

# City Council Workshop – Develop Strategy to Close the City’s Funding Gap/Introduction to Strategic Planning

Presentation to the Folsom City Council  
March 8, 2022



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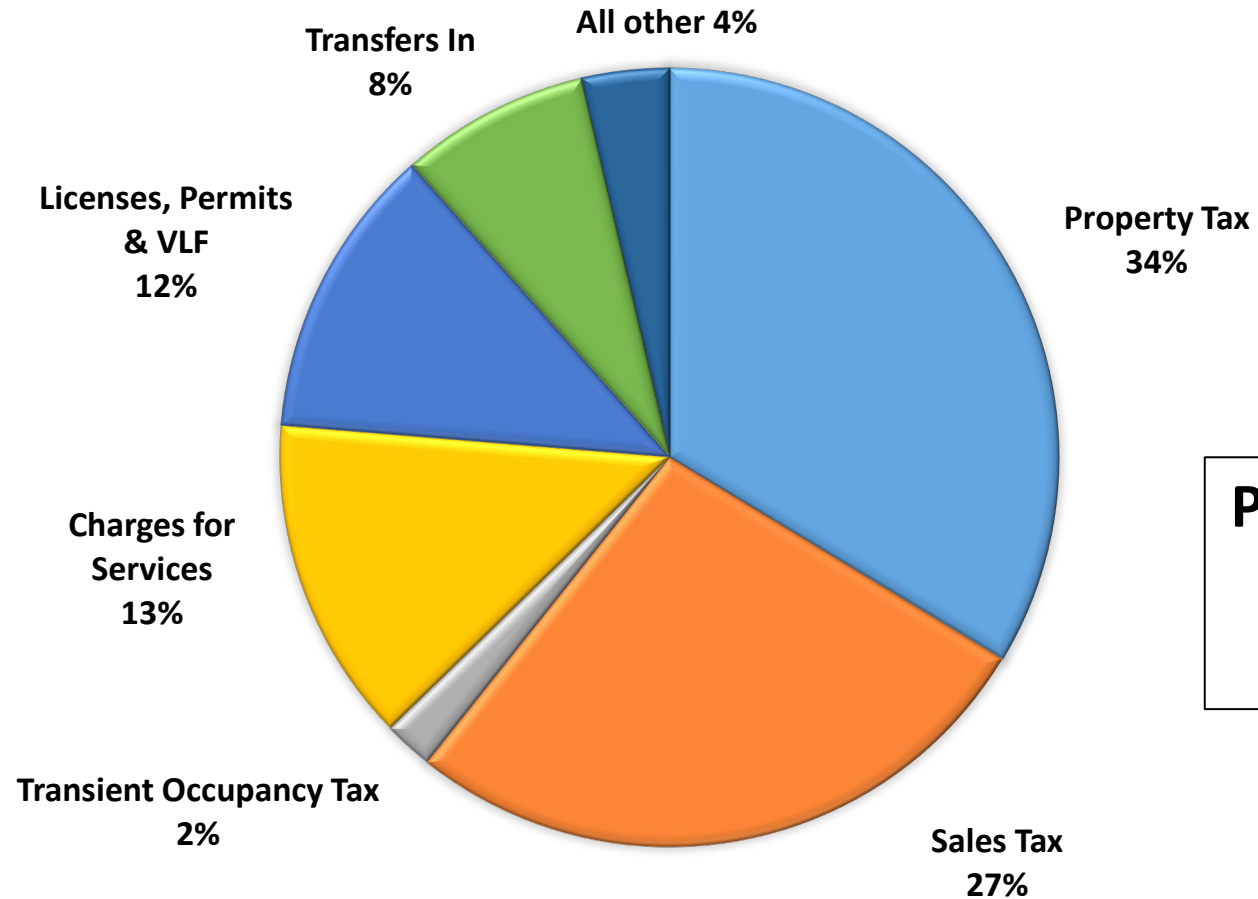


# General Fund Revenue

# General Fund Revenue



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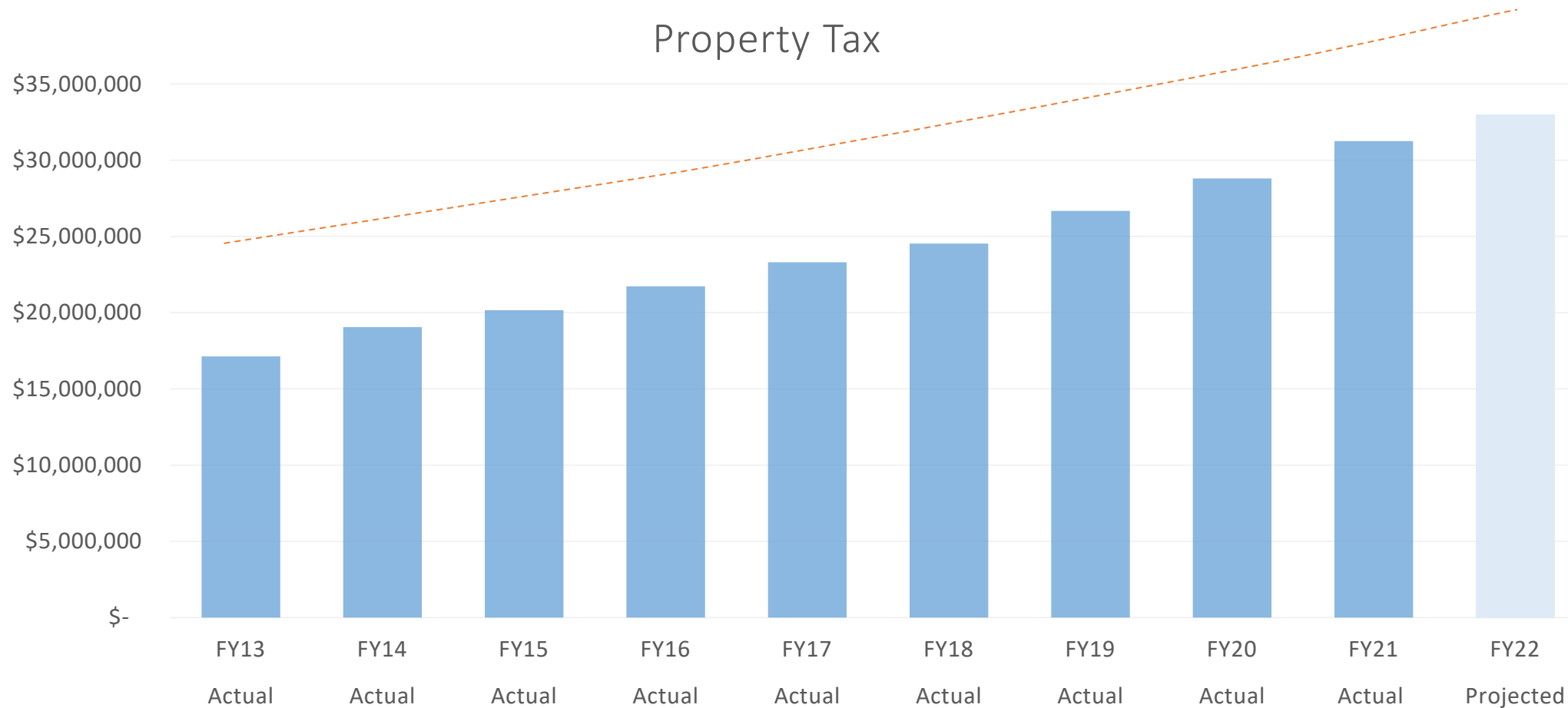


