



Resolution No. 11210 – A Resolution Adopting the Fiscal Year 2024-25 Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority– June 25, 2024



General Fund Proposed Budget Additions



FY 2024-25 Proposed Additional Positions:

\$ 140,997	Park Planner II – Folsom Plan Area
100,539	Parks Maintenance Worker I – Folsom Plan Area
238,450	Two Public Works Streets Maintenance Worker I/II – Folsom Plan Area
242,472	Police Sergeant
215,690	Police Corporal
183,995	Four Police Officers (One funded in budget, three funded by annual vacancy savings)
<u>387,216</u>	Fire Division Chief to oversee training
\$1,509,339	

FY 2024-25 Proposed Budget Additions:

\$ 155,000	Community Development software upgrades
<u>60,000</u>	Election costs
\$ 216,000	

General Fund Proposed Use of Unassigned Fund Balance



\$1,100,000 - Renovation of Kids Play Park

497,599 - Replace kitchen equipment, tables, and chairs at the Folsom Community Center

80,000 - Replace malfunctioning doors and lighting control system at the Folsom Public Library

60,000 - Replace City's primary data storage system that has reached end of life

\$1,737,599

- The City Manager proposed a use of the unassigned fund balance for ***one-time expenditures only*** that were particularly urgent (among many competing urgencies).
- The City Manager proposed a use of unassigned fund balance that (if approved) ***would keep the City's fund balance within the City Council's newly adopted financial policy***. That policy says that the City shall maintain an unassigned fund balance (reserve) for the General Fund within a range of 17 to 20 percent of the annual operating expenditures.

General Fund Cost of Service Increases



Cost of Service Increases – Personnel Costs:

\$ 4,000,495 Salary and benefit increases

Cost of Service Increases – Operations and Maintenance:

\$ 279,910	HVAC loan - annual payment
186,865	Software contract increases
123,500	Training and education (Fire and Police Departments)
80,000	Hazard tree work and structural pruning
75,000	Vehicle maintenance
70,000	Vet bills increase
70,000	Recreation guide printing and postage costs
59,400	Annual physical exams (Fire Department)
50,000	Park maintenance contract increase
41,800	Department supplies increase (Fire and Public Works (Fleet) Departments)
33,600	Fleet inventory management and household hazardous waste disposal contract increases
30,000	Annual PPE inspection (Fire Department)
30,000	Open space weed abatement costs
78,350	All other budget “true-ups” across all General Fund departments

Next Steps

May 28, 2024: Presentation of the City Manager's Proposed Budget

June 11, 2024: Public hearing and first opportunity for Budget adoption by the City Council

June 25, 2024: Another opportunity for Budget adoption by the City Council

- Per the City's municipal code, a balanced Budget must be adopted by at least a majority vote by the last day of the fiscal year (June 30, 2024).
- *Note: Last year at about this time, the current (FY2023-24) Budget was adopted by all five of the current Council Members unanimously, more than meeting the City's majority vote requirement.*
- If the City Council does not adopt the Budget by June 30th, the Budget as proposed by the City Manager shall be deemed adopted.

Staff Recommendation



Staff recommends that the City Council pass and adopt Resolution No. 11210 – A Resolution Adopting the Fiscal Year 2024-25 Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority.