

Proposed FY 2010-2011 Budget:

City Council Workshop #1



April 27, 2010, 4:00 p.m.

Workshop Agenda

- Revenues Re-Cap (~10 minutes)
- Fire (~25 minutes)
- Public Works/Utilities (~25 minutes)
- General Government (~20 minutes)
- Non-Departmental (~10 minutes)
- Public Comment (~15 minutes)

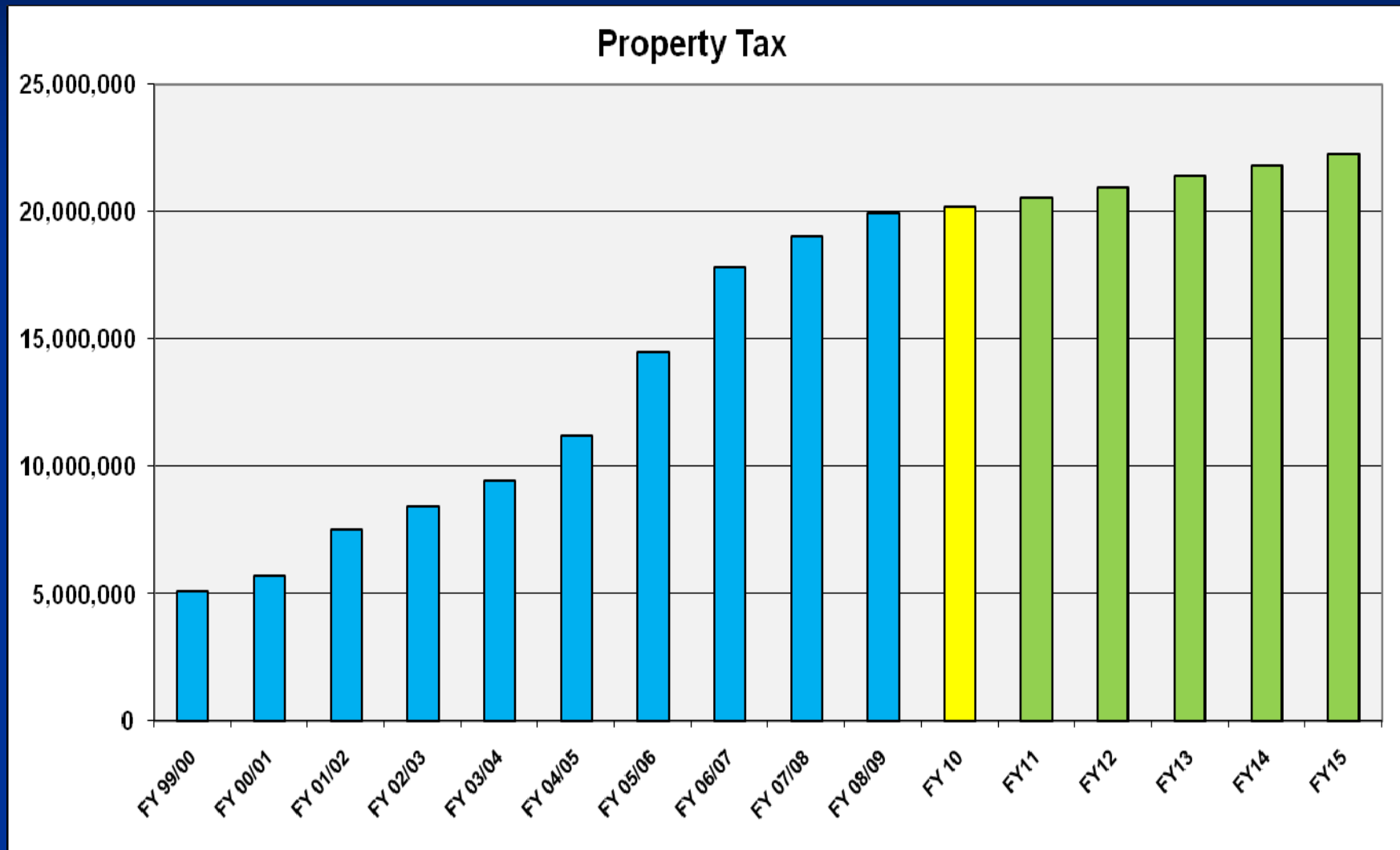
Revenues Re-Cap

*(Please see page II-1 in your
Preliminary Budget document)*

Summary of Revenues by Source

	FY10 Year End Est	FY11 Proposed	% Change from budget
Property Tax	\$ 20,187,518	\$ 20,540,000	1.7%
Sales Tax	\$ 13,831,249	\$ 15,414,387	11.4%
Transient Occupancy Tax	\$ 950,000	\$ 1,100,000	15.8%
Real Property Transfer Tax	\$ 200,000	\$ 260,000	30.0%
Franchise Fees	\$ 535,133	\$ 545,133	1.9%
Other Taxes	\$ 360,000	\$ 380,000	5.6%
Licenses and Permits	\$ 1,379,884	\$ 1,505,496	9.1%
Inter Gov Revenues	\$ 6,179,431	\$ 5,955,800	-3.6%
Charges for Services	\$ 8,511,405	\$ 8,353,230	-1.9%
Fines and Forfeitures	\$ 331,741	\$ 356,600	7.5%
Interest Revenue	\$ 230,000	\$ 200,000	-13.0%
Miscellaneous	\$ 408,679	\$ 324,440	-20.6%
Transfers from Other Funds	\$ 12,161,814	\$ 11,580,080	-4.8%
<i>Total Revenues</i>	<i>\$ 65,266,854</i>	<i>\$ 66,515,166</i>	<i>1.9%</i>

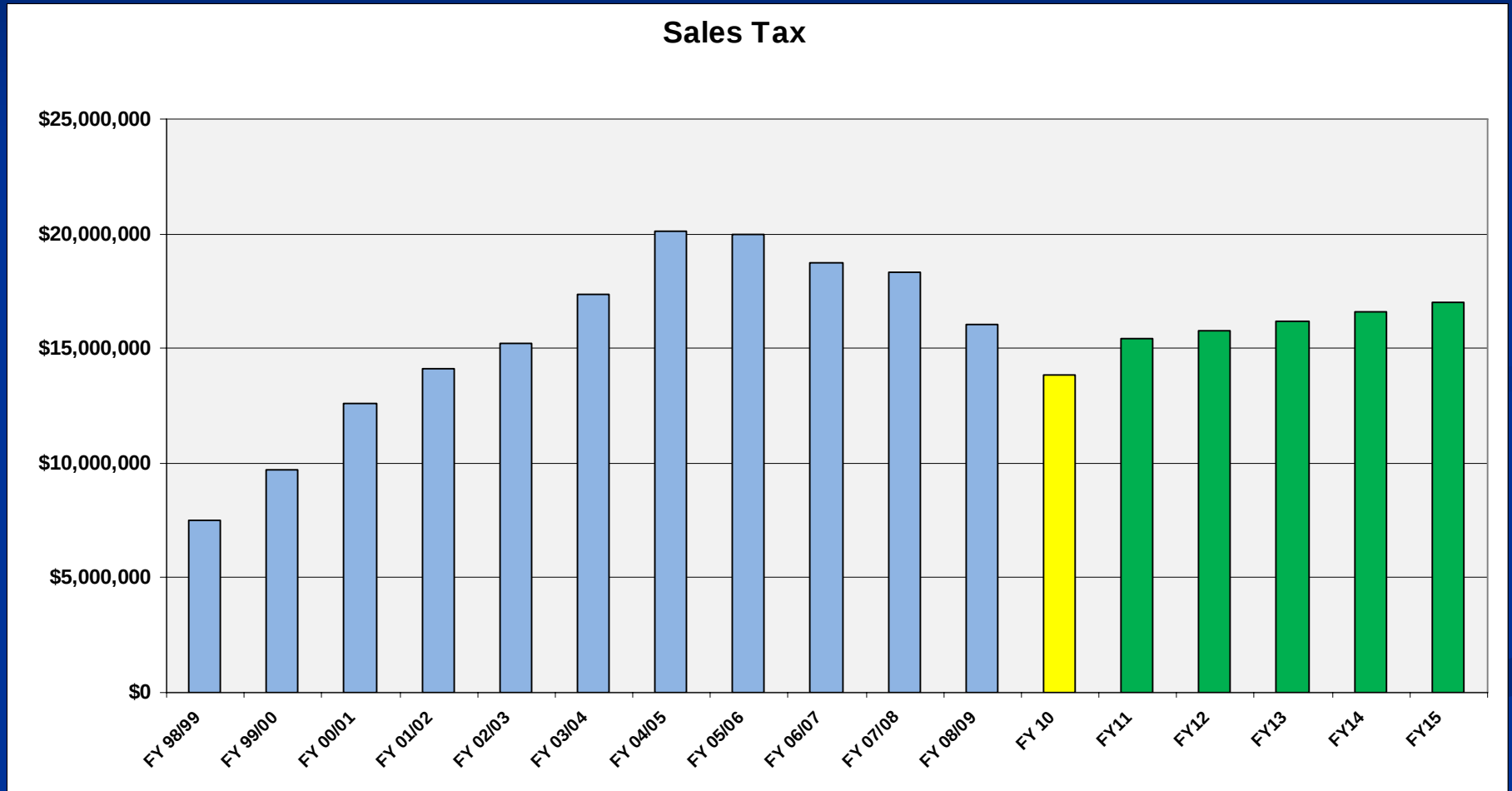
Property Tax: *Historical Perspective*



Property Tax: *Key Highlights*

- \$24 million increase in assessed value of property improvements
- Stable with slight increase in home prices projected
- Prop 13 adjustments favorable on sales

Sales Tax: *Historical Perspective*



Sales Tax: *Detail*

	<u>FY10 Estimate</u>	<u>FY11 Proposed</u>	<u>% Change</u>
Point of Sale	\$ 12,752,263	\$ 13,431,023	5.3%
State & Co Pool	\$ 1,700,000	\$ 1,800,000	5.9%
Less: SBOE Admin fee	\$ (144,523)	\$ (152,310)	5.4%
Triple Flip Reduction	\$ (3,188,066)	\$ (3,357,756)	5.3%
Tax Comp Fund	\$ 2,381,574	\$ 3,345,865	40.5%
Prop 172 sales tax	\$ 330,000	\$ 347,565	5.3%
Total:	\$ 13,831,248	\$ 15,414,387	11.4%

Sales Tax: *Key Highlights*

- Restoration of \$1.2 million in State take-away from Tax Comp Fund
- One-time Calpines appeal distorts FY10 experience by \$400,000.
- October-December, 2009 growth over previous year is first since 2005.
- Expect small but steady growth in FY11.

Charges for Services

	FY09 Actual	FY10 Estimated	FY11 Proposed
Parks and Rec	\$ 3,956,251	\$ 3,886,059	\$ 3,901,415
Fire	\$ 3,126,319	\$ 2,309,241	\$ 2,155,600
Community Dev	\$ 1,358,849	\$ 974,951	\$ 1,184,025
General Gov	\$ 1,036,969	\$ 859,630	\$ 631,390
Public Works	\$ 900,179	\$ 343,412	\$ 325,000
Police	\$ 163,999	\$ 138,112	\$ 155,800
Total:	\$ 10,542,566	\$ 8,511,405	\$ 8,353,230

Charges for Services: *Key Highlights*

- Development fees up due to new California green building code
- Ambulance fees down due to utilization and collections
- Parks and recreation fees remain constant

Fire

*(Please see page IV-31 in your
Preliminary Budget document)*

Fire: *Expenditures*

FY06 Actual	FY 07 Actual	FY 08 Actual	FY 09 Actual	FY 10 Projected	FY 11 Proposed
\$12,459,845	\$14,857,632	\$16,040,473	\$15,174,467	\$14,259,417	\$14,178,805

Fire: *Proposed Budget Key Features*

- Elimination of:
 - 5 vacant Firefighter positions
 - 1 vacant Paramedic position
 - 1 vacant Fire Prevention Officer position
 - 1 filled Senior Office Assistant position
- Continued suspension of 1 fire engine at Fire Station 35 (Glenn Drive)
- Continued reductions to overtime budget
- Continued reductions to O&M line items

Fire: *Anticipated Service Level Impacts*

Public Works/Utilities

(Public Works: Please see page IV-63 in your Preliminary Budget document)

(Utilities: Please see page IV-75 in your Preliminary Budget document)

Public Works/Utilities:

Expenditures

	FY06 Actual	FY 07 Actual	FY 08 Actual	FY 09 Actual	FY 10 Projected	FY 11 Proposed
Public Works	\$ 6,889,868	\$ 7,316,746	\$ 8,343,995	\$ 7,207,038	\$ 6,759,605	\$ 6,757,111
Public Works (Transit)	\$ 2,253,625	\$ 2,238,851	\$ 2,592,194	\$ 2,205,243	\$ 1,927,187	\$ 2,032,819
Utilities	\$34,729,901	\$28,607,699	\$27,059,157	\$36,000,211	\$34,447,137	\$26,434,174

Public Works/Utilities:

Proposed Budget Key Features

- Consolidation of Public Works and Utilities Departments
- Consolidation of citywide construction and compliance engineering services in Public Works/Utilities
- Elimination of:
 - 1 vacant Senior Civil Engineer position (Public Works)
 - 1 vacant Mechanic position (Public Works)
 - 1 filled Operations Supervisor position (Public Works)
 - 1 filled Fleet Manager position (Public Works)
 - 1 filled Welder position (Public Works)
 - 2 vacant Office Assistant positions (Utilities)
 - 1 vacant Engineering Tech position (Utilities)
- No utilities rate increases

Public Works/Utilities:
Anticipated Service Level Impacts

General Government

*(City Council, City Manager, City Attorney,
Administrative Services, and City Clerk: Please see
pages IV-1-18 in your
Preliminary Budget document)*

*(Finance: Please see page IV-25 in your
Preliminary Budget document)*

*(Human Resources and Intergovernmental
Affairs/Economic Development:
Please see page IV-37-44 in your
Preliminary Budget document)*

General Government: *Expenditures*

	FY 06 Actual	FY 07 Actual	FY 08 Actual	FY 09 Actual	FY 10 Projected	FY 11 Proposed
City Council	\$ 128,303	\$ 149,853	\$ 139,052	\$ 119,293	\$ 116,763	\$ 135,566
City Manager	\$1,145,178	\$ 911,566	\$ 986,515	\$ 894,921	\$ 827,072	\$ 768,122
City Attorney	\$ 827,654	\$ 816,941	\$ 952,725	\$ 981,448	\$ 920,212	\$ 799,114
City Clerk	\$ 446,204	\$ 466,609	\$ 622,195	\$ 512,047	\$ 389,541	\$ 404,656
Admin. Services	\$2,775,672	\$2,978,152	\$3,482,359	\$2,676,139	\$2,523,084	\$2,419,021
Finance	\$2,225,930	\$2,549,874	\$2,548,404	\$2,431,619	\$2,247,024	\$2,101,736
Human Resources	\$1,020,382	\$1,095,447	\$1,134,908	\$1,126,636	\$ 969,026	\$ 835,802
Intrgovt Affairs/ Econ Dev	\$ 506,080	\$ 486,959	\$ 450,007	\$ 456,404	\$ 331,270	\$ 109,208

General Government:

Proposed Budget Key Features

- Elimination of:
 - 1 vacant Deputy City Clerk position
 - 1 vacant Disbursements Tech position
 - 1 filled Intrgovt Affairs/Economic Development Director position
 - 1 filled Financial Analyst position
 - 1 filled Marketing & Graphics Coordinator (Limited Term) position
 - 1 filled Safety Officer position
- Consolidation of Finance, Utilities, and Public Works front counter services
- Consolidation of Finance and Information Technology into Office of Management and Budget
- Establishment of Environment/Water Resource Development Division in City Manager's Office
- Economic Development function to move to City Manager's Office

General Government:
Anticipated Service Level Impacts

Non-Departmental

*(Please see page IV-83 in your
Preliminary Budget document)*

Non-Departmental: *Expenditures*

FY 06 Actual	FY 07 Actual	FY 08 Actual	FY 09 Actual	FY 10 Projected	FY 11 Proposed
\$13,610,827	\$ 9,577,593	\$11,396,070	\$13,059,058	\$ 3,929,186	\$5,781,875

Non-Departmental:

Proposed Budget Key Features

- 1% Contingency appropriation not included
- Retiree Trust Fund contribution reduced from \$650,000 to \$150,000 (we will continue to “pay as we go” for existing retirees)
- Retiree Trust Fund distribution of \$150,000 recommended
- Unemployment claims up significantly

The Non-Departmental Appropriation Consists of:

■ Retiree Health Costs -	\$2,318,517
■ Debt Service -	\$1,998,670
■ Contracts -	\$1,243,000
■ Co. Admin - \$370,000	
■ Broadstone Tax Sharing - \$300,000	
■ Folsom Tourism Bureau - \$240,000	
■ HazMat Response - \$88,000	
■ Unemployment -	\$ 200,000
■ Retiree Trust Fund -	\$ 150,000

Next Steps

- *Tuesday, April 27th, 6:30 p.m.:* Public hearing for preliminary budget (regular City Council meeting)
- *Tuesday, May 11th, 4:00 p.m.:* Public workshop #2 (Police, Parks & Recreation, Library, Community Development/Redevelopment)
- *Tuesday, May 11th, 6:30 p.m.:* Public hearing for preliminary budget and Adoption of final budget (regular City Council meeting)
- Proposal posted at www.folsom.ca.us

Questions/Comments?