**Property and Sales Tax:  
61% of Total General  
Fund Revenue**

# General Fund Property Tax



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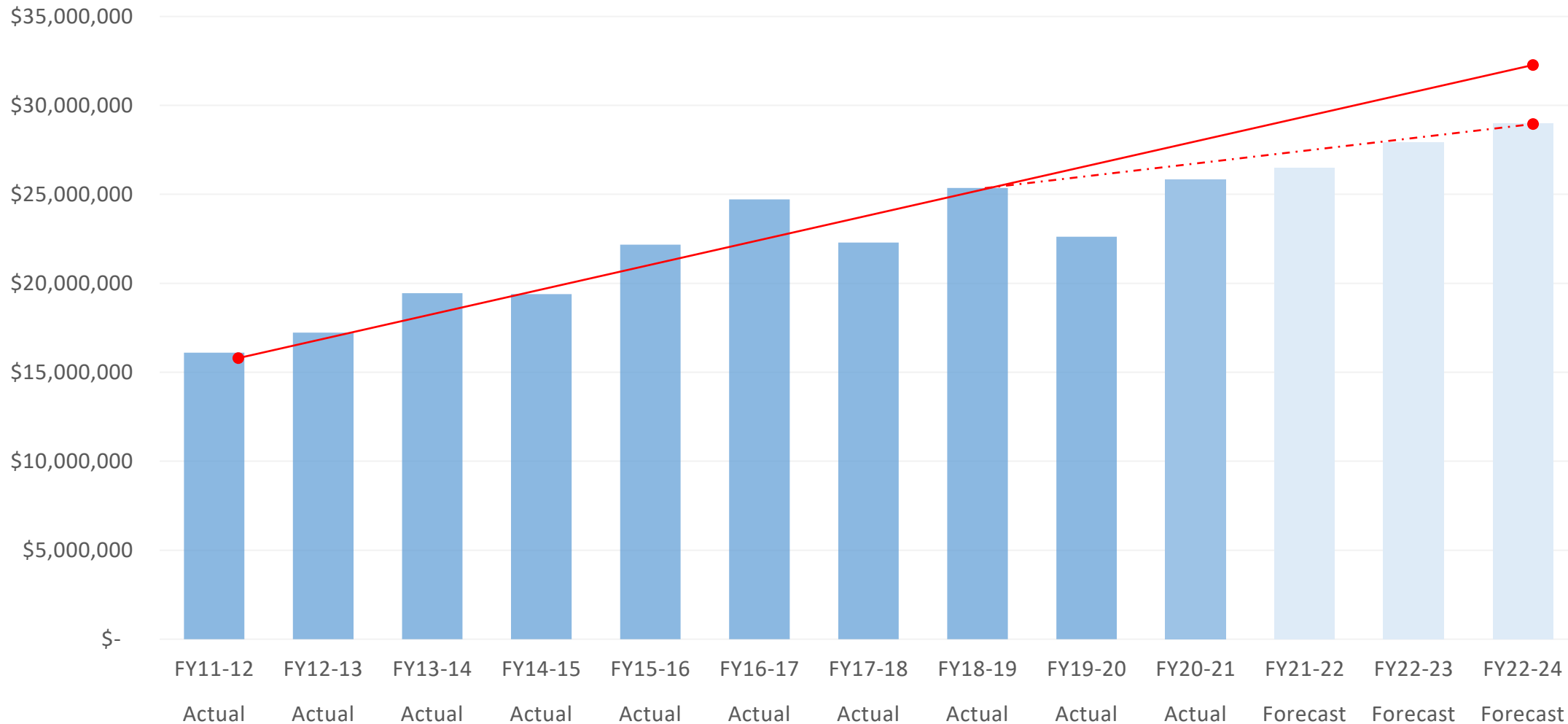


# Slowdown in Sales Tax Growth



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## Sales Tax Projections



# Sales Tax – What is happening?



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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

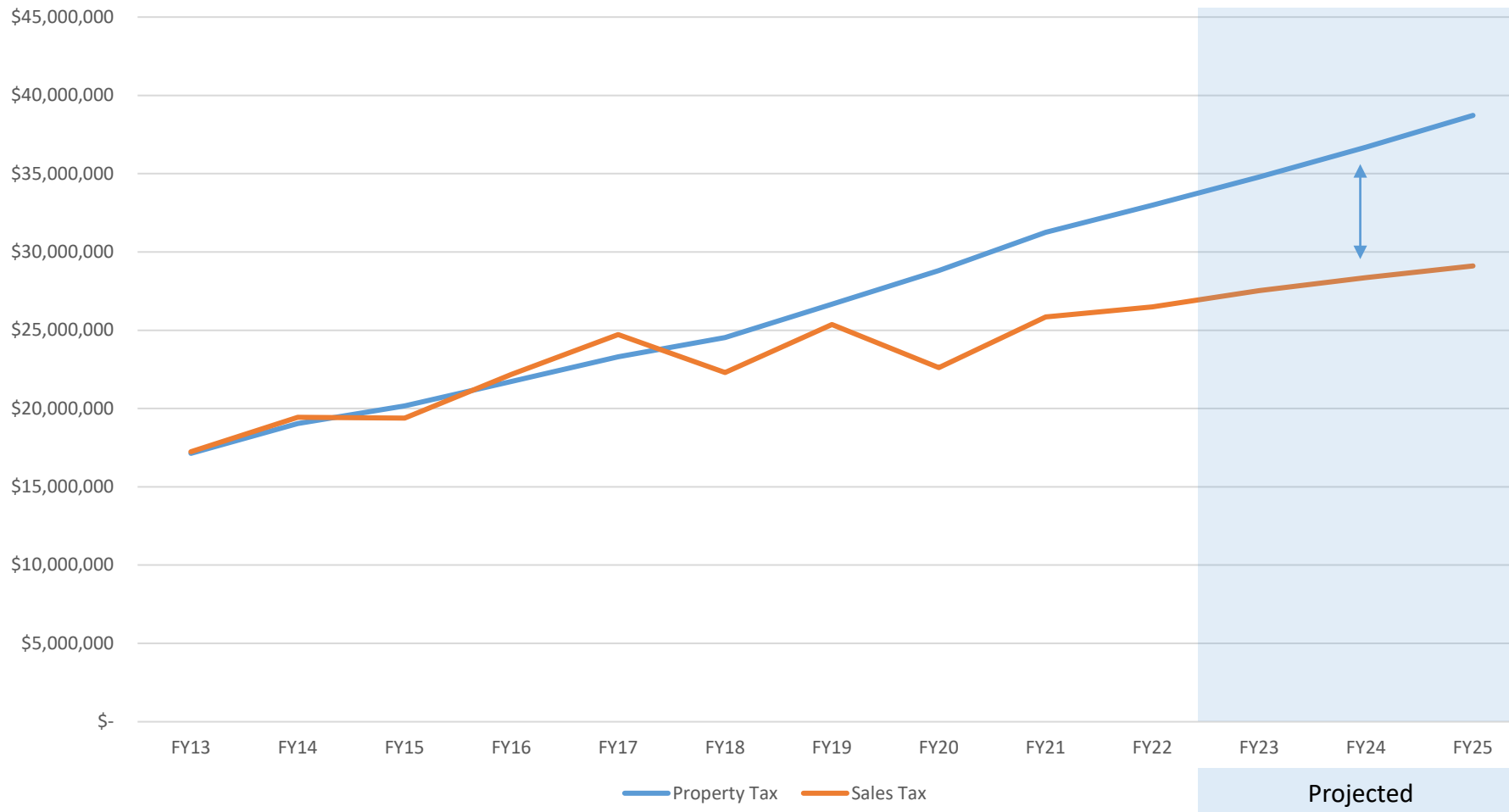
This trend is not going away

# Combined Tax Revenue



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Historical Tax Revenue Growth



Property tax trend continues

Sales tax growth is flattening



# General Fund Expenses



# City Response to Challenges



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- 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



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- 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

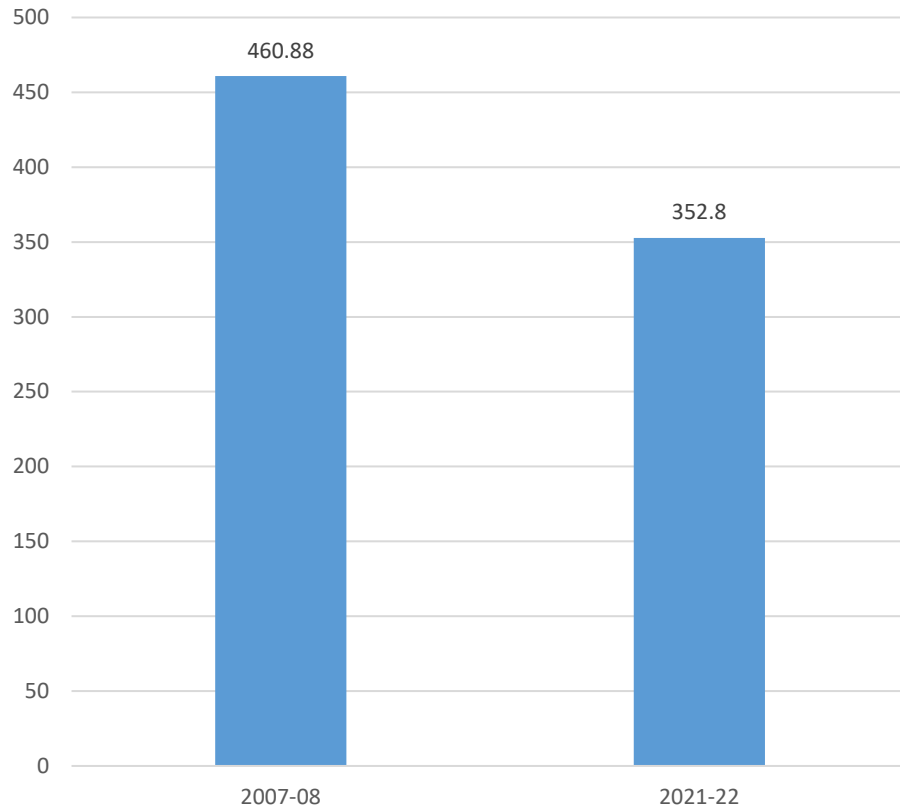
**Result: There is limited ability to reduce service costs further. Without increased revenues, a reduction in city services will be required to balance the budget.**

# General Fund Full-time Positions

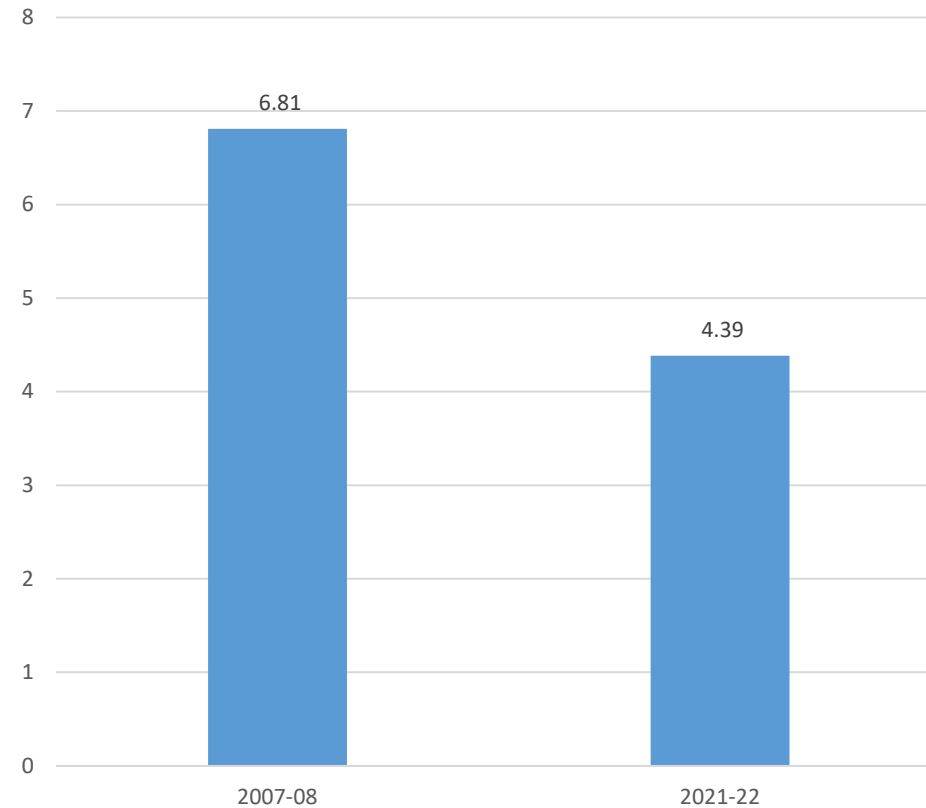


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Total General Fund Employees



GF Employees/1000 Residents



**36% reduction in GF Employees/1000 Residents**

# Operational Departments



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- Police
- Fire
- Parks and Recreation
- Community Development
- Public Works
- Library

# Unfunded/Underfunded Needs



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	<b>One-Time Costs Years 1 - 5</b>	<b>Annual Costs Years 1 - 5</b>	<b>One-Time Costs Future (5 years+)</b>	<b>Additional Positions Needed</b>
Police	\$ 9,551,814	\$ 8,417,858	\$ 7,888,590	50
Fire	15,909,521	6,653,145	15,000,000	25
Parks and Recreation	10,782,000	3,986,700	140,350,849	13
Community Development	985,000	450,000	-	8
Public Works	1,379,400	1,077,845	70,100,000	6
Library	150,000	-	-	-
<b>Total</b>	<b>\$ 38,757,735</b>	<b>\$ 20,585,548</b>	<b>\$ 233,339,439</b>	<b>102</b>

# Unfunded/Underfunded Needs



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## 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



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## 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



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## 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



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## 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)

# Unfunded/Underfunded Needs



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## 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



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## 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



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## **Library Needs – One to Five Years:**

- Carpet replacement (13,700 sq.ft.)

# Unfunded/Underfunded Needs - Revisited



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	One-Time Costs Years 1 - 5	Annual Costs Years 1 - 5	One-Time Costs Future (5 years+)	Additional Positions Needed
Police	\$ 9,551,814	\$ 8,417,858	\$ 7,888,590	50
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**No identified funding source  
for these costs**

# 5-Year Budget Forecast



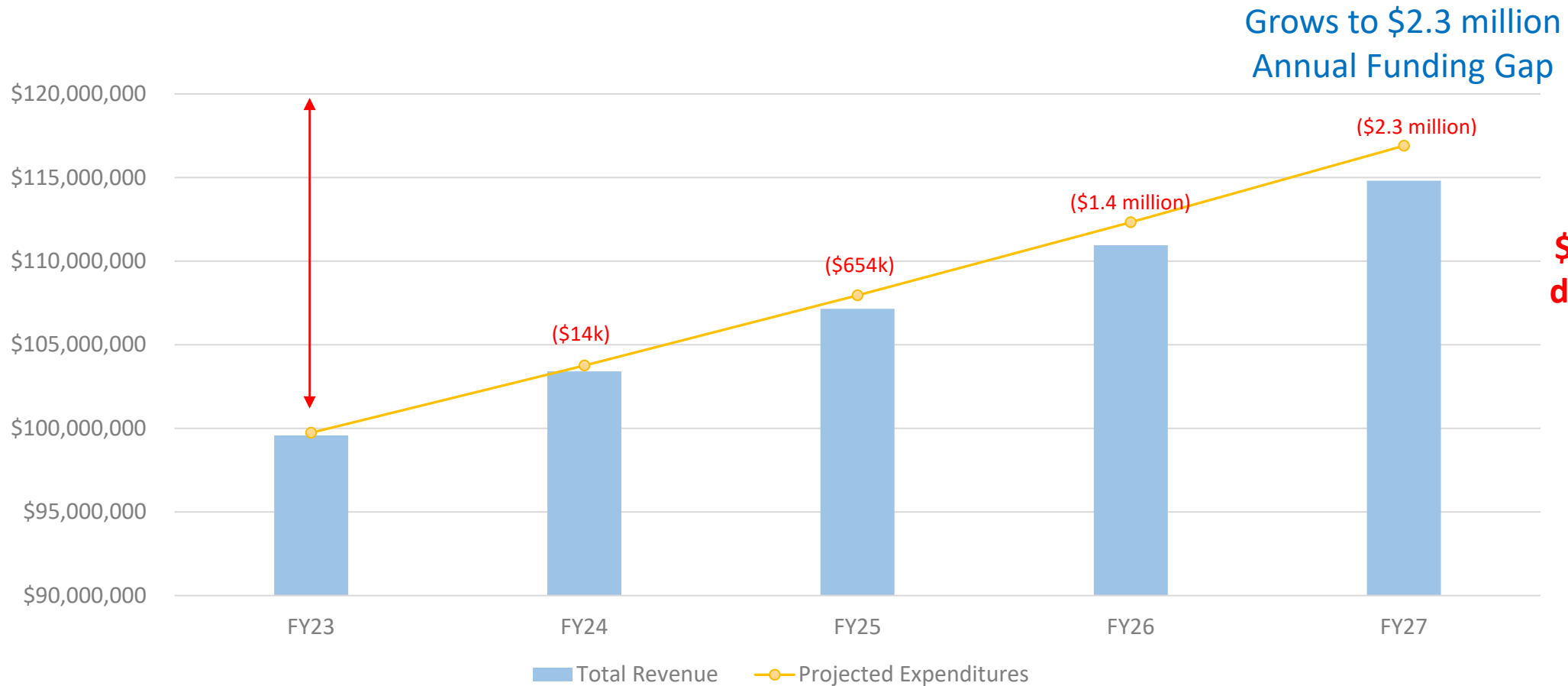
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**Looking Ahead: FY 2023-2027**

# 5-Year Forecast – General Fund



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**\$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



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- How we establish our compensation packages
- Different types of employee compensation

# Compensation



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

## COMPARABLE CITIES

City of Citrus Heights	City of Davis	City of Elk Grove
City of Rancho Cordova	City of Rocklin	City of Roseville
City of Sacramento	City of West Sacramento	County of Sacramento

- Middle to high-middle group

# Types of Employee Compensation



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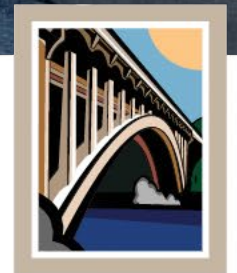
- Education Incentive
- Tuition Reimbursement
- Deferred Compensation
- Uniform Allowance
- Car Allowance
- Tech Allowance
- Cell Phone Allowance
- Longevity Pay



# Fire Department



# Fire Department Overtime / Response Times

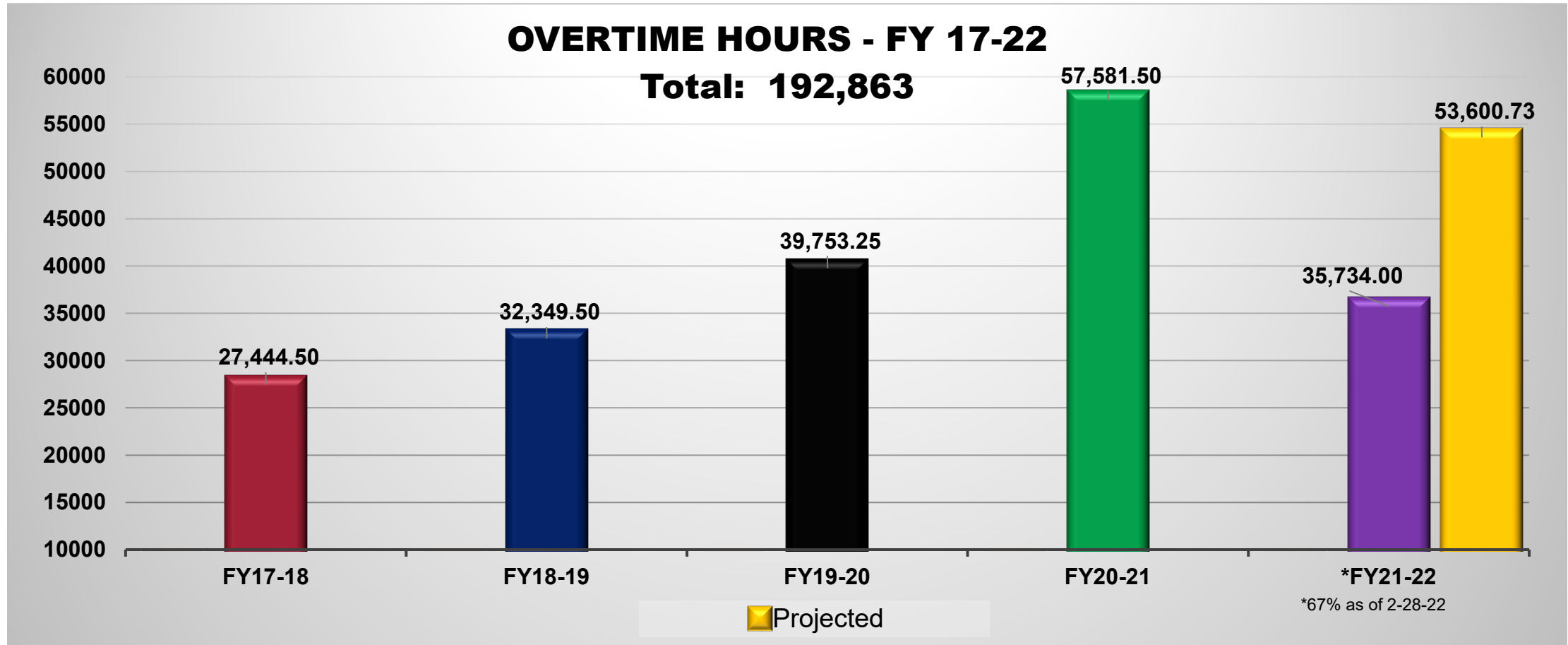


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# 5-year Overtime Comparison



