General Fund Revenue
General Fund Revenue

- Property and Sales Tax: 61% of Total General Fund Revenue
  - Property Tax: 34%
  - Sales Tax: 27%
  - Transient Occupancy Tax: 2%
  - Charges for Services: 13%
  - Licenses, Permits & VLF: 12%
  - Transfers In: 8%
  - All other: 4%
General Fund Property Tax

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual</th>
<th>Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY13</td>
<td></td>
<td></td>
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<tr>
<td>FY14</td>
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<td>FY15</td>
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<td>FY16</td>
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<td>FY19</td>
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<tr>
<td>FY20</td>
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<tr>
<td>FY21</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY22</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Slowdown in Sales Tax Growth

Sales Tax Projections
Sales Tax – What is happening?

Sales tax is no longer a steady source of income

There is a shift in:

• **What we buy**
  
  There is a shift from purchasing “things” to purchasing services

• **How we buy it**
  
  Internet sales

• **How much we can afford to buy**
  
  Increased cost of services and housing erodes buying power for taxable goods

This trend is not going away
Combined Tax Revenue

Historical Tax Revenue Growth

Property tax trend continues
Sales tax growth is flattening
General Fund Expenses
City Response to Challenges

• Over the last 10 years the City has:
  • Significantly reduced staffing levels (remained flat for the past 4 years)
  • Used part-time or contract employees when feasible
  • Increased employee contributions towards retirement (employees pay their entire share)
  • Eliminated retiree health benefits for new employees
  • Increased employee contributions to health benefits
City Response to Challenges

• Over the last 10 years the City has:
  • Restructured education incentive pay for costs savings
  • Extended the number of steps in pay ranges to have smaller annual pay increases
  • Eliminated longevity pay for new employees
  • Capped accrued leaves balances and cash out amounts

Result: There is limited ability to reduce service costs further. Without increased revenues, a reduction in city services will be required to balance the budget.
General Fund Full-time Positions

Total General Fund Employees

- 2007-08: 460.88
- 2021-22: 352.8

GF Employees/1000 Residents

- 2007-08: 6.81
- 2021-22: 4.39

36% reduction in GF Employees/1000 Residents
Operational Departments

• Police
• Fire
• Parks and Recreation
• Community Development
• Public Works
• Library
## Unfunded/Underfunded Needs

<table>
<thead>
<tr>
<th></th>
<th>One-Time Costs Years 1 - 5</th>
<th>Annual Costs Years 1 - 5</th>
<th>One-Time Costs Future (5 years+)</th>
<th>Additional Positions Needed</th>
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</thead>
<tbody>
<tr>
<td>Police</td>
<td>$9,551,814</td>
<td>$8,417,858</td>
<td>$7,888,590</td>
<td>50</td>
</tr>
<tr>
<td>Fire</td>
<td>$15,909,521</td>
<td>$6,653,145</td>
<td>$15,000,000</td>
<td>25</td>
</tr>
<tr>
<td>Parks and Recreation</td>
<td>$10,782,000</td>
<td>$3,986,700</td>
<td>$140,350,849</td>
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<tr>
<td>Community Development</td>
<td>$985,000</td>
<td>$450,000</td>
<td>-</td>
<td>8</td>
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<tr>
<td>Public Works</td>
<td>$1,379,400</td>
<td>$1,077,845</td>
<td>$70,100,000</td>
<td>6</td>
</tr>
<tr>
<td>Library</td>
<td>$150,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$38,757,735</strong></td>
<td><strong>$20,585,548</strong></td>
<td><strong>$233,339,439</strong></td>
<td><strong>102</strong></td>
</tr>
</tbody>
</table>
Unfunded/Underfunded Needs

Police Department Needs – One to Five Years:

