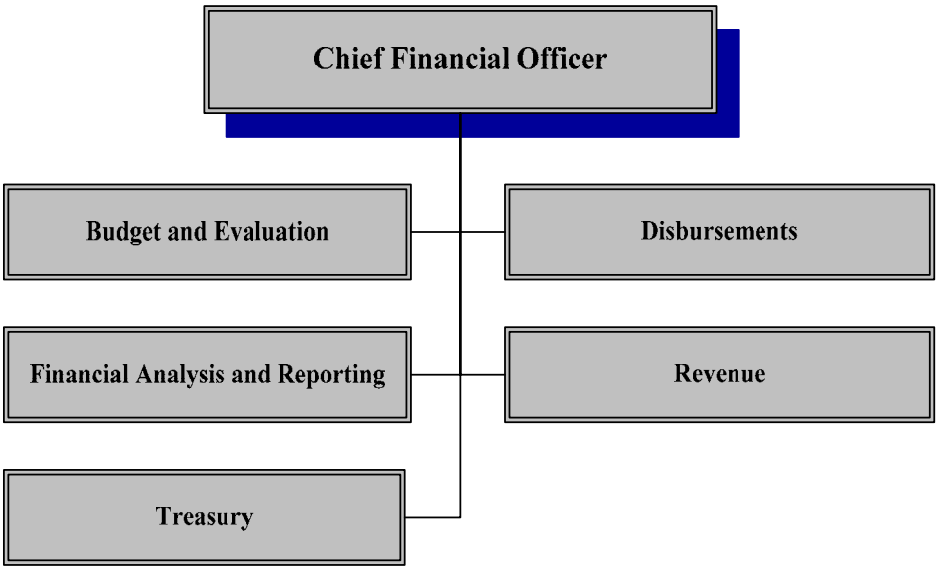


Finance

- Mission Statement
- Budget Summary
- Program Information
- Accomplishments
- Work Plan
- Key Issues
- Position Information
- Major Contracts
- New and Replacement Vehicles

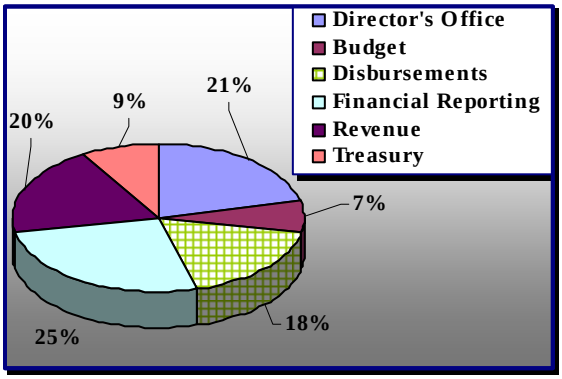
Mission Statement

To maintain the City's high standard of financial excellence by providing the Residents, City Council, City Manager, and City Departments with professional customer service through collection and disbursement of funds, financial reporting, and management of assets.

