest			7,145		
Fixed Assets (less Accumulated Depreciation)			6,405,412		
TOTAL ASSETS	(113,850)		7,006,660		
LIABILITIES					
Accounts Payable			876		
Wages Payable			-		
Accrued Compensated Absences			4,440		
Deferred Revenue / Refundable Deposits			-		
Sales & Use Tax			1,265		
Debt Service/Current Note Payable			500,000		
Debt Services/Long Term Note Payable			3,000,000		
TOTAL LIABILITIES	-		3,506,581		
FUND BALANCE					
Reserved for encumbrances			3,422		
Unreserved (deficit)	(113,850)		3,496,657		
TOTAL LIABILITIES & FUND BALANCE	(113,850)		7,006,660		
OPERATING REVENUES:					
Charges For Services	$ -	783,917	267,161	(516,756)	**34%**
Miscellaneous Revenue	-	261,596	124,015	(137,581)	**47%**
TOTAL OPERATING REVENUES	-	1,045,513	391,176	(654,337)	**37%**
OPERATING EXPENSES:					
Employee Services	-	571,504	190,108	(381,396)	**33%**
Utilities	-	72,500	30,209	(42,291)	**42%**
Supplies	-	184,569	43,280	(141,289)	**23%**
Maintenance and Operation	-	40,420	15,829	(24,591)	**39%**
Contractual Services	13,850	171,656	59,453	(112,203)	**35%**
Depreciation	-	-	76,656	76,656	**0%**
Other Operating Expenses	-	45,759	34,110	(11,649)	**75%**
TOTAL OPERATING EXPENSES	13,850	1,086,408	449,645	(636,763)	**41%**
OPERATING INCOME (LOSS)	(13,850)	(40,895)	(58,469)	(17,574)	**143%**
NONOPERATING REVENUE (EXPENSES) :					
Investment Income	-	-	9,310	9,310	**0%**
Debt Service	(100,000)	(500,000)	-	500,000	**0%**
Capital Outlay	-	(71,751)	(20,389)	51,362	**28%**
TOTAL NONOPERATING REVENUE (EXPENSE)	(100,000)	(571,751)	(11,079)	560,672	**2%**
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(113,850)	(612,646)	(69,548)	543,098	**11%**
CAPITAL CONTRIBUTIONS AND TRANSFERS:					
Transfers In	-	647,132	500,937	(146,195)	**77%**
Transfers Out	-	(51,897)	(25,948)	25,949	**50%**
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	-	595,235	474,989		
CHANGE IN NET ASSETS	(113,850)	(17,411)	405,441		
NET ASSETS, JULY 1		3,094,638	3,094,638		
NET ASSETS, DECEMBER 31	(113,850)	3,077,227	3,500,079		
RESTRICTED NET ASSETS		-	(3,422)		
UNRESTRICTED NET ASSETS (DEFICIT)	$ (113,850)	$ 3,077,227	$ 3,496,657		

