Agenda

City Council Regular Meeting

Folsom City Hall | City Council Chambers, First Floor

50 Natoma Street, Folsom, CA 95630

June 24, 2025, 6:30 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 generally 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 Regular Meeting
Folsom City Hall | City Council Chambers, First Floor
50 Natoma Street, Folsom, CA 95630
www.folsom.ca.us

Tuesday, June 24, 2025 6:30 PM

Sarah Aquino, Mayor

Mike Kozlowski, Councilmember — *Barbara Leary, Councilmember*
Justin Raithel, Vice Mayor — *Anna Rohrbough, Councilmember*

AGENDA

CALL TO ORDER

ROLL CALL:

Councilmembers: Rohrbough, Kozlowski, Leary, Raithel, Aquino

The City Council has adopted a policy that no new item will begin after 10:30 p.m. Therefore, if you are here for an item that has not been heard by 10:30 p.m., you may leave, as the item will be continued to a future Council meeting.

PLEDGE OF ALLEGIANCE

AGENDA UPDATE

BUSINESS FROM THE FLOOR:

Members of the public are entitled to address the City Council concerning any item within the Folsom City Council's subject matter jurisdiction. Public comments are generally limited to no more than three minutes. Except for certain specific exceptions, the City Council is prohibited from discussing or taking action on any item not appearing on the posted agenda.

SCHEDULED PRESENTATIONS:

1. Resolution of Commendation Honoring Police Chief Rick Hillman for his Outstanding Service to the City of Folsom
2. Proclamation of the Mayor of the City of Folsom Proclaiming July 3-5, 2025 as Western Rodeo Days in the City of Folsom

CONSENT CALENDAR:

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Councilmembers may pull an item for discussion.

3. Approval of June 10, 2025 Special and Regular Meeting Minutes

4. Resolution No. 11404 - A Resolution Authorizing the City Manager to Execute Amendment No. 8 to the Memorandum of Agreement (Contract No. 174-21 18-087) Regarding Sharing of Costs for Legislative Advocacy Services Between San Juan Water District and the City of Folsom for a Three-Year Period for $115,290 from the Water Operating Fund (Fund 520)

5. Resolution No. 11406 - A Resolution Authorizing the City Manager to Execute an Agreement with Mesa Energy Services Inc. for $372,516 from the General Fund (Fund 010) for the Folsom Community Center and Rotary Clubhouse Commercial Kitchen Equipment Replacement

6. Resolution No. 11413 - A Resolution Authorizing the City Manager to Execute a Consultant and Professional Services Agreement with Ghirardelli Associates, Inc. for $136,029.20 for Construction Inspection and Materials Testing for the Pavement Repair and Resurfacing Project FY 2024-25 from the Measure A Fund (Fund 276)

PUBLIC HEARING:

7. City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)

    i. Resolution No. 11408 – A Resolution of the City Council of the City of Folsom Forming a Community Facilities District and Levying Special Taxes Therein

    ii. Resolution No. 11409 – A Resolution of the City Council of the City of Folsom Deeming it Necessary to Incur Bonded Indebtedness in and for City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)

    iii. Resolution No. 11410 – A Resolution of the City Council of the City of Folsom Calling Special Mailed-Ballot Election in the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)

    iv. Resolution No. 11411 – Resolution of the City Council of the City of Folsom Declaring Election Results in the City of Folsom Community Facilities District No. 20-1(Russell Ranch 2)

    v. Ordinance No. 1352 – An Uncodified Ordinance Levying Special Taxes for the Fiscal Year 2025-26 and Following Fiscal Years Solely Within and Relating to the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (Introduction and First Reading)

NEW BUSINESS:

8. Resolution No. 11403 - A Resolution Initiating Proceedings for the Formation of a Landscaping and Lighting Assessment District to be known as the Natoma Station Maintenance Assessment District No. 2025-2

9. Resolution No. 11407 – A Resolution Rescinding Resolution No. 7193, Removing Site Supervision of the Cummings Family Skate and Bike Park, and Denying Petition to Modify Safety Requirements

OLD BUSINESS:

10. Resolution No. 11412 – A Resolution Authorizing the City Manager to Execute a Contract Amendment to the Agreement with Western Truck Parts and Equipment Company, LLC (Contract No. 046-21 23-002) for the Purchase of Two Electric Refuse Collection Vehicles to Update the Specifications and Modify the Delivery Schedule

11. Resolution No. 11401 - A Resolution Adopting the Fiscal Year 2025-26 Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority *(Continued from June 10, 2025)*

CITY MANAGER REPORTS

COUNCIL COMMENTS

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.