• Deployment vehicle, small armored vehicle, mobile command vehicle
• Marked and unmarked police vehicles
• Facility renovations and technology updates
• Police Officers (28), Dispatchers (6), Community Service Officers (2) Animal Control Officers (2) and other professional support staff (12). - 33 of 50 positions related to the Folsom Plan Area
Unfunded/Underfunded Needs

Fire Department Needs – One to Five Years:

• Fire Station and facility upgrades
• Engines, trucks, medic vehicles and staff vehicles
• Small equipment (Wildland Apparatus, Mechanical CPR Device)
• Firefighters (18) (9 for FPA), Mechanics (2), Fire Marshal (1), Deputy Chief (1), Division Chief (1) and Admin. Captains (2)
Unfunded/Underfunded Needs

Parks and Recreation Needs – One to Five Years:

• Unfinished planned parks, trails and facilities

• City facility renovations – ADA for Parks and Facilities, Building Maintenance, Turf (indoor and outdoor) for Andy Morin Sports Complex, Irrigation Controller Upgrades in 17 park locations

• Park renovations per Parks and Recreation Master Plan

• Ladder fuel maintenance/Hazard Tree Care

• Aquatic center upgrades and equipment replacement
Unfunded/Underfunded Needs

Parks and Recreation Needs – One to Five Years:

• Municipal Landscape Services staff: Engineering Tech (1), Sr. Maintenance Worker (2), Maintenance Worker (2), Maintenance Supervisor (1)

• Park Maintenance staff: Park Planner (1), Maintenance Worker (3), Irrigation System Coordinator (1)

• Recreation staff: Staff Coordinator II (1), Administrative Assistant (1)
Community Development Needs – One to Five Years:

• Consulting services for studies, plans and updates

• Development Services Analyst (1), GIS Specialist (1), Building Plans Coordinator (1), Building Inspector II (1), Building Plan Checker II (1), Construction Inspector II (1), Planning Technician II (1), Code Enforcement Officer (1)
Unfunded/Underfunded Needs

Public Works Department Needs – One to Five Years:

• Street Sweeper (partially used for Folsom Plan Area)
• Fueling system upgrades, tank replacement, and new fuel pumps
• Various studies (Corporation Yard, Traffic Demand Management, Noise Reduction Program, In-Lieu Fee Study)
• Public Electric Vehicle Charging Stations
• Associate Engineer/Traffic (1), Associate Engineer/CIP(1), Street Maintenance Worker (2), Street Sweeper Maintenance Specialist (1), Sign Shop Maintenance Worker (2)

*blue positions only partially related to Folsom Plan Area
Unfunded/Underfunded Needs

Library Needs – One to Five Years:

• Carpet replacement (13,700 sq.ft.)
## Unfunded/Underfunded Needs - Revisited

### No identified funding source for these costs

<table>
<thead>
<tr>
<th>Service</th>
<th>One-Time Costs Years 1 - 5</th>
<th>Annual Costs Years 1 - 5</th>
<th>One-Time Costs Future (5 years+)</th>
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<td><strong>102</strong></td>
</tr>
</tbody>
</table>
Looking Ahead: FY 2023-2027
5-Year Forecast – General Fund

- **Total Revenue**
  - FY23: $90,000,000
  - FY24: $95,000,000
  - FY25: $100,000,000
  - FY26: $105,000,000
  - FY27: $110,000,000

- **Projected Expenditures**
  - FY23: $(14k)
  - FY24: $(654k)
  - FY25: $(1.4 million)
  - FY26: $(2.3 million)

**Grows to $2.3 million Annual Funding Gap**

$2.3 million gap does not include $20 million of unfunded annual needs

**Fully funding deferred needs requires an additional $20 million annually**
Human Resources
Compensation

• How we establish our compensation packages

• Different types of employee compensation
Compensation

- Compensation survey → Negotiations → Present to City Council for direction or approval
- Salary + Benefits = Total compensation package