***** Depreciation expense not budgeted as it is a non-cash item

ATTACHMENT L

City of Folsom, California

December 2006
50% of Year Elapsed

Combined Water Funds *

Revenue and Expense Statement
Period Ending December 31, 2006

	FY 2006 As of 12/31/2005	BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	%
OPERATING REVENUES:					
Charges For Services	$ 3,845,040	$ 8,104,657	$ 5,116,294	$ (2,988,363)	**63%**
TOTAL OPERATING REVENUES	3,845,040	8,104,657	5,116,294	(2,988,363)	**63%**
OPERATING EXPENSES:					
Employee Services	1,138,233	3,001,651	1,272,894	1,728,757	**42%**
Utilities	294,629	672,296	369,748	302,548	**55%**
Supplies	273,069	935,556	491,399	444,157	**53%**
Maintenance and Operation	74,096	230,995	108,592	122,403	**47%**
Contractual Services	569,043	4,447,877	881,620	3,566,257	**20%**
Depreciation	1,041,421	-	1,076,244	(1,076,244)	**0%**
Other Operating Expenses	141,725	400,980	153,137	247,843	**38%**
TOTAL OPERATING EXPENSES	3,532,216	9,689,355	4,353,634	5,335,721	**45%**
OPERATING INCOME	312,824	(1,584,698)	762,660	3,304,416	**-48%**
NONOPERATING REVENUE (EXPENSES):					
Impact Fees	896,002	504,135	418,557	(85,578)	**83%**
Miscellaneous Revenue	368	9,440,097	1,462	(9,438,635)	**0%**
Investment Income	317,852	504,660	293,018	(211,642)	**58%**
Intergovernmental	-	-	62,280	62,280	**0%**
Debt Service Expense	(837,075)	(2,132,117)	(624,692)	1,507,425	**29%**
Capital Outlay - Projects	(7,123,277)	(13,667,657)	(2,552,630)	11,115,027	**19%**
TOTAL NONOPERATING REVENUE (EXPENSE)	(6,746,130)	(5,350,882)	(2,402,005)	2,948,877	**45%**
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(6,433,306)	(6,935,580)	(1,639,345)	15,633,609	**24%**
CAPITAL CONTRIBUTIONS AND TRANSFERS:					
Transfers In	-	533,030	638,824	105,794	**120%**
Transfers Out	(392,454)	(1,730,612)	(995,058)	18,688,280	**57%**
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(392,454)	(1,197,582)	(356,234)		
CHANGE IN NET ASSETS	(6,825,760)	(8,133,162)	(1,995,579)		
NET ASSETS, JULY 1	78,014,701	81,633,481	81,633,481		
NET ASSETS, December 31	71,188,941	73,500,319	79,637,903		
RESTRICTED NET ASSETS	(7,963,844)	-	(6,081,967)		
UNRESTRICTED NET ASSETS	$ 63,225,097	$ 73,500,319	$ 73,555,936		

* Includes the following funds: Water Impact Fee, Water Operating, Water Capital, Water Meters, and 1998 Water Bonds Project
Depreciation expense not budgeted as it is a non-cash item

ATTACHMENT M

City of Folsom, California

Combined Sewer Funds *

Revenue and Expense Statement
Period Ending December 31, 2006

December 2006
50% of Year Elapsed

	FY 2006 As of 12/31/2005	BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	%
OPERATING REVENUES:					
Charges For Services - Accrual Basis	$ 2,508,945	$ 4,742,870	$ 2,469,281	$ (2,273,589)	**52%**
Prison Services	(324,049)	200,000	28,000	(172,000)	**14%**
TOTAL OPERATING REVENUES	2,184,896	4,942,870	2,497,281	(2,445,589)	**51%**
OPERATING EXPENSES:					
Employee Services	666,106	1,530,126	689,872	(840,254)	**45%**
Utilities	24,586	55,000	21,092	(33,908)	**38%**
Supplies	72,835	304,922	111,271	(193,651)	**36%**
Maintenance and Operation	27,533	195,000	30,855	(164,145)	**16%**
Contractual Services	140,722	1,181,374	166,424	(1,014,950)	**14%**
Depreciation	437,263	-	465,245	465,245	**0%**
Other Operating Expenses	48,827	199,887	68,155	(131,732)	**34%**
TOTAL OPERATING EXPENSES	1,417,872	3,466,309	1,552,914	(1,913,395)	**45%**
OPERATING INCOME (LOSS)	767,024	1,476,561	944,367	(532,194)	**64%**
NONOPERATING REVENUE (EXPENSES):					
Impact Fees	152,957	62,130	40,539	(21,591)	**65%**
Investment Income	28,382	49,500	56,903	7,403	**115%**
Miscellaneous Revenue	-	482,794	387	(482,407)	**0%**
Capital Outlay - Projects	(142,560)	(2,280,169)	(1,215,121)	(1,065,048)	**53%**
TOTAL NONOPERATING REVENUE (EXPENSE)	38,779	(1,685,745)	(1,117,292)	(568,453)	**66%**
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	805,803	(209,184)	(172,925)	(36,259)	**83%**
CAPITAL CONTRIBUTIONS AND TRANSFERS:					
Transfers Out	(303,663)	(1,099,959)	(413,214)	(686,745)	**38%**
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(303,663)	(1,099,959)	(413,214)		
CHANGE IN NET ASSETS	502,140	(1,309,143)	(586,139)		
NET ASSETS, JULY 1	33,532,121	36,055,529	36,055,529		
NET ASSETS, December 31	34,034,261	34,746,386	35,469,390		
RESTRICTED NET ASSETS	(1,246,575)	-	(601,903)		
UNRESTRICTED NET ASSETS	$ 32,787,686	$ 34,746,386	$ 34,867,487		

* Includes the following funds: Sewer Operating and Sewer Capital
Depreciation expense not budgeted as it is a non-cash item

APPENDIX N

City of Folsom, California

Combined Solid Waste Funds

Revenue and Expense Statement *
Period Ending December 31, 2006

December 2006
50% of Year Elapsed

	FY 2006 As of 12/31/2005	BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	%
OPERATING REVENUES:					
Charges For Services	$ 4,946,294	$ 9,907,600	$ 4,956,708	$ (4,950,892)	**50%**
TOTAL OPERATING REVENUES	4,946,294	9,907,600	4,956,708	(4,950,892)	**50%**
OPERATING EXPENSES:					
Employee Services	1,611,622	4,121,965	1,747,566	(2,374,399)	**42%**
Utilities	5,325	9,500	4,654	(4,846)	**49%**
Supplies	2,049,761	792,342	356,671	(435,671)	**45%**
Maintenance and Operation	248,288	485,292	230,318	(254,974)	**47%**
Contractual Services	898,508	2,479,165	587,531	(1,891,634)	**24%**
Depreciation	158,507	-	301,960	301,960	**0%**
Other Operating Expenses	215,518	382,393	189,695	(192,698)	**50%**
TOTAL OPERATING EXPENSES	5,187,529	8,270,657	3,418,395	(4,852,262)	**41%**
OPERATING INCOME (LOSS)	(241,235)	1,636,943	1,538,313	(98,630)	**94%**
NONOPERATING REVENUE (EXPENSE):					
Impact Fees	93,780	145,000	51,849	(93,151)	**36%**
Investment Income	41,729	65,100	25,228	(39,872)	**39%**
Intergovernmental Revenues	19,670	67,898	18,255	(49,643)	**27%**
Misc. Revenue	-	477,271	-	(477,271)	**0%**
Debt Service-Expense	(450,517)	(1,110,279)	(638,136)		
Capital Outlay	-	(105,800)	(9,399)	96,401	**9%**
TOTAL NONOPERATING REVENUE (EXPENSE)	(295,338)	(460,810)	(552,203)	(91,393)	**120%**
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(536,573)	1,176,133	986,110	(190,023)	**84%**
CAPITAL CONTRIBUTIONS AND TRANSFERS:					
Transfers Out	(576,609)	(1,651,044)	(688,757)	962,287	**42%**
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(576,609)	(1,651,044)	(688,757)		
CHANGE IN NET ASSETS	(1,113,182)	(474,911)	297,353		
NET ASSETS, JULY 1	3,661,123	1,973,768	1,973,768		
NET ASSETS, December 31	2,547,941	1,498,857	2,271,121		
RESTRICTED NET ASSETS	(746,774)	-	(293,605)		
UNRESTRICTED NET ASSETS	$ 1,801,167	$ 1,498,857	$ 1,977,516		

* Includes the following funds: Solid Waste Operating and Solid Waste Capital
Depreciation expense not budgeted as it is a non-cash item

