2026-2027 Budget questions – Barbara Leary
Below are questions that I haven't been able to resolve at this point though I am still continuing to review all of the materials in the binder.

1) Line 221, pg 1 – Housing trust fund use – 1,527,404. What is the intended use, are there to be co-mingled with funds on line 238 - $20,783,920, Folsom housing fund?
   These funds are available for low/moderate income housing projects. They can be combined with Fund 238 - Folsom Housing Fund.
2) Line 235, pg 1, Road maintenance & rehab – what is/are the funding source(s) for the Transportation Imp fund budgeted for $2,622,574?
   This is state Local Streets and Roads Program funding from the Road Maintenance and Rehabilitation Account (RMRA) via SB1.
3) Line 254 pg 1, what is the Historic District projected income source of the $5,000 and it's intended use?
   Historic District Business License Surtax, remitted to the Sutter Street Merchants Association.
4) Line 753 pg 2, what is the Zoo special revenue source and intended use– current balance 231,196, projected revenue 34,000, expenses 150,000, final 115,196
   The revenue comes from the Folsom City Lions Park Mini-Railroad agreement. The funding is used for special projects within the zoo.
5) 414, pg 2 Johnny Cash art experience (45,249), revenue 9,000, exp. 10,000, final (46,249), what project is planned to utilize the revenue, create a deficit and is there the potential for another funding source?
   The deficit is created due to the timing of grant reimbursements coming in after the art project expenditures.
6) 458, pg 3 Library Development fund 82,422 balance – 0 projected expenditures – what is the plan for these monies?
   This balance is impact fees and must be used for new upgrades or additions to the main library facility. In the past, expansion of the camera security system was a use of the funds.
7) Pg 3 What is the source of the money transferred in and expenditures anticipated for the following? Please confirm, all appear to be from General fund.
   603 IT equipment fund transfer in source for $100,000 – Transfer in from General Fund
   607 police 300,000 transfer in- Transfer from Fund 602 to Fund 609
   608 Fire transfer in 151,660 – Transfer from Fund 602 to Fund 608
   609 Trails transfer in 925,000 – Transfer from Fund 602 to Fund 609
8) These were noted last year yet remain unresolved in terms of identifying the source and potential use of funds – is there a plan for the future use of these funds?
   Pg 3 702, 704 -715 – zero expenses zero income intent for use of funds
   Pg 4 721-724, 727-729 " " " "
   These are older CFD funds with small balances that need to be reconciled. As staff resources allow, we will be discussing these balances with the Trustee and bond counsel to determine how much, if any, remains available for CFD infrastructure expenditures allowed under the bond indenture or be transferred to the General Fund for CFD administration.
9) Pg 4 724 Folsom Heights – neg (26,241) and 6,000 in projected expenses – what is the purpose of this fund?
   The Folsom Heights Fund is Fund 742. The purpose of the fund is to account for the activity of CFD 22. The negative cash balance will be eliminated with the issuance of

bonds later this year.

10) Pg 5 0101905 IT proposed decrease -from 25/26 adopted budget of 382,527 to projected 133,330 – why is there a reduction in this budgeted amount?
    With the reduction of GIS staff mid-year in FY 25/26, we will see the full impact of the reduction in FY 26/27.
11) Pg 5 0104000 Zoo – proposed 2,808,663, increase in 26/27 from yr 24/25 actual 2,694,100, down from yr 23/24 3,226,894. Revenues on page 33 do not reflect the total income that has been previously reported.
    FY 23/24 expenses include capital costs that will now be accounted for in either 602 or 609, rather than the General Fund. Total revenue presented in the budget book for FY 26/27 is estimated at $1,035,800 for the zoo.
12) Pg 5 0102730 – Pool – budgeted amount appears to be essentially stable since 20/21 though costs for equipment is higher this year. I could not locate all income but see 2025692,904 for pool related activities which is lower than the total income noted at our last meeting.
    Total revenue presented in the budget book for FY 26/27 is estimated at $1,066,479 for the Aquatic Center.
13) Pg 5 0103803 Trails – increased from yr 25/26 adopted 252,775 to proposed 552,514. I assume for repairs. Is the only source for these repairs the general fund or are there potential grant possibilities or partnerships in mind for fundraising?
    This division accounts for Trail Planning staff costs. Trail maintenance will be funded from Fund 609 for FY 26/27. At this time, the General Fund is the primary funding source for maintenance.
14) Pg 6 Fire training – 0 prior cost notation increased to 205,120 – is this in anticipation in a change in how training is conducted?
    At the request of the department, a separate division has been created to account for training costs that were previously accounted for in 0102221 – Fire Emergency Response.
15) Pg 6 Code enforcement – decreased from adopted 25/26 541,018 to projected 359,793. Has there been a change in personnel or establishment of shared responses among other departments?
    Yes, with a recent retirement there was a change in personnel from a one manager/one officer format to a zero manager/two officers format. Management of the division is now conducted by existing Community Development Staff outside of the code enforcement division.
16) Pg 21 Plan check revenue drop – from $1,098,256 in 2025, 1,345,000 to $450k in 2027. Is such a drastic reduction due to the streamlining efforts in that department?
    Due to the lack of control the city has over the timing of development activity, various development related revenue sources are conservatively budgeted. When Plan Check revenue increases, there is also a coinciding expense for outside plan check contracts.
17) Pg 33 - 3411807 non-direct charge reimbursement, increase 2026 >$ 1 million. Please explain source of charges re-imbursement.
    The non-direct charge reimbursement of $1.4 million is made up of about $985k for Municipal Landscape Service administration costs that are charged to the L&L and CFD Maintenance Districts. The remaining $455k is made up of charges to the facilities CFDs for Finance/City Manager/City Attorney Administration.
18) Pg 39 under other financing sources – what are the sources of transfers in and agency transfers
    $4.8 million of transfers in is made up of the Cost Allocation Plan overhead allocation

to allocate a portion of the costs of the General Fund Admin Departments to all other funds.
The $1.3 million in transfers in is made up of allocations to the Gas Tax funds to pay for a portion of Public Works staffing and operations costs.

19) Revenues - Pg 7 through 40 detail - Revenues essentially flat compared to 2025 excepting line 3140010 that shows 40,000 decrease in short term TOT and total intergovernmental decreased with ~ 1 million decrease since 2025. Service charges from this years budget to next appear to be relatively stable.
Is there any detail regarding projections in these sources of income and the sales tax revenue that will be shared at the next meeting?
Revenue projections overall are appropriately conservative, with no significant increases, to ensure the General Fund will reach estimates and not end the year with a shortfall.
Sales tax projections from the City's sales tax consultant, Neumo/MuniServices, provide a range of scenarios for FY 26/27 with the most conservative "worst-case" scenario at $25.4 million (including revenue from the Auto Mall tax sharing agreement) and the most optimistic "best case" scenario at $28.6 million (including revenue from the Auto Mall tax sharing agreement). For purposes of the FY 26/27 budget, staff has used a $27.4 million projection, settling in the middle of the worst- and best-case scenarios provided by the consultant.
20) Request – is there a comprehensive list of contracted services, length of the contracts, and notation as to whether they are temporary or long term? Are there documented savings or increases in expenses for the work we are currently contracting out?
All contracts over the City Manager's signing authority (currently xxx) go to the City Council for approval. Departments are empowered to use contract services when appropriate to be as efficient as possible in delivering services to the community.
In the recent FY 25/26 budget efforts, contracted services were initiated for both IT management and GIS services. The effect on the FY 26/27 budget for these services is an annual savings of approximately $254k.