



CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Agenda

City Council Special Meeting Workshop

City Council Chambers | 50 Natoma Street, Folsom CA 95630

March 08, 2022

1:00 PM

Welcome to Your City Council Meeting

We welcome your interest and involvement in the city’s legislative process. This agenda includes information about topics coming before the City Council and the action recommended by city staff. You can read about each topic in the staff reports, which are available on the city website and in the Office of the City Clerk. The City Clerk is also available to answer any questions you have about City Council meeting procedures.

Participation

If you would like to provide comments to the City Council, please:




- Fill out a blue speaker request form, located at the back table.
- Submit the form to the City Clerk before the item begins.
- When it’s your turn, the City Clerk will call your name and invite you to the podium.
- Speakers have three minutes, unless the presiding officer (usually the mayor) changes that time.

Reasonable Accommodations

In compliance with the Americans with Disabilities Act, if you are a person with a disability and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk’s Office at (916) 461-6035, (916) 355-7328 (fax) or CityClerkDept@folsom.ca.us. Requests must be made as early as possible and at least two full business days before the start of the meeting.

How to Watch

The City of Folsom provides three ways to watch a City Council meeting:

In Person	Online	On TV
		
City Council meetings take place at City Hall, 50 Natoma Street	Watch the livestream and replay past meetings on the city website, www.folsom.ca.us	Watch live and replays of meetings on Sac Metro Cable TV, Channel 14

More information about City Council meetings is available at the end of this agenda



City Council Special Meeting Workshop

Folsom City Council Chambers
50 Natoma Street, Folsom, CA
www.folsom.ca.us

Tuesday, March 08, 2022 1:00 PM

Kerri Howell, Mayor

Rosario Rodriguez, Vice Mayor
YK Chalamcherla, Councilmember

Sarah Aquino, Councilmember
Mike Kozlowski, Councilmember

SPECIAL CITY COUNCIL AGENDA

Members of the public wishing to participate in this meeting via teleconference may participate either online or by telephone via WebEx.

Meeting Number: 2550 215 4375

Meeting Password: 03 08 2022

Join the meeting by WebEx online:

<https://cityoffolsom.my.webex.com/cityoffolsom.my/j.php?MTID=m3cc41291b9029068e4bf78956f40fdaf>

To make a public comment using the WebEx online platform, please use the “raise hand” feature at the bottom center of the screen. Please make sure to enable audio controls once access has been given by the City Clerk to speak. Please wait to be called upon by the City Clerk.

Join the meeting by WebEx telephone: Dial 1-415-655-0001

*To make a public comment by phone, please press *3 to raise your hand. Please make sure to enable audio controls by pressing *6 once access has been given by the City Clerk to speak. Please wait to be called upon by the City Clerk.*

Verbal comments via virtual meeting must adhere to the principles of the three-minute speaking time permitted for public comment at City Council meetings.

CALL TO ORDER

ROLL CALL:

Councilmembers: Aquino, Chalamcherla, Rodriguez, Kozlowski, Howell

PLEDGE OF ALLEGIANCE

AGENDA UPDATE

WORKSHOP:

1. Council Workshop on Developing a Strategy to Close the City's Future Funding Gap/Introduction to Strategic Planning and Direction to Staff

ADJOURNMENT

NOTICE: *Members of the public are entitled to directly address the City Council concerning any item that is described in the notice of this meeting, before or during consideration of that item. If you wish to address Council on an issue, which is on this agenda, please complete a blue speaker request card, and deliver it to a staff member at the table on the left side of the Council Chambers prior to discussion of the item. When your name is called, stand to be recognized by the Mayor and then proceed to the podium. If you wish to address the City Council on any other item of interest to the public, when the Mayor asks if there is any "Business from the Floor," follow the same procedure described above. Please limit your comments to three minutes or less.*

NOTICE REGARDING CHALLENGES TO DECISIONS: *Pursuant to all applicable laws and regulations, including without limitation, California Government Code Section 65009 and or California Public Resources Code Section 21177, if you wish to challenge in court any of the above decisions (regarding planning, zoning and/or environmental decisions), you may be limited to raising only those issues you or someone else raised at the public hearing(s) described in this notice/agenda, or in written correspondence delivered to the City at, or prior to, the public hearing.*

As presiding officer, the Mayor has the authority to preserve order at all City Council meetings, to remove or cause the removal of any person from any such meeting for disorderly conduct, or for making personal, impertinent, or slanderous remarks, using profanity, or becoming boisterous, threatening or personally abusive while addressing said Council, and to enforce the rules of the Council.

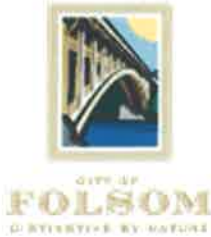
PERSONS INTERESTED IN PROPOSING AN ITEM FOR THE CITY COUNCIL AGENDA SHOULD CONTACT A MEMBER OF THE CITY COUNCIL.

The meeting of the Folsom City Council is being telecast on Metro Cable TV, Channel 14, the Government Affairs Channel, and will be shown in its entirety on the Friday and Saturday following the meeting, both at 9 a.m. The City does not control scheduling of this telecast and persons interested in watching the televised meeting should confirm this schedule with Metro Cable TV, Channel 14. The City of Folsom provides live and archived webcasts of regular City Council meetings. The webcasts can be found on the online services page of the City's website www.folsom.ca.us.

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Any documents produced by the City and distributed to the City Council regarding any item on this agenda will be made available at the City Clerk's Counter at City Hall located at 50 Natoma Street, Folsom, California and at the Folsom Public Library located at 411 Stafford Street, Folsom, California during normal business hours.

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Folsom City Council Staff Report



MEETING DATE:	3/8/2022
AGENDA SECTION:	New Business
SUBJECT:	Council Workshop on Developing a Strategy to Close the City’s Future Funding Gap/Introduction to Strategic Planning and Direction to Staff
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

Receive follow-up staff presentation including review of financial projections and unfunded needs and a report back of council requests for additional information. In addition, begin the process of developing a comprehensive strategic plan to establish the City’s priorities, goals, and objectives for the next five years.

BACKGROUND / ISSUE

The City’s fiscal position has improved steadily since the December 2007 - June 2009 “Great Recession”. That said, the City experienced continued effects of the recession through Fiscal Year 2011 when the General Fund’s “rainy day fund” reached its low point of just \$3.9 million. Initial recovery from the recession meant there was lost ground to be regained, as the City prioritized maintaining quality of life services and was able to minimize cuts with strong fiscal management and the deferral of improvements and maintenance. Over the next few years, sales tax revenues increased as pent-up consumer demand was satisfied, and property tax revenues increased as real estate values recovered; however, this trend in revenue growth, particularly sales taxes, has slowed down while the cost of providing services continues to increase.

COVID-19 has also added to the fiscal strain, affecting revenues once again and solidifying concerning shifts in sales tax trends and consumer behavior. Unfortunately, as has been shared with the City Council previously, Folsom has received a relatively small infusion of state or federal COVID-19 relief dollars, disproportionate to other jurisdictions.

During both the “Great Recession” and the COVID-19 related economic downturn, the City kept service levels high by deferring millions of dollars’ worth of capital improvements and maintenance, and reducing staffing levels. Staffing levels at this time are still below the levels they were at before the “Great Recession”.

This approach has provided for break-even budgets in recent years, and staff expects that will continue for FY 2022-23, with operational revenues anticipated to roughly equal operational expenses. However, as expenses continue to grow and outpace the growth of revenues, City staff is projecting a \$2.3 million funding gap by FY 2026-27 *just to provide our current level of service*. This \$2.3 million projected shortfall does not address the City’s future unfunded needs, let alone meet the understandably increasing expectations of the residents of our growing city.