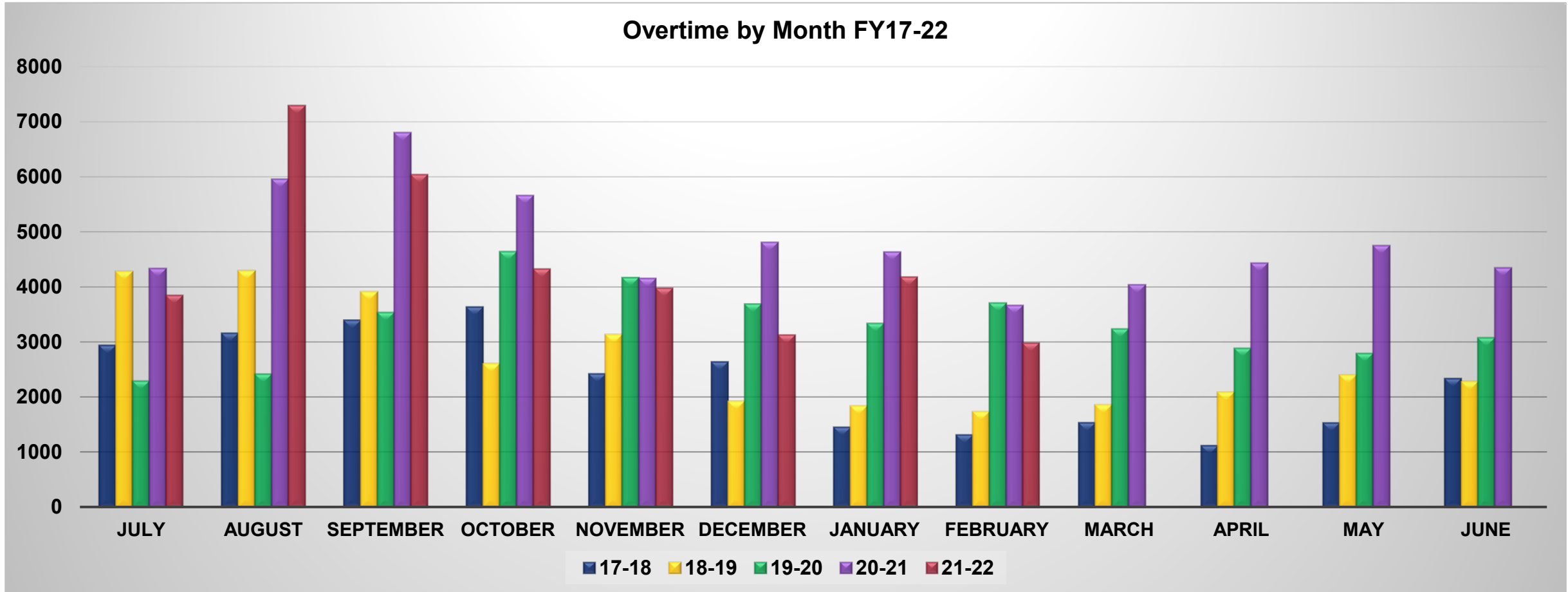
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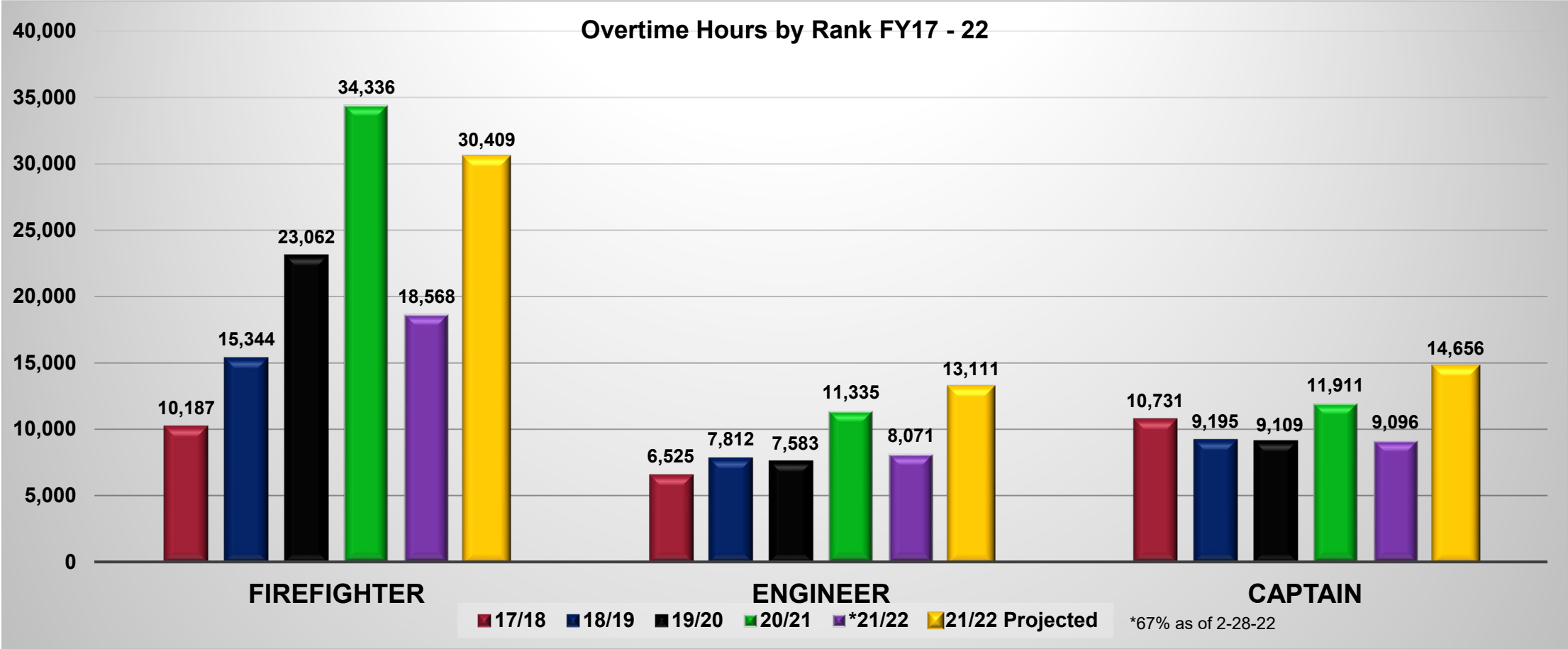
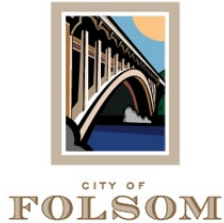
# Overtime by Month FY17-22



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# Overtime Hours by Rank FY17 - 22