ATTACHMENT O

City of Folsom, California

December 2006
50% of Year Elapsed

Transit Fund
Revenue and Expense Statement
Period Ending December 31, 2006

	FY 2006 As of 12/31/2005	BUDGET	FY 2007 As of 12/31/2006	VARIANCE 2007 Budget $	%
ASSETS					
Cash	$ (177,129)		$ (880,978)		
Intergovernmental / County	325		1,151,357		
Accounts Receivable / Accrued Interest	8,547		5,584		
Fixed Assets (less Accumulated Depreciation)	617,105		514,949		
TOTAL ASSETS	448,848		790,912		
LIABILITIES					
Accounts Payable	310		4,338		
Wages Payable	-		-		
Accrued Compensated Absences	96,300		103,029		
Interfund Advances / Loans	-		-		
TOTAL LIABILITIES	96,610		107,367		
FUND BALANCE					
Reserved for encumbrances	133,942		1,592,179		
Contributed Capital	(35,787)		(35,787)		
Unreserved (deficit)	254,083		(872,847)		
TOTAL LIABILITIES & FUND BALANCE	448,848		790,912		
OPERATING REVENUES:					
Charges For Services	$ 115,286	$ 121,000	$ 54,335	$ (66,665)	**45%**
Miscellaneous Revenue	15,339	30,000	14,283	(15,717)	**48%**
TOTAL OPERATING REVENUES	130,625	151,000	68,618	(82,382)	**45%**
OPERATING EXPENSES:					
Employee Services	607,262	1,474,042	652,555	(821,487)	**44%**
Utilities	2,063	4,500	1,750	(2,750)	**39%**
Supplies	78,474	205,716	65,947	(139,769)	**32%**
Maintenance and Operation	50,807	106,070	49,411	(56,659)	**47%**
Contractual Services	9,385	30,670	13,329	(17,341)	**43%**
Depreciation	89,649	-	47,829	47,829	
Other Operating Expenses	95,531	108,940	75,529	(33,411)	**69%**
TOTAL OPERATING EXPENSES	933,171	1,929,938	906,350	(1,023,588)	**47%**
OPERATING INCOME (LOSS)	(802,546)	(1,778,938)	(837,732)	941,206	**47%**
NONOPERATING REVENUE (EXPENSES):					
Investment Income	9,067	14,495	-	(14,495)	**0%**
Intergovernmental Revenues	-	3,714,011	-	(3,714,011)	**0%**
Other	-	482,873	-		
Capital Outlay	(4,006)	(2,104,683)	-	2,104,683	**0%**
TOTAL NONOPERATING REVENUE	5,061	2,106,696	-	(2,106,696)	**0%**
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(797,485)	327,758	(837,732)	(1,165,490)	**-256%**
CAPITAL CONTRIBUTIONS AND TRANSFERS:					
Transfers Out	(553,327)	(388,731)	(218,440)	170,291	**56%**
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	(553,327)	(388,731)	(218,440)		
CHANGE IN NET ASSETS	(1,350,812)	(60,973)	(1,056,172)		
NET ASSETS, JULY 1	1,738,838	1,739,717	1,739,717		
NET ASSETS, December 31	388,025	1,678,744	683,545		
RESTRICTED NET ASSETS	(118,256)	-	(1,556,392)		
UNRESTRICTED NET ASSETS	$ 269,769	$ 1,678,744	$ (872,847)		

* Depreciation expense not budgeted as it is a non-cash item

APPENDIX P

City of Folsom
Outstanding Debt
As of December 31, 2006

Entity	Type	Issue Date	Purpose	Original Issue Amount	Amount Outstanding	Final Maturity Date (mo/year)
Governmental	General Obligation	Feb-96	Series C	$ 10,000,000	$ 6,180,000	Feb-17
Governmental	General Obligation	Apr-97	Series D	11,415,000	7,710,000	Feb-17
Governmental	General Obligation	Feb-03	Series A & B	12,895,000	11,580,000	Feb-14
Governmental	Certificate of Participation	Jul-97	City Parks & Traffic Signals	795,000	540,000	Oct-20
Governmental	Certificate of Participation	Jul-99	CCF	10,910,000	4,555,000	Jul-10
Governmental	Certificate of Participation	Oct-01	Central Fire Station	3,750,000	3,330,000	Oct-26
Governmental	Certificate of Participation	Sep-99	Recreation Facility	825,000	805,000	Jun-29
Governmental	Revenue Bond	Jul-97	Prairie Oaks Ranch A/D	16,325,000	12,965,000	Jul-09
Governmental	Revenue Bond	Mar-98	Hannaford Cross A/D	2,860,000	2,060,000	Sep-12
Governmental	Revenue Bond	Apr-99	Legends, Cobble Hills, Ridgeview & Cresleigh A/D	4,830,000	4,615,000	Apr-12
Governmental	Revenue Bond	Jun-02	Refund 1992 FPFA Debt	16,950,000	12,535,000	Oct-17
Governmental	Revenue Bond	Dec-03	Refund 1998 FPFA Debt	6,565,000	6,275,000	Oct-18
Governmental	Revenue Bond	Jun-04	Finance A/D Debt	22,485,000	20,815,000	Sep-21
Governmental	Tax Allocation Bond	Jul-97	RDA Projects	7,000,000	3,950,000	Jul-13
Governmental	Tax Allocation Bond	Aug-05	Library	10,190,000	10,190,000	Aug-23
			Total Outstanding Governmental Debt		$ 108,105,000	
Water	Revenue Bond	Nov-88	Water system improvements	19,325,000	$ 16,585,000	Nov-13
Water	Revenue Bond	Feb-05	Water treatment plant	14,285,000	13,620,000	Dec-34
			Total Outstanding Business Type Activity Debt		$ 30,205,000	

APPENDIX Q

City of Folsom
Schedule of Capital Improvement Plan Expenditures - Cash Basis
Fiscal year 2006-2007, Quarter ended December 31, 2006

Category	Project Description	Budget FY 06-07	Project Budget Per HTE	Total Expended FY 06-07	% of Budget Expended
Culture and Recreation	Folsom Sports Complex	500,000	-	-	
Culture and Recreation	Empire Ranch Parksite #51	50,000	52,729	-	0.00%
Culture and Recreation	Empire Ranch Parksite #52	50,000	51,848	-	0.00%
Culture and Recreation	Seniors and Arts Center	1,000,000	1,761,340	505,946	28.73%
Culture and Recreation	Hinkle Creek Educational Center	511,029	604,799	14,428	2.39%
Culture and Recreation	Wild Canid Exhibit	480,000	508,998	130,413	25.62%
Culture and Recreation	Livermore Community Park	24,000	1,524,000	11,672	0.77%
Culture and Recreation	Willow Hill Reservoir Community Park	-	116,403	30,337	26.06%
Culture and Recreation	Zoo Operations Center - Phase 1	612,663	689,793	-	0.00%
Culture and Recreation	Rodeo Arena Improvements	25,000	25,000	1,815	7.26%
		3,252,692	5,334,910	694,610	
Drainage	Drainage Master Plan	60,000	85,000	11,349	13.35%
Drainage	Localized Drainage Improvements	50,000	50,000	52,522	105.04%
Drainage	Redevelopment Area Drainage Improvements	620,000	620,000	-	0.00%
Drainage	Willow Creek Estates Drainage	595,000	1,008,554	60,477	6.00%
		1,325,000	1,763,554	124,347	
General Services	Multi-Modal Public Improvements	393,000	393,000	105	0.03%
General Services	Library	5,077,859	5,421,529	3,106,192	57.29%
General Services	Railroad Block Parking Structure	10,419,108	10,439,589	280,336	2.69%
		15,889,967	16,254,118	3,386,633	
Open Space and Greenbelts	Highway 50 Corridor Trail	-	-	-	
Open Space and Greenbelts	HBWC - Morrison Homes Segment	-	46,335	7,236	15.62%
Open Space and Greenbelts	HBWC - Wetland Restoration	-	-	-	
Open Space and Greenbelts	East Bidwell Overcrossing	-	892,263	-	0.00%
Open Space and Greenbelts	Overlook Trail Extension	-	334,843	309,435	92.41%
Open Space and Greenbelts	Oak Parkway Trail - Phase I	-	148,705	90,436	60.82%
		193,200	1,616,146	407,107	
Sewer	Annual Sewer Improvements Projects	600,000	672,915	116,079	17.25%
Sewer	Manhole Modifications	50,000	50,000	-	0.00%
Sewer	Misc Infiltration/Inflow Improvements	300,000	1,612,673	1,032,074	64.00%
Sewer	Pump Station Upgrades	75,000	85,236	-	0.00%
Sewer	SCADA for Sewer	95,000	170,348	27,551	16.17%
Sewer	Sewer Master Plan Improvements	-	25,000	-	0.00%
Sewer	System Shed Improvements	200,000	39,269	20,268	51.61%
Sewer	Valve Replacement	25,000	25,000	18,542	74.17%
		1,345,000	2,680,441	1,214,514	
Streets	City Wide ADA Compliance	125,000	125,000	247	0.20%
Streets	Intelligent Transportation System Plan	75,000	165,000	-	0.00%
Streets	Signals Upgrade	50,000	50,000	3,139	6.28%
Streets	Streetlight/Traffic Pole Improvements	37,500	37,500	-	0.00%
Streets	Street Overlay	850,000	2,674,708	1,158,083	43.30%
Streets	Traffic Noise Mitigation Program	350,000	387,423	388,474	100.27%
Streets	Traffic Safety Projects	130,000	143,567	31,395	21.87%
Streets	Traffic Signal Controller/Equipment	100,000	116,163	16,163	13.91%
Streets	Folsom-Auburn/Oak Avenue Parkway Intersection	75,000	225,000	-	0.00%
Streets	Annual Traffic Signals and Intersection Improvements	80,000	275,000	7,537	2.74%
Streets	Blue Ravine / Folsom Boulevard Improvements	70,000	72,526	3,428	4.73%
		1,942,500	4,271,887	1,608,465	
Transportation	Light Rail	1,600,000	2,139,661	770,706	36.02%
Transportation	New Bridge Below Folsom Dam	14,216,560	14,352,335	10,097,640	70.36%
Transportation	Orangevale Bridge	1,000,000	1,180,923	744	0.06%
Transportation	Highway 50 / Empire Ranch Road Interchange	1,400,000	1,530,887	7,326	0.48%
Transportation	Parkway Transportation Improvements	270,000	270,000	214,377	79.40%
Transportation	Light Rail Drop Structure	-	447,766	59,360	13.26%

APPENDIX Q

City of Folsom
Schedule of Capital Improvement Plan Expenditures - Cash Basis
Fiscal year 2006-2007, Quarter ended December 31, 2006

Category	Project Description	Budget FY 06-07	Project Budget Per HTE	Total Expended FY 06-07	% of Budget Expended
		18,486,560	19,921,572	11,150,153	
Water	Miscellaneous Tank System Improvements	100,000	203,896	325	0.16%
Water	SCADA Upgrade for Water Treatment Plant	190,000	235,348	27,551	11.71%
Water	Water Main Replacement Program	405,000	1,508,500	630,583	41.80%
Water	Water Sampling Stations	15,000	20,745	-	0.00%
Water	Water Service Replacement	250,000	366,000	117,683	32.15%
Water	Water System Flow Control Facilities	58,000	423,000	148,486	35.10%
Water	Willow Hill Raw Waterline Relocation	500,000	510,651	82,710	16.20%
Water	Pipeline Water Master Plan	2,977,000	2,977,000	-	0.00%
		4,495,000	6,245,140	1,007,338	
		$ 46,929,919	$ 58,087,768	$ 19,593,168	33.73%

Q3 2006

City of Folsom Sales Tax *Update*

Fourth Quarter Receipts for Third Quarter Sales (Jul-Sep 2006)