Due to slowing revenue growth and increasing costs to provide services, the City has had to make difficult decisions in recent years, deferring most requests from operating departments for increased budget allocations for facility and park maintenance, vehicle and equipment replacements, and increased staffing needs. *If the City were to maintain its current level of service while also fully funding these accumulating maintenance, vehicle and equipment replacement, and other annual unfunded needs that have been deferred for many years, the General Fund budget would realize a \$20 million deficit per year.* Unfortunately, these needs do not go away when they are deferred; they continue to accumulate and the cost to fund them in the future only grows.

City staff presented this financial background and outlook to the City Council in a comprehensive report during the February 8, 2022 special meeting. The City Council gave direction to move ahead with community engagement and to set up a City Council subcommittee on unutilized/underutilized City properties. The Council also requested that staff return on March 8, 2022, with additional requested information.

ANALYSIS

This second workshop in the series to develop a strategy to close the City’s future funding gap will include a brief review of financial projections and unfunded needs and a report-back of Council requests for additional information.

The report-back on requested information will include explanations of:

- Employee additional pays
- Employee salaries
- Unfunded department requests/needs related to our south of 50 development
- Police and Fire Department overtime costs
- Police and Fire Department response times

Also, as part of this special meeting, the City Council will begin the process of developing a comprehensive strategic plan to establish the City's priorities, goals, and objectives for the next five years. The process involves:

- Articulating a vision of where the organization and community wants to go;
- Creating a plan for how to get there; and
- Identifying how to carry out the plan.

The strategic plan will serve as a blueprint for the short-term future and will produce tangible, measurable, and meaningful results – based on the vision of the Folsom City Council and the community's needs. Foundational work at this workshop will begin with an initial conversation among the City Council as to what the Council would like the City of Folsom to achieve/accomplish in the next five years, and also an analysis of the City's strengths, weaknesses, opportunities, and threats (known as a SWOT analysis).

FINANCIAL IMPACT

There is no direct financial impact related to this item.

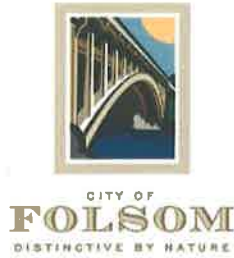
ATTACHMENTS

1. "In the Next Five Years" Worksheet
2. "SWOT" Worksheet

Submitted,

Stacey Tamagni, Director of Finance

ATTACHMENT 1



“In the Next Five Years...” Worksheet

Your Name/Title:

Please provide *up to* five answers to the following question:

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

Please consider this an opportunity to craft statements that reflect your hopes and ambitions for what you desire to be **true** about the City of Folsom in **2027** (the more specific your statements are, the better). If you don't have five statements, please do not be concerned – *one, two, three, four, or five are all just fine.*

Please strive to look above and beyond the status quo.

Please strive to strike a balance between being bold and being realistic.

This process will help inform the City of Folsom's strategic plan, which will, in turn, inform the City's goals, and correlating milestones and timelines based on available resources:

- 1.
- 2.
- 3.
- 4.
- 5.

ATTACHMENT 2



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“SWOT” Worksheet

Your Name/Title:

In order to build an effective strategic plan for Folsom, it is important to evaluate the current status of our organization. An important tool in doing so is to analyze our City organization’s **Strengths, Weaknesses, Opportunities, and Threats** (a “SWOT” analysis). Please think about the City of Folsom organization in terms of these categories (sample questions are provided to guide your thought process, but all feedback is welcomed).

Strengths (What are the City of Folsom’s advantages? What does the City of Folsom do well?):

Weaknesses (What could the City of Folsom improve? Are there things the City of Folsom should stop doing?):

Opportunities* (What are good prospects worth pursuing? What are trends in economic development, lifestyles, demographics, policy, etc. that are exciting and spark ideas and possibilities?):

Threats* (What obstacles does the City of Folsom face? How is the economic situation changing? Are major employers vulnerable? What is happening around us geographically that might affect us adversely? What governmental policies are concerning?):

**Please note that the City as an organization may have no or limited control over Opportunities and Threats, but it is still important to consider and confront them.*

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