This meeting of the City Council is recorded with closed captioning. The recording will be cablecast on Metro Cable Channel 14, the local government affairs channel on the Comcast and DirecTV U-Verse cable system, and will be shown in its entirety on the Friday and Saturday following the meeting, both at 9 a.m. The recording will also be video streamed at metro14live.saccounty.gov.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.

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.

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.

This page is intentionally left blank to facilitate double-sided printing and minimize paper use.

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Resolution of Commendation
Honoring
Police Chief Rick Hillman
FOR HIS OUTSTANDING SERVICE TO THE CITY OF FOLSOM

WHEREAS, Police Chief Rick Hillman is retiring after an esteemed career in law enforcement spanning nearly four decades, including 30 years of dedicated service with the Folsom Police Department; and

WHEREAS, Chief Hillman has honorably served as Folsom's Police Chief since April 2018, leading a team of 125 employees and 50 volunteers with professionalism, integrity, and a steadfast commitment to public safety; and

WHEREAS, throughout his tenure, Chief Hillman advanced proactive policing strategies, prioritized community engagement, and implemented innovative programs to enhance transparency, accountability, and service delivery; and

WHEREAS, he championed the creation of the Homeless Outreach Team, led the implementation of body-worn and in-car cameras, developed the Problem-Oriented Policing Team, and made significant strides in officer wellness and trauma support; and

WHEREAS, Chief Hillman served as an advisor to the Folsom Police Foundation, helping foster positive community relations and support youth-focused programs; and

WHEREAS, he has represented the department and the City of Folsom at the highest levels, serving on the California Police Chiefs Association Board of Directors and numerous state and national advisory committees, reflecting his leadership and expertise within the profession; and

WHEREAS, Chief Hillman began his career with the Folsom Police Department in 1995, serving with distinction in various roles including K9 handler, SWAT officer, field training officer, and in leadership positions across multiple divisions; and

WHEREAS, Chief Hillman's career has been marked by a deep commitment to public service, strong community partnerships, and an unwavering dedication to keeping Folsom a safe place to live, work, and visit:

NOW, THEREFORE, I, SARAH AQUINO, Mayor of the City of Folsom, on behalf of the Folsom City Council and the residents of this community hereby extend their sincere appreciation and gratitude to Police Chief Rick Hillman for his exemplary service, leadership, and contributions to the Folsom community, and wish him all the best in his well-earned retirement.

COMMENDED, this 24th day of June, 2025.

_____
Sarah Aquino, Mayor

This page is intentionally left blank to facilitate double-sided printing and minimize paper use.

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

PROCLAMATION
OF THE MAYOR OF THE CITY OF FOLSOM
PROCLAIMING JULY 3-5, 2025
AS
WESTERN RODEO DAYS IN THE CITY OF FOLSOM

WHEREAS, the City of Folsom proudly recognizes Folsom's western heritage and acknowledges the benefits of preserving the traditions and customs of the City's history; and

WHEREAS, for over 60 years, the Folsom Pro Rodeo has been a beloved tradition, bringing together rodeo enthusiasts, families, and the Folsom community for unforgettable experiences; and

WHEREAS, the rodeo began out of love for Folsom's rich western heritage and as a way to honor the family-run cattle ranches which created the community; and

WHEREAS, this year's event at the Dan Russell Arena marks the 64th anniversary of the Folsom Pro Rodeo; and

WHEREAS, event highlights include traditional rodeo events such as saddle and bareback bronc riding, steer wrestling, team roping, barrel racing, bull riding, performances by the Painted Ladies Drill Team, Flying Cowboys Motocross, rodeo clowns, nightly fireworks, mutton busting, and live music in the Saloon Under the Stars; and

WHEREAS, in honor of the traditional patriotic theme, the Folsom Pro Rodeo will celebrate with in-arena spectacular fireworks; and

WHEREAS, the Folsom Pro Rodeo involves the assistance of hundreds of volunteers and a tremendous amount of community support.

NOW, THEREFORE, I, Sarah Aquino, on behalf of the City of Folsom, do hereby proclaim July 3-5, 2025, as **WESTERN RODEO DAYS IN FOLSOM** and call upon all citizens to join in the festivities celebrating the Folsom Pro Rodeo.