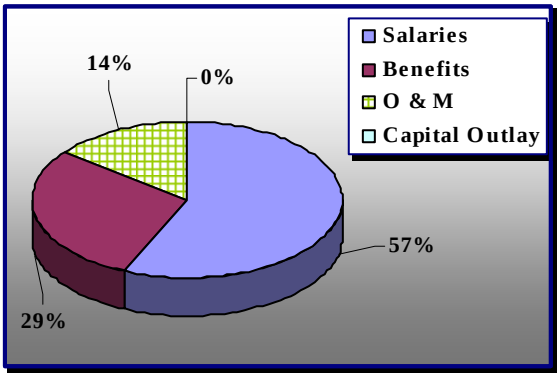
Budget Summary

Expenditure	Actual FY 2004-05	Budget FY 2005-06	Revised FY 2005-06	Proposed FY 2006-07	Change From 05-06 Budget
Salaries	$961,131	$1,269,241	$1,176,745	$1,383,069	8.97%
Benefits	$484,624	$638,959	$601,645	$703,872	10.16%
Operation & Maintenance	$478,411	$344,270	$410,778	$350,919	1.93%
Capital Outlay	$10,069	$0	$0	$0	0.00%
Total	$1,934,235	$2,252,470	$2,189,168	$2,437,860	8.23%
Full-Time Positions	19.00	20.00	20.00	20.00	0.00%
Part-Time Positions	0.00	0.00	0.00	0.00	0.00%
Director's Office	$385,313	$500,326	$513,028	$523,215	4.57%
Budget	$168,949	$153,216	$152,584	$163,706	6.85%
Disbursement	$334,520	$384,345	$388,824	$431,138	12.17%
Financial Reporting	$503,414	$581,534	$582,941	$631,514	8.59%
Revenue	$379,175	$439,786	$405,568	$478,416	8.78%
Treasury	$162,863	$193,263	$146,224	$209,871	8.59%
Total	$1,934,235	$2,252,470	$2,189,168	$2,437,860	8.23%
Funding Source					
General Fund	$1,934,235	$2,109,355	$2,046,053	$2,285,560	8.35%
Transfers In	$0	$143,115	$143,115	$152,300	6.42%
Total	$1,934,235	$2,252,470	$2,189,168	$2,437,860	8.23%

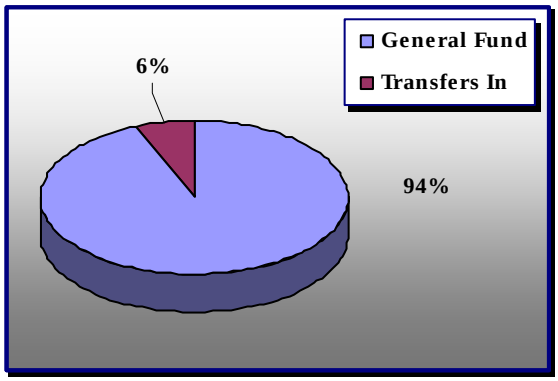
Department by Divisions



Department Expenditure by Category



Department Funding Sources



Program Information

Chief Financial Officer/Finance Director's Office **$523,215**

The Chief Financial Officer/Finance Director's Office is the primary advisor to the City Manager, City Council, and Departments in the areas of financial planning, investments, debt management, financial reporting, accounts payable, payroll, accounts receivable, business licenses, and utility billing. It is also responsible for preparing the operating budget, five-year revenue and expenditure projections, and capital improvement plan (CIP). This division also provides leadership in the development and implementation of city-wide financial policies. This division serves as the Office of the Treasurer as required by the State Government Code and the Folsom Municipal Code.

Budget and Evaluation **$163,706**

This division is responsible for preparing the operating budget, five-year revenue and expenditure projections, and the capital improvement plan. It is also responsible for operational and organizational studies as identified by the City Manager, City Council, and department staff, as well as coordinating citizen surveys and evaluating departmental achievement of the City's strategic plan.

Disbursements **$431,138**

This division processes the City's payroll and accounts payable payments accurately and in a timely manner; and prepares and maintains accurate financial records of all disbursement transactions.

Financial Analysis and Reporting **$631,514**

The Financial Analysis and Reporting division prepares and maintains accurate financial records including grants, capital projects, enterprise funds, governmental funds, and fixed assets. The division also reports the financial data of the City according to Generally Accepted Accounting Principals and the Pronouncements of the Governmental Accounting Standards Board in a timely manner.

Revenue **$478,416**

The Revenue Division collects and records all City revenues including service payments, business licenses, sales taxes, property taxes, franchise fees, Folsom Tourism Business Improvement District (FTBID) payments, and transient occupancy taxes. It also processes all City accounts receivables. The division also provides customer service to the City's service customers, including billing, new account set-ups, and account inquiries. Collection procedures for delinquent accounts receivable are initiated through this division.