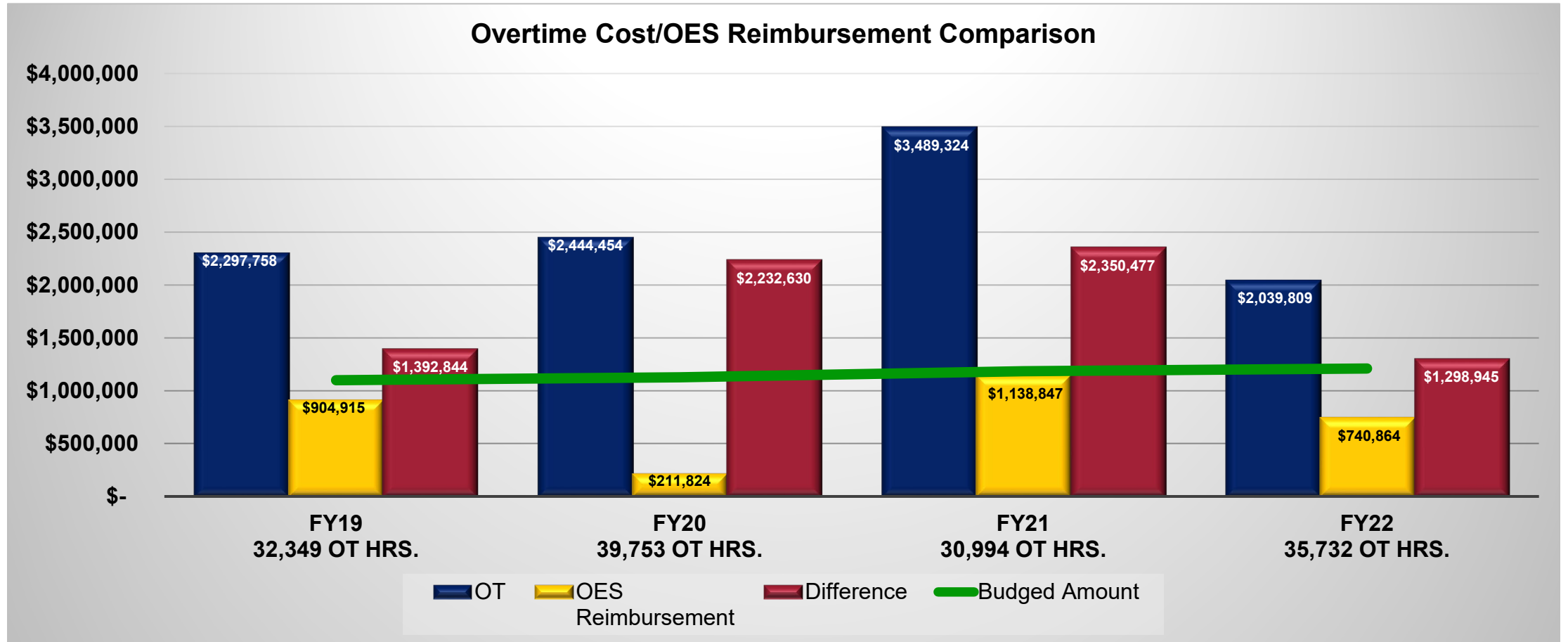




# Overtime costs



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# Leave Request Procedure



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## **MOU - City of Folsom and Local 522**

### **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



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## FY 19/20

POSITION	HOURS	PERSONNEL OFF PER DAY
Firefighter	14,475.50	1.65
Engineer	5,812.00	0.66
Captain	7,707.25	0.88
<b>TOTAL</b>	<b>27,994.75</b>	<b>3.20</b>

## FY 20/21

POSITION	HOURS	PERSONNEL OFF PER DAY
Firefighter	24,183.75	2.76
Engineer	9,504.50	1.08
Captain	9,052.50	1.03
<b>TOTAL</b>	<b>42,740.75</b>	<b>4.88</b>

# Personnel Leave



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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



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**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

# First On-Scene Response Times



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Oct - Dec 2019		2020		2021		Jan-Feb 2022	
Avg. Response Time	Incidents	Avg. Response Time	Incidents	Avg. Response Time	Incidents	Avg. Response Time	Incidents
6:13	1,484	6:20	5,508	6:19	6,944	6:03	1,357



# Police Department

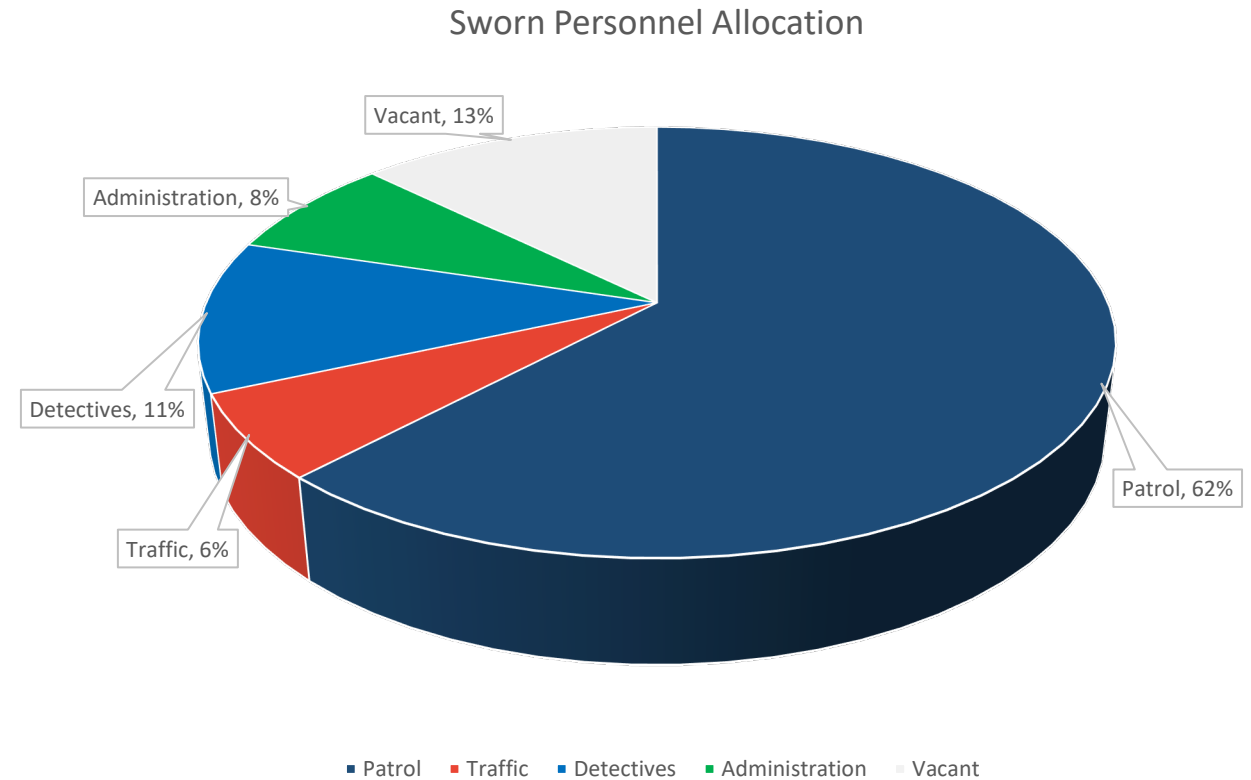
# PD Sworn Staffing



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## • 79 Sworn

- Chief of Police 1
- Commander 2
- Lieutenant 5
- Sergeant 12
- Corporal 5
- Officer 54 (*10 Vacant*)