<table>
<thead>
<tr>
<th>COMPARABLE CITIES</th>
</tr>
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<tbody>
<tr>
<td>City of Citrus Heights</td>
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<tr>
<td>City of Davis</td>
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<tr>
<td>City of Elk Grove</td>
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<tr>
<td>City of Rancho Cordova</td>
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<td>City of Rocklin</td>
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<tr>
<td>City of Roseville</td>
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<tr>
<td>City of Sacramento</td>
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<tr>
<td>City of West Sacramento</td>
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<tr>
<td>County of Sacramento</td>
</tr>
</tbody>
</table>

- Middle to high-middle group
Types of Employee Compensation

• Education Incentive
• Tuition Reimbursement
• Deferred Compensation
• Uniform Allowance
• Car Allowance
• Tech Allowance
• Cell Phone Allowance
• Longevity Pay
Fire Department
Fire Department
Overtime / Response Times
5-year Overtime Comparison

OVERTIME HOURS - FY 17-22
Total: 192,863

*FY21-22
*67% as of 2-28-22
Overtime by Month FY17-22

<table>
<thead>
<tr>
<th>Month</th>
<th>17-18</th>
<th>18-19</th>
<th>19-20</th>
<th>20-21</th>
<th>21-22</th>
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<td>DECEMBER</td>
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<td>JANUARY</td>
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<td>FEBRUARY</td>
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<td>MARCH</td>
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<tr>
<td>APRIL</td>
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<tr>
<td>MAY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JUNE</td>
<td></td>
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</tbody>
</table>
Overtime costs

Overtime Cost/OES Reimbursement Comparison

<table>
<thead>
<tr>
<th></th>
<th>OT</th>
<th>OES</th>
<th>Reimbursement</th>
<th>Difference</th>
<th>Budged Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19</td>
<td>$2,297,758</td>
<td>$1,392,844</td>
<td>$904,915</td>
<td>$1,392,844</td>
<td>$2,000,000</td>
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<tr>
<td>FY20</td>
<td>$2,444,454</td>
<td>$2,232,630</td>
<td>$211,824</td>
<td>$2,444,454</td>
<td>$3,000,000</td>
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<tr>
<td>FY21</td>
<td>$2,350,477</td>
<td>$1,138,847</td>
<td>$1,138,847</td>
<td>$2,350,477</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>FY22</td>
<td>$2,039,809</td>
<td>$740,864</td>
<td>$1,298,945</td>
<td>$2,039,809</td>
<td>$3,000,000</td>
</tr>
</tbody>
</table>
Article VIII 2) C.

No more than 15%, (rounded to the nearest whole number), per shift within the Fire Captain, Fire Engineer, or Firefighter classifications shall be granted leave for bid vacation (BV) or vacation (V) leave purposes at any one time. Leave usage requests scheduled during an approved Bid Vacation (BV) process will be granted in accordance with this subsection.

Article VIII 2) D.

No more than 15%, (rounded to the nearest whole number), plus one (1) per shift within the Fire Captain, Fire Engineer, or Firefighter classification shall be granted leave for any purpose at any one time. All prior approved leave requests will be honored regardless of total personnel off.

**There are very few days throughout an entire year when less than three personnel are off.**
## Leave taken (all categories) by position

### FY 19/20

<table>
<thead>
<tr>
<th>POSITION</th>
<th>HOURS</th>
<th>PERSONNEL OFF PER DAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firefighter</td>
<td>14,475.50</td>
<td>1.65</td>
</tr>
<tr>
<td>Engineer</td>
<td>5,812.00</td>
<td>0.66</td>
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<tr>
<td>Captain</td>
<td>7,707.25</td>
<td>0.88</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>27,994.75</strong></td>
<td><strong>3.20</strong></td>
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</table>