PROCLAIMED this 24th day of June 2025.

_____

Sarah Aquino, Mayor

This page is intentionally left blank to facilitate double-sided printing and minimize paper use.

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

City Council Special Meeting

MINUTES

Tuesday, June 10, 2025 6:15 PM

CALL TO ORDER

The special City Council meeting was called to order at 6:15 pm with Mayor Aquino presiding.

ROLL CALL:

Councilmembers Present:	Justin Raithel, Vice Mayor Anna Rohrbough, Councilmember Michael Kozlowski, Councilmember Barbara Leary, Councilmember Sarah Aquino, Mayor
Councilmembers Absent:	None

ADJOURNMENT TO CLOSED SESSION FOR THE FOLLOWING PURPOSES:

1. Conference with Legal Counsel - Existing Litigation - Pursuant to Government Code Section 54956.9(d)(1): Griselda Vaca v. Folsom Cordova Unified School District, City of Folsom, County of Sacramento, and State of California, Sacramento County Superior Court Case No. 25CV011806

Motion by Councilmember Kozlowski, second by Councilmember Leary to adjourn to closed session. Motion passed by the following roll-call vote:

AYES: Raithel, Rohrbough, Kozlowski, Leary, Aquino
NOES: None
ABSENT: None
ABSTAIN: None

RECONVENE

City Attorney Steven Wang announced that no final action was taken during closed session.

ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 6:30 pm.

SUBMITTED BY:

_____
Christa Freemantle, City Clerk

ATTEST:

_____
Sarah Aquino, Mayor

City Council Regular Meeting

MINUTES

Tuesday, June 10, 2025 6:30 PM

CALL TO ORDER

The regular City Council meeting was called to order at 6:30 pm with Mayor Aquino presiding.

ROLL CALL:

Councilmembers Present:	Justin Raithel, Vice Mayor Anna Rohrbough, Councilmember Michael Kozlowski, Councilmember Barbara Leary, Councilmember Sarah Aquino, Mayor
Councilmembers Absent	None

PLEDGE OF ALLEGIANCE

The pledge of allegiance was recited.

AGENDA UPDATE

City Attorney Steven Wang advised that there were updates for items 10 and 11.

BUSINESS FROM THE FLOOR:

The following speakers spoke under this item:

- Tracie Stafford
- Ruth Anderson
- Margie Donovan
- Sharon Kindel

CONSENT CALENDAR:

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Councilmembers may pull an item for discussion.

1. Approval of May 27, 2025 Special Budget Workshop Meeting Minutes
2. Approval of May 27, 2025 Special and Regular Meeting Minutes

3. Appointment of Representative to the Sacramento Central Groundwater Authority (SCGA) Governing Board

4. Resolution No. 11393 - A Resolution Authorizing the City Manager to Execute Non-Exclusive Agreements with Approved Licensed Contractors to Implement the Sacramento Housing and Redevelopment Agency Inter-Agency Contract for the Seniors Helping Seniors Home Repair Program, Utilizing the $200,000 Allocation from the Community Development Block Grant Fund (Fund 201)

5. Resolution No. 11394- A Resolution Renewing Ordinance No. 1326 and Determining that Specified "Military Equipment" Used by the Folsom Police Department has Complied with Standards for Approval Set Forth in State Law

6. Resolution No. 11395 – A Resolution Authorizing Public Fireworks Displays During the Annual Folsom Pro Rodeo

7. Resolution No. 11396 – A Resolution Authorizing the Public Works Department to Install All-Way Stop Sign Control at the Intersection of Oak Avenue and Vista Oaks Drive for $6,000 from Measure A Funds (Fund 276)

8. Resolution No. 11397 - A Resolution Authorizing the City Manager to Execute a Construction Agreement with B&M Civil LLC for $118,100 for the Glenn Drive and School Street Intersection Drainage Improvements Project from the SB1 Road Maintenance and Rehabilitation Fund (Fund 235)

9. Resolution No. 11398 - A Resolution of the City Council of the City of Folsom Approving an Increase in Maximum Grant Amounts and Updated Guidelines for the Seniors Helping Seniors Home Repair Program, Funded by Community Development Block Grant Funds (Fund 201)

Motion by Vice Mayor Raithel, second by Councilmember Leary to approve the Consent Calendar. Motion passed by the following roll-call vote:

AYES: Raithel, Rohrbough, Kozlowski, Leary, Aquino
NOES: None
ABSENT: None
ABSTAIN: None

NEW BUSINESS:

10. Resolution No. 11399- A Resolution Approving the Preliminary Engineer's Report for the Following Landscaping and Lighting Districts for Fiscal Year 2025-2026 and Setting Public Hearing for American River Canyon North, American River Canyon North No. 2, American River Canyon North No. 3, Blue Ravine Oaks, Blue Ravine Oaks No. 2, Briggs Ranch, Broadstone, Broadstone No. 4, Broadstone Unit No. 3, Cobble Ridge, Cobble Hills Ridge II/Reflections II, Folsom Heights, Folsom Heights No. 2, Hannaford Cross, Lake Natoma Shores, Los Cerros, Natoma Station, Natoma Valley, Prairie Oaks Ranch, Prairie Oaks Ranch No. 2, Prospect Ridge, Sierra Estates, Silverbrook, Steeplechase, The Residences at American River Canyon, The Residences at American River Canyon II, Willow Creek Estates East, Willow Creek Estates East No. 2, Willow Creek Estates South, and Willow Springs

Parks and Recreation Senior Management Analyst Jamison Larson made a presentation and responded to questions from the City Council. City Manager Bryan Whitemyer and City Attorney Steven Wang also responded to questions and provided clarifying information.

The following speakers addressed the City Council:

- Michael Aymett
- Kevin Goddard
- Bill Barcellona
- Dean Williams
- Margie Donovan

The City Council discussed the matter further, including options to maintain service level funding for the Natoma Station district pending the outcome of a new district measure to raise assessments.

Motion by Vice Mayor Raithel, second by Councilmember Rohrbough to:

1. **approve Resolution No. 11399;**
2. **direct the Engineer of Record to include a table within the Final Engineers Report to reflect revenues and expenses to further highlight operational deficits as well as the total District account balance as of April 30, 2025; and**
3. **maintain funding levels for Natoma Station at 24/25 levels, pending the outcome of a new district measure to raise assessments.**

Motion passed by the following roll-call vote:

AYES: Raithel, Rohrbough, Kozlowski, Leary, Aquino
NOES: None
ABSENT: None
ABSTAIN: None

PUBLIC HEARING:

11. Resolution No. 11401 - A Resolution Adopting the Fiscal Year 2025-26 Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority

City Manager Bryan Whitemyer and Finance Director Stacey Tamagni made a presentation and responded to questions. In his remarks, the City Manager conveyed staff's request that the City Council continue approval of the budget to the next meeting to allow the Council and public additional time to review the recently updated budget documents.

The City Council discussed the proposed budget.

Mayor Aquino opened the public hearing at 9:09 p.m. Hearing no speakers, the public hearing was closed.

Motion by Councilmember Rohrbough, second by Councilmember Kozlowski, to continue the item to the next meeting. Motion passed by the following roll-call vote:

AYES: Raithel, Rohrbough, Kozlowski, Leary, Aquino
NOES: None
ABSENT: None
ABSTAIN: None

CITY MANAGER REPORTS

City Manager Bryan Whitemyer provided an update on the Folsom Water Infrastructure Project, noting that approximately 31% is complete. He also warned the public about recent email scams impersonating city staff and emphasized that staff will never request wire transfers or use non-city email addresses. On public safety, Mr. Whitemyer highlighted a recent conviction in a fentanyl overdose case, where the Folsom Police Department's Special Investigations Unit played a key role. He reminded the public to observe safety at railroad crossings and thanked all who participated in the recent Wildfire Preparedness Open House. Lastly, congratulations were extended to Folsom PD's Team Liberty for winning the Battle of the Badges Blood Drive, with thanks to all blood donors who participated.

COUNCIL COMMENTS

Councilmember Rohrbough thanked Mayor Aquino for graciously hosting a recent gathering at her home for the Executive Management Team and their families. She expressed appreciation for the warm and welcoming atmosphere and noted it was a great opportunity to connect with colleagues and meet their families.

Councilmember Leary echoed appreciation for the recent event hosted by Mayor Aquino, complimenting her hospitality. She thanked staff for their support on challenging issues, including Natoma Station L&L matters, and the budget. She wished Communications Director Christine Brainerd a happy birthday and commended her efforts in helping communicate key issues to the public. Councilmember Leary also spoke about her visit to the new UC Davis facility in Folsom, expressing pride in the institution as both her alma mater and former employer. She also noted progress at the new Marriott Hotel site and reflected on her role, alongside Vice Mayor Raithel, in approving both projects while serving on the Planning Commission. Finally, she encouraged residents - particularly those in Natoma Station - to sign up for Community Service Day projects, emphasizing the importance of community engagement and collective effort.