Folsom In Brief

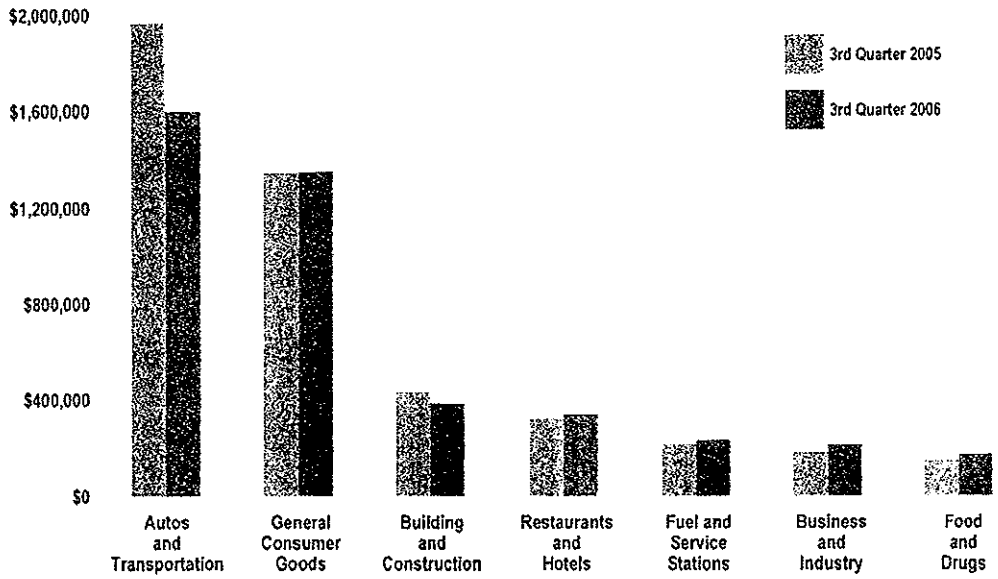
Receipts from July – September sales were 6.4% lower than the same period one year ago but accounting adjustments skewed the data. With anomalies factored out, results were down 9.8%.

New auto receipts fell as they did in most areas of the state. The lumber/building materials drop reflected a regional slowdown in housing starts. A business closeout combined with unusually robust sales last year led to the sharp decline in the office supplies/furniture category.

New business openings added to restaurants with liquor and grocery store with liquor totals. A negative payment adjustment applied retroactively in the comparison period exaggerated gains in the Business & Industry group.

Over the same period point of sale activity in all of Sacramento County was down 4.5%.

Sales Tax by Major Business Group



Top 25 Producers

in Alphabetical Order

Best Buy	Gap Outlet
California Prison Industries	Harley Davidson of Folsom
Chevron	Home Depot
Costco	Kohls
Folsom Buick Pontiac GMC	Lake Forest AM PM
Folsom Chevrolet	Lowes
Folsom Imports	Mervyns
Folsom Lake Dodge	Peoples Chrysler Plymouth Jeep
Folsom Lake Ford	Raleys
Folsom Lake Kia	Sams Club
Folsom Lake Nissan	Target
Folsom Lake Toyota Scion	Wal Mart
	Wells Fargo Leasing

Revenue Comparison

Two Quarters – Fiscal Year To Date

	2005-06	2006-07
Point-of-Sale	$8,881,511	$8,488,881
County Pool	1,162,534	1,038,510
State Pool	11,487	11,152
Gross Receipts	$10,055,533	$9,538,543
Less Triple Flip*	$(2,513,883)	$(2,384,636)

**Reimbursed from county compensation fund*

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Statewide Receipts

Statewide revenues from the July through September sales period exhibited a 2.9% gain over the same quarter one year ago after onetime payments from last year's amnesty program and other accounting adjustments are factored out.

Higher fuel prices continued to be responsible for much of the growth with receipts from service stations and bulk fuel sellers up 8.8%. General consumer goods produced a modest 2.7% increase with the highest gains from discount department stores. Revenues from the various categories of restaurants were up 4.3%.