### FY 20/21

<table>
<thead>
<tr>
<th>POSITION</th>
<th>HOURS</th>
<th>PERSONNEL OFF PER DAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firefighter</td>
<td>24,183.75</td>
<td>2.76</td>
</tr>
<tr>
<td>Engineer</td>
<td>9,504.50</td>
<td>1.08</td>
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<tr>
<td>Captain</td>
<td>9,052.50</td>
<td>1.03</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>42,740.75</strong></td>
<td><strong>4.88</strong></td>
</tr>
</tbody>
</table>
Personnel Leave

Fiscal year 2020-21 to current has been extremely challenging for the firefighter rank due to staffing shortfalls attributed to:

- Unfilled vacant positions
- COVID-19/sick
- Long-term injuries
- Scheduled vacations
- Bereavement
- Jury duty
- FLMA/CFLA
- Resignations
- Military leave
Firefighter Staffing

**Constant Staffing Model** – any single vacancy on a shift requires overtime.

Captain rank employees fill 5 positions per shift each day. (15 positions)
Engineer rank employees fill 5 positions per shift each day. (15 positions)
Firefighter rank employees fill 12 positions per shift each day. (36 positions)

**Minimum Staffing Model**
- Limited-Term Firefighter/EMT’s
  - One over staffed on each shift (39 authorized Firefighter FTE positions)
  - Reduction in OT costs
  - Reduction in FF fatigue and improved FF safety
  - Reduces injury liability
  - Increases available workforce for an emergency
<table>
<thead>
<tr>
<th></th>
<th>Oct - Dec 2019</th>
<th>2020</th>
<th>2021</th>
<th>Jan-Feb 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Avg. Response Time</strong></td>
<td>6:13</td>
<td>6:20</td>
<td>6:19</td>
<td>6:03</td>
</tr>
<tr>
<td><strong>Incidents</strong></td>
<td>1,484</td>
<td>5,508</td>
<td>6,944</td>
<td>1,357</td>
</tr>
</tbody>
</table>
Police Department
• 79 Sworn
  • Chief of Police 1
  • Commander 2
  • Lieutenant 5
  • Sergeant 12
  • Corporal 5
  • Officer 54 (10 Vacant)
24/7 Patrol Staffing

5 Areas of the City (Beats)
3 Shifts per day (Days, Swing, Graveyard)
   1 Sergeant
   5 Officers

4 Traffic (Mon-Fri)
2 SRO’s (Mon-Fri)
3 CCSU (Tue-Fri)
<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>Jan-Feb 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg. Response Time</td>
<td>12.05</td>
<td>11.34</td>
<td>11.50</td>
<td>12.07</td>
</tr>
<tr>
<td>Incidents</td>
<td>63,300</td>
<td>59,132</td>
<td>51,463</td>
<td>5,052</td>
</tr>
</tbody>
</table>
Police Department Overtime

- Caldor Fire/Reimbursable, $260,604.65, 32%
- Dixie Fire/Reimbursable, $120,757.98, 15%
- Minimum Staffing, $120,104.97, 15%
- Training, $65,398.47, 8%
- Grants/Reimbursable, $39,758.21, 5%
- Events/Reimbursable, $33,023.30, 4%
- Court, $26,135.22, 3%
- FBI/HIDTA/Reimbursable, $20,123.42, 3%
- Other, $124,731.39, 15%
- Other, $124,731.39, 15%

Legend:
- Caldor Fire/Reimbursable
- Minimum Staffing
- Events/Reimbursable
- Court
- Training
- Grants/Reimbursable
- FBI/HIDTA/Reimbursable
- Other
Strategic Plan
Greatness is not in where we stand but in what direction we are moving. We must sail sometimes with the wind and sometimes against it -- but sail we must and not drift, nor lie at anchor.

-- Oliver Wendell Holmes, Jr.
A strategic plan should serve as a road map to advance the vision for the city and ensure we’re poised to capitalize on opportunities.

Since we have limited financial and staff resources to do our work, a strategic plan becomes very important in framing our “above and beyond.”
Strategic Plan: Why Do We Need One?