Mayor Aquino reported on her attendance at the Greater Sacramento Economic Council (GSEC) Board Retreat, highlighting a presentation by site selection expert Bob Hess of Newmark. Mr. Hess, who previously assisted with bringing Intel to Folsom, has been retained to conduct a reverse site selection analysis to enhance the Sacramento region's appeal to industries such as semiconductor and EV battery manufacturing. She noted key factors in site selection include energy cost and availability, land availability, and permitting speed. Mr. Hess also emphasized the importance of strong educational infrastructure, quality of place, and civic pride - qualities Mayor Aquino noted are present in Folsom.

Additionally, she shared that the Sacramento region has achieved compliance with the 2008 ozone standard after years of being in severe non-attainment. As a board member of the local air quality district, she announced that a ceremony recognizing this milestone is expected later this year, likely at the air monitoring station behind City Hall.

ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 9:17 pm.

SUBMITTED BY:

_____
Christa Freemantle, City Clerk

ATTEST:

_____
Sarah Aquino, Mayor

This page is intentionally left blank to facilitate double-sided printing and minimize paper use.

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	6/24/2025
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11404 - A Resolution Authorizing the City Manager to Execute Amendment No. 8 to the Memorandum of Agreement (Contract No. 174-21 18-087) Regarding Sharing of Costs for Legislative Advocacy Services Between San Juan Water District and the City of Folsom for a Three-Year Period for $115,290 from the Water Operating Fund (Fund 520)
FROM:	Environmental and Water Resources Department

RECOMMENDATION / CITY COUNCIL ACTION

The Environmental and Water Resources Department recommends the City Council pass and adopt Resolution No. 11404 - A Resolution Authorizing the City Manager to Execute Amendment No. 8 to the Memorandum of Agreement (Contract No. 174-21 18-087) Regarding Sharing of Costs for Legislative Advocacy Services Between San Juan Water District and the City of Folsom for a Three-Year Period for $115,290 from the Water Operating Fund (Fund 520)

BACKGROUND / ISSUE

The City has been working with San Juan Water District (SJWD) pertaining to federal water-related advocacy services and recently included Carmichael Water District (CWD) in Fiscal Year 2023-24. Our agencies continue to work together as direct diverters from Folsom Dam and Reservoir and the American River on federal legislative advocacy related to funding and water supply. As direct diverters from Folsom Dam and Reservoir and from the American River, our agencies share many common federal legislative advocacy interests that can impact federal funding and local water supplies.

In November 2018, the City of Folsom entered into a memorandum of agreement (MOA) with San Juan Water District to engage The Ferguson Group (TFG) to continue lobbying efforts on behalf of the two partner agencies for a not to exceed fee of $30,000. In July 2024, the City executed Amendment No. 7 to the MOA, with the annual total contract amount of $36,000. The terms of

the MOA have expired; however legislative advocacy is still necessary to address unforeseen Federal issues related to the Delta Plan, proposed Central Valley Project (CVP) re- operational plans, and policy renewal processes with the U.S. Bureau of Reclamation Municipal and Industrial allocations. All these issues may impact the operations and water system allocations at Folsom Dam and Reservoir.

In May 2016, the partner agencies began a Request for Proposal (RFP) process for federal lobbying services for Fiscal Year 2017 through 2019. Three proposals were received and reviewed. Through the RFP process, the Water Purveyors selected The Ferguson Group, LLC as the most qualified and experienced federal lobbying group to perform these services. The Ferguson Groups remains the most qualified and experienced federal lobbying group to represent the City's federal water related interests. Amendment No. 8 to the MOA will allow the partner agencies to continue to share financial and staff resources in Fiscal Year 2025-26, Fiscal Year 2026-27, and Fiscal Year 2027-28 for federal advocacy water issues important to Folsom, San Juan Water District, and Carmichael Water District.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, supplies, equipment, services, and construction with a value of $75,049 or greater shall be awarded by City Council.