Business spending, particularly in the light industry, office, farm and textiles/furnishings categories remained strong as did non-residential contractor supplies.

The gains were offset by an 8.5% drop in new car sales as well as declines in used cars, boats/motorcycles, RVs and lumber/building materials (net of accounting aberrations).

Unlicensed Retailers

The state has budgeted for a two year pilot program of stepped up field inspections to identify retailers without sellers' permits. The teams are also checking for proper tobacco, motor fuel and other state licenses.

The program was initiated in August because of concerns that years of budget cutbacks have reduced revenue due to lagging compliance. The fears appear to be well founded as four percent of the retailers canvassed thus far were not properly registered.

In addition to raising awareness of permit requirements and increasing compliance, it is estimated that the experiment could generate up to $25 million in new revenues annually.

The permit checks are being conducted in portions of Los Angeles, San Mateo and San Francisco Counties. Local jurisdictions have placed representatives with state field crews to also check for business licenses and other permits.

November Tax Measures

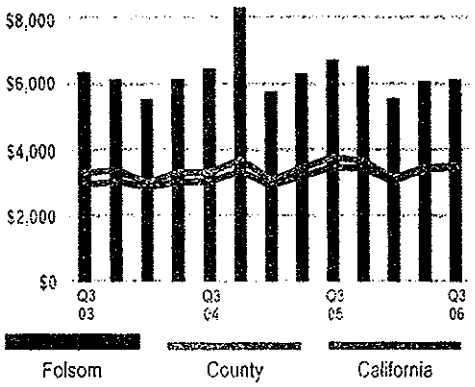
November's ballots included 38 proposals for adding, increasing or extending existing local transactions and use tax levies of which 20 passed.

Although basically an additional sales tax, the transactions tax is allocated to the place of use rather than point of sale. Eight of the passed measures required two thirds approval, the others a majority. The measures will go into effect April 1, 2007 and bring the total number of transactions tax districts to 101 including those in 53 cities.

Cities approving new districts in November included: Arroyo Grande, Del Rey Oaks, Grover Beach, Inglewood, Manteca, Morro Bay, Nevada City, Pinole, San Bernardino, San Luis Obispo, Santa Cruz, Vista, Watsonville and Williams.

The revenues are used for a wide variety of purposes including public safety, parks and open space, transit and road improvements.

Sales Per Capita



Folsom Top 15 Business Types

Business Type	Folsom Q3 '06*	Folsom Change	County Change	HdL State Change
New Motor Vehicle Dealers	$1,395.4	-20.0%	-14.6%	-12.2%
Discount Dept Stores	535.0	4.8%	7.5%	7.4%
Lumber/Building Materials	335.7	-8.2%	2.7%	14.1%
Service Stations	230.2	7.7%	3.8%	12.4%
Family Apparel	168.4	-0.6%	2.1%	3.8%
Specialty Stores	119.8	4.4%	-14.3%	-4.2%
Restaurants Liquor	119.0	19.6%	3.1%	0.9%
Grocery Stores Liquor	117.4	12.6%	7.4%	5.2%
Electronics/Appliance Stores	115.7	-0.6%	-15.0%	3.5%
Restaurants No Alcohol	114.0	2.0%	-0.5%	1.6%
Restaurants Beer And Wine	101.6	-1.9%	-3.5%	-4.4%
Sporting Goods/Bike Stores	81.6	6.2%	5.5%	0.1%
Office Supplies/Furniture	67.9	-58.8%	-48.3%	-4.5%
Home Furnishings	63.9	-7.8%	-24.2%	-5.7%
Boats/Motorcycles	58.7	-16.5%	0.8%	-9.8%
Total All Accounts	$4,265.0	-6.8%	-5.7%	0.8%
County & State Pool Allocation	539.0	-3.3%		
Gross Receipts	$4,804.0	-6.4%		

*In thousands