- Intentional
- Avoids “one-offs”
- Encourages cohesiveness and clarity
- Ensures we’re all working from the same playbook
We are seeking to develop a City of Folsom strategic plan that:

- Establishes the City’s priorities, goals, and objectives for the next five years, matching against available resources.
- Sets a clear policy agenda for the City.
- Enables us to know with certainty at any point of time where we stand in terms of reaching a goal.
- Serves as a living document, with progress on the plan reported to the City Council at regular intervals.
- Results in achievements that will be enjoyed by current and future generations to come.
City of Folsom Vision Statement:

The City of Folsom strives to be a role model and regional leader that blends its rich historical roots and diverse recreational and business resources into a great community.
City of Folsom Mission Statement:

The City of Folsom will provide a safe, healthy, and vibrant community through innovative, responsive, and effective delivery of public services to maintain and enhance the quality of life of our residents.
City of Folsom General Plan 2035 Vision Statement:

In 2035 Folsom is sought out by new residents and employers as the most desirable and prosperous city in which to live and work in the region. It has matured into a beautiful, vibrant, and sustainable city, with livable neighborhoods that are walkable, and full of amenities. At the same time, the city has maintained its close-knit, small-town feel and embraced its rich historical and natural heritage. Folsom is a healthy, safe, happy, and cohesive community. Folsom is a prominent and innovative technology hub that is nationally recognized for its highly-educated and creative workforce, ample employment opportunities, excellent public schools, and distinguished institutions of higher education. Folsom is a premier recreational and tourist destination in Northern California, offering a wide range of outdoor recreation opportunities, which support both its active lifestyle and healthy community status. The city serves as the gateway to the Sierra Foothill wine country and is a tourist destination of its own, given its historical and recreational offerings.
Strategic Plan: Starting Points

City of Folsom General Plan 2035 Guiding Principles:

1. Maintain a close-knit, neighborly, family-friendly city with a small town feel

2. Focus on Historic Folsom’s Commercial District as a center of shopping, dining, and cultural attractions

3. Promote town centers as social gathering places

4. Promote the revitalization of aging commercial corridors
City of Folsom General Plan 2035 Guiding Principles (continued):

5. Support the regional retail base
6. Enhance gateways into Folsom
7. Continue to be a premier recreation destination in Northern California
8. Brand Folsom as the “Gateway to the Foothill Wine Region”
9. Provide all residents with opportunities to live an active, healthy, and green lifestyle
Strategic Plan: Starting Points

City of Folsom General Plan 2035 Guiding Principles (continued):

10. Provide for a range of attractive and viable transportation options, such as bicycling, walking, rail, and transit

11. Provide a range of housing choices for all generations

12. Preserve the High Quality of Folsom’s Neighborhoods

13. Foster economic growth and diversity to become recognized as one of the smartest cities in the region
14. Commit to high-quality design

15. Foster a sustainable community for the next generation’s benefit.

16. Integrate the “old” and the “new” areas of the city

17. Embrace Folsom’s Heritage

18. Celebrate Folsom’s Cultural Diversity

19. Encourage citizen participation and good leadership
Strategic Plan: What We Value

- Financial Stability and Sustainability
- Governance and Organization Effectiveness
- Economic and Community Development
- Public Safety
- Infrastructure
- Communication and Outreach
Strategic Plan: Being SMART

- Specific
- Measurable
- Attainable
- Relevant
- Time-Bound
Strategic Plan: Exercise #1

What would you like the City of Folsom organization to achieve/accomplish in the next five years?
Strategic Plan: Exercise #2

Strengths
Weaknesses
Opportunities
Threats
Strategic Plan: Next Steps

• Ask our community the same questions.

• Incorporate their feedback and bring combined results back to you as a proposed set of visionary statements – a strategic policy agenda.

• If you approve that strategic policy agenda, we as your executive management team will then build corresponding SMART, short-term goals and objectives for each.
Questions/Comments?