# 24/7 Patrol Staffing



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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)

# Police Response Times



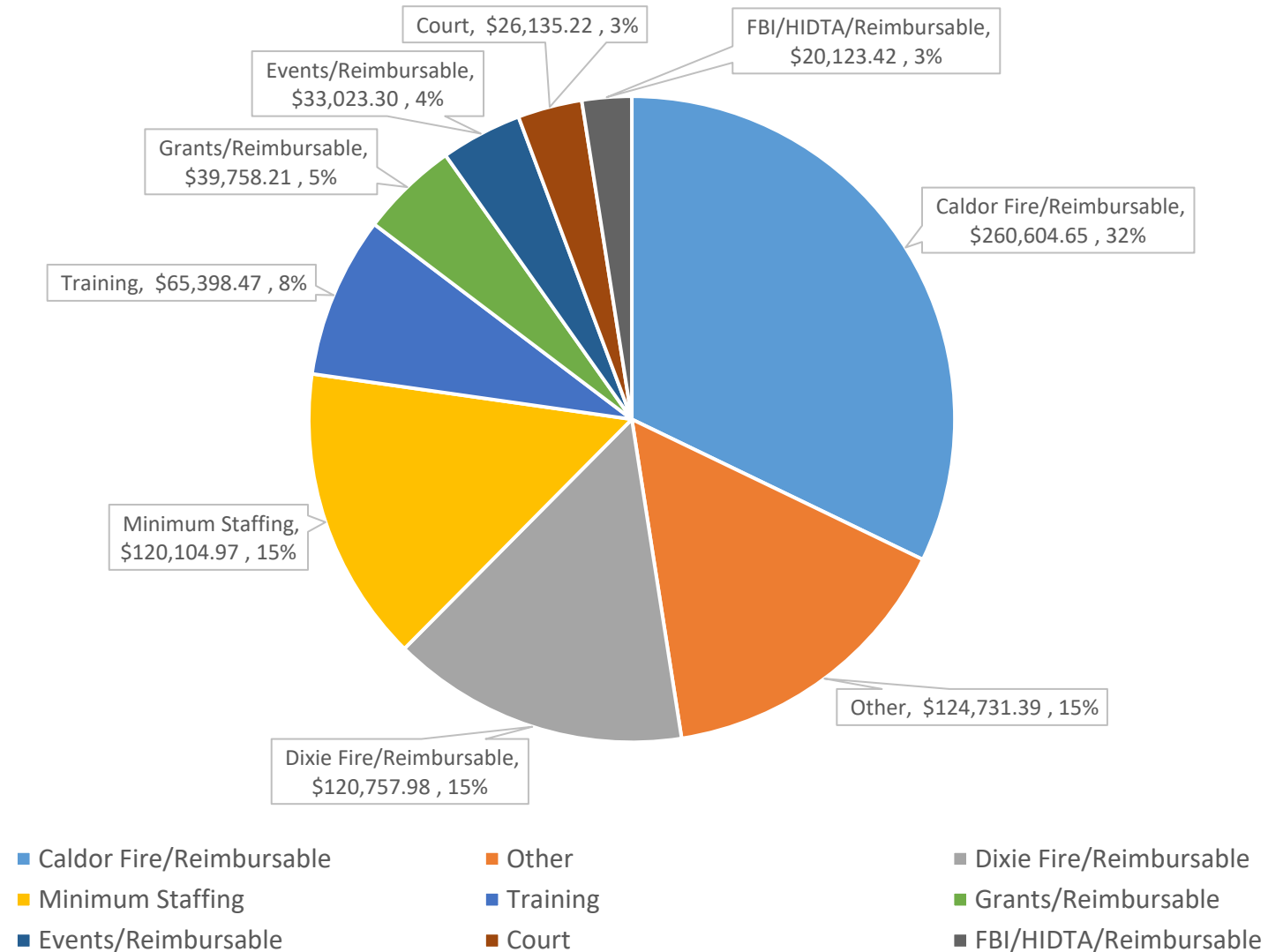
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2019		2020		2021		Jan-Feb 2022	
Avg. Response Time	Incidents	Avg. Response Time	Incidents	Avg. Response Time	Incidents	Avg. Response Time	Incidents
12.05	63,300	11.34	59,132	11.50	51,463	12.07	5,052

# Police Department Overtime



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# Strategic Plan

# Strategic Plan: Introduction



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*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.

# Strategic Plan: Why Do We Need One?



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- 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?



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- ✓ Intentional
- ✓ Avoids “one-offs”
- ✓ Encourages cohesiveness and clarity
- ✓ Ensures we’re all working from the same playbook

# Strategic Plan: What Should It Do?



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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.



# Strategic Plan: Starting Points



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## **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.

# Strategic Plan: Starting Points



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## **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.

# Strategic Plan: Starting Points



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## **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



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## **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

# Strategic Plan: Starting Points



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## **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



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## **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

# Strategic Plan: Starting Points



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

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



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- Financial Stability and Sustainability
- Governance and Organization Effectiveness
- Economic and Community Development
- Public Safety
- Infrastructure
- Communication and Outreach



# Strategic Plan: Being SMART



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- **Specific**
- **Measurable**
- **Attainable**
- **Relevant**
- **Time-Bound**

# Strategic Plan: Exercise #1



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What would you like the City of Folsom organization to achieve/accomplish in the next five years?

# Strategic Plan: Exercise #2



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**Strengths**

**Weaknesses**

**Opportunities**

**Threats**

# Strategic Plan: Next Steps



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- 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.



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Questions/Comments?