Treasury **$209,871**

The Treasury division is responsible for cash, investment portfolio, debt, and special assessment district management. This division also manages the City's banking and other financial services relationships. The cash management program is responsible for ensuring the timely deposit, investment and disbursement of funds. Portfolio management includes investing the City's funds in compliance with the City's Investment Policy. Debt management includes the issuance and ongoing administration of the City's debt instruments, and the debt instruments of the special assessment districts.

FY 2005 – 06 Accomplishments

Director's Office

- Continued implementation of Strategic Goal 1
- Evaluated economic impacts of development South of Highway 50
- Completed update of Citywide impact and user fees
- Implemented off-site document storage process to comply with city's record retention requirements

Budget and Evaluation

- Received Government Finance Officer's Association (GFOA) of the U.S. and Canada and the California Society of Municipal Finance Officer's Association (CSMFO) Distinguished Budget Award for Budget Document for the third consecutive year
- Evaluated and planned for impact of State budget deficit on City budgets

Disbursements

- Continued to improve and implement new reporting technologies resulting in time and materials savings
- Assisted with completion of labor negotiations for multiple bargaining units and memorandums of understanding
- Implemented special handling process to aid in turn-around when discounts are available
- Implemented in-house MICR check printing

Financial Analysis and Reporting

- Completed Comprehensive Annual Financial Report (CAFR) by October 31, 2005
- Received Certificates of Excellence in financial reporting for the City's CAFR from GFOA and CSMFO
- Assisted in evaluation of city benefits and risk management programs
- Implemented GASB Statement No. 40 Deposit and Investment Risk Disclosures and GASB Statement No. 44 Economic Condition Reporting: The Statistical Section

Revenue

- Implemented three-cart solid waste/recycling project (Smart Cart Roll Out)
- Revised Business License appearance and distribution process
- Implemented water meter billing project for Folsom's Ashland Area

- Implemented sewer accuracy billing research and changes in joint effort with Sacramento County Regional Sanitation District (SCRSD)

Treasury
- Issued Water revenue bond financing for water treatment plant upgrade and expansion
- Secured lease financing for Solid Waste vehicles
- Continued cash management process improvements

FY 2006 – 07 Work Plan

To ensure and promote the long-term financial health of the City of Folsom. (Strategic Plan Goal I)

Objective : To proactively assess the City's financial capacity to invest in capital improvements, including infrastructure replacement and renovations, over the long term (five years). *(Strategic Plan Goal I, Objective 5)*

Strategies:
- Improve CIP reporting and analysis process by adding additional information and reports by June 2007.
- Present quarterly CIP financial reports to decision makers by June 2007.

Performance Measure	Actual 2005	Projected 2006	Budget 2007
Improve CIP reporting process	N/A	Establish CIP reporting in October 2005	Improve reporting by June 2007
Number of CIP financial reports submitted to City Council	N/A	3 reports	4 expanded reports

Objective : To proactively assess the potential economic and fiscal impact of new development South of Highway 50. *(Strategic Plan Goal I, Objective 5)*

Strategies:
- Submit Financial Plan to City decision makers by January 31, 2007.
- Complete negotiations with LAFCO of the "fiscal and economic impact" provisions of the annexation agreements for areas South of Highway 50 by June 30, 2007.

Performance Measure	Actual 2005	Projected 2006	Budget 2007
Submit financial plan to City decision makers	N/A	N/A	January 31, 2007
Completion of negotiations with LAFCO	N/A	N/A	June 30, 2007

FY 2006 – 07 Customer Service Levels

Customer Service Performance Indicator 1:

Performance Indicator	Actual 2004-05	Projected 2005-06	Budget 2006-07
Return calls for customer billing inquiries	N/A	N/A	95% within 1 Business Day

Customer Service Performance Indicator 2:

Performance Indicator	Actual 2004-05	Projected 2005-06	Budget 2006-07
Return calls for Business License customer inquiries	N/A	N/A	95% within 1 Business Day

Customer Service Performance Indicator 3:

Performance Indicator	Actual 2004-05	Projected 2005-06	Budget 2006-07
Complete month end close to provide City up to date financial information	N/A	N/A	92% within seven business days of end of month

Customer Service Performance Indicator 4:

Performance Indicator	Actual 2004-05	Projected 2005-06	Budget 2006-07
Process departmental budget adjustments	N/A	N/A	Within three business days

Customer Service Performance Indicator 5:

Performance Indicator	Actual 2004-05	Projected 2005-06	Budget 2006-07
Respond to departmental inquiries	N/A	N/A	Contact departments within one business day, provide details within three business days 90% of the time

Key Issues

Director's Office

- Continue the implementation of Strategic Goal I
- Continue to monitor possible State actions and its potential effects on the City's financial health
- Review adequacy of current fiscal system and prepare needs assessment for Citywide Enterprise Resource Planning System
- Continue to evaluate impacts of development south of Highway 50

Budget and Evaluation

- Submit final FY 2006-07 budget document to GFOA and CSMFO as a Distinguished Budget Document
- Conduct three management studies

Disbursements

- Implement internal laser printing of tax forms
- Design and begin implementation of a travel monitoring system
- Evaluate "paperless printing" available in current H T E system as alternative to hard copy storage

Financial Analysis and Reporting

- Assist in evaluation of City benefits and risk management programs
- Complete CAFR by October 31, 2006
- Implement final phase of GASB Statement No. 34 Basic Financial Statements—and Management's Discussion and Analysis—for State and local governments

Revenue

- Implement e-commerce city-wide
- Further develop Field Revenue Investigation project to identify lost revenue
- Further develop a city-wide accounts receivable system
- Implement a cash handling and control program

Treasury

- Conduct a banking services request for proposal process that includes a Citywide needs analysis
- Implement a Cash and Investment Management program
- Develop a system to efficiently administer the City's obligations as an agent for special assessment districts

Position Information

Position	FY 2005-06	FY 2006-07	Salary Estimate	Benefit	Total
Finance Administration					
Chief Financial Officer	1	1	146,388	73,369	219,757
Assistant Finance Director	1	1	105,654	43,201	148,855
Administrative Assistant	1	1	50,778	29,603	80,381
Subtotal	**3**	**3**	**302,820**	**146,173**	**448,993**
Budget & Evaluation					
Budget & Evaluation Manager	1	1	92,643	48,036	140,679
Subtotal	**1**	**1**	**92,643**	**48,036**	**140,679**
Disbursements					
Disbursements Specialist	2	2	110,471	63,702	174,173
Disbursements Technician	1	1	31,930	23,566	55,496
Revenue/Disbursements Supervisor	1	1	78,087	39,940	118,026
Subtotal	**4**	**4**	**220,488**	**127,208**	**347,696**
Fiscal Analysis & Reporting					
Accounting Technician II	1	1	61,489	30,995	92,484
Financial Analysis & Reporting Manager	1	1	88,234	46,721	134,955
Financial Analyst	3	3	189,637	99,741	289,379
Subtotal	**5**	**5**	**339,360**	**177,457**	**516,817**
Revenue					
Revenue/Disbursements Supervisor	1	1	70,824	40,064	110,888
Revenue Technician	4	4	150,552	88,002	238,554
Senior Revenue Technician	1	1	43,866	27,982	71,848
Subtotal	**6**	**6**	**265,242**	**156,048**	**421,290**
Treasury					
Financial Analyst	1	1	74,367	33,869	108,235
Subtotal	**1**	**1**	**74,367**	**33,869**	**108,235**
Total	**20**	**20**	**1,294,920**	**688,790**	**1,983,710**

(Overtime, salaries and benefits for temporary labor are not included in the Position Information table.)

Major Contracts (over $25,000)

Financial Advisory Services	$25,000
HDL Recovery	$42,000
Annual Financial Auditing Services[1]	$56,290
County Administration Fees	$225,000

[1] Increase of $3,750 per executed contract

Contracts (Non-General Fund Resources)

Aerojet / South of 50	$30,000
Solid Waste Rate Study	$46,820
Water and Sewer Rates Fund	$53,000
Lock Box Service	$60,000
Print and Postage Statement	$120,000