ANALYSIS

During the past decade, City Council and staff have been continually involved in working with Federal elected officials and agencies on a number of issues of significant importance to the City of Folsom, San Juan Water District, Carmichael Water District and the region. The Ferguson Group (TFG) has been under contract since 2002 with SJWD and the City of Folsom to represent issues related to water reliability projects at the Folsom Reservoir. This effort has been very successful in having our concerns heard at the Federal level. This amendment to the Memorandum of Agreement will provide water-related federal advocacy services through Fiscal Year 2027-28.

In January 2016, the City of Folsom and San Juan Water District began a Request for Proposal (RFP) process for federal lobbying services for Fiscal Year 2017. The RFP allowed the agencies to continue to share financial and staff resources for federal advocacy issues important to Folsom and its partners. As agencies who share a common interest in water supply from Folsom Reservoir, federal advocacy remains a critical component to having the City's issues related to water supply reliability heard at the federal level. Through the RFP process, the partner agencies selected The Ferguson Group, LLC as the most qualified and experienced federal lobbying group to perform these services.

The Ferguson Group interacts regularly with the U.S. Bureau of Reclamation, the U.S. Army Corps of Engineers, and a myriad of other federal departments, bureaus, and agencies on behalf of the City — both in Washington, D.C. and locally. The Ferguson Group's strong relationships with key officials and staff members in these agencies are critical to the success of the City's federal lobbying program.

The Environmental and Water Resources Department recommends that the City Council authorize the City Manager to execute Amendment No. 8 to the Memorandum of Agreement (Contract No. 174-21 18-087) Regarding Sharing of Costs for Legislative Advocacy Services Between San Juan Water District and the City of Folsom.

FINANCIAL IMPACT

The City's cost share for continuing support of the lobbying effort is for an amount not to exceed $37,800 for services provided from July 1, 2025 through June 30, 2026; $37,800 for services provided from July 1, 2026 through June 30, 2027; and $39,690 for services provided from July 1, 2027 through June 30, 2028. Funding for this work is included in the proposed Fiscal Year 2025-26 Preliminary Operating Budget under the Water Operating Fund (Fund 520). It is also planned to be included in the Water Operating Fund (Fund 520) budgets for Fiscal Years 2026-27 and 2027-28 as part of the annual adoption process. Amendment No. 8 to the MOA will cover the City's share of services through June 30, 2028.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment (CEQA Guidelines §15061(b)(3). The Ferguson Group's contract work scope does not include the potential for a significant environmental effect, and therefore is not subject to CEQA.

ATTACHMENTS

1. Resolution No. 11404 - A Resolution Authorizing the City Manager to Execute Amendment No. 8 to the Memorandum of Agreement (Contract No. 174-21 18-087) Regarding Sharing of Costs for Legislative Advocacy Services Between San Juan Water District and the City of Folsom for a Three-Year Period for $115,290 from the Water Operating Fund (Fund 520)

2. Amendment No. 8 to the Memorandum of Agreement Regarding Sharing of Costs for Legislative Advocacy Services Between San Juan Water District and the City of Folsom

Submitted,

_____

Marcus Yasutake, Director
ENVIRONMENTAL AND WATER RESOURCES DEPARTMENT

Attachment 1

RESOLUTION NO. 11404

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENT NO. 8 TO THE MEMORANDUM OF AGREEMENT (CONTRACT NO. 174-21 18-087) REGARDING SHARING OF COSTS FOR LEGISLATIVE ADVOCACY SERVICES BETWEEN SAN JUAN WATER DISTRICT AND THE CITY OF FOLSOM FOR A THREE-YEAR PERIOD FOR $115,290 FROM THE WATER OPERATING FUND (FUND 520)

WHEREAS, the City has been working with San Juan Water District and Carmichael Water District pertaining to federal water-related advocacy services; and

WHEREAS, San Juan Water District and the City of Folsom selected The Ferguson Group, LLC as the most qualified and experienced federal lobbying group through a competitive selection process and they remain the most qualified and experienced with City related federal water issues; and

WHEREAS, Federal legislative advocacy services are still important and needed to address federal water issues; and

WHEREAS, the agreement with San Juan Water District will be for a not to exceed fee of $37,800 for Fiscal Year 2025-26; $37,800 for Fiscal Year 2026-27; and $39,690 for Fiscal Year 2027-28; and

WHEREAS, the funds have been included in the proposed Fiscal Year 2025-26 Preliminary Operating Budget under the Water Operating Fund (Fund 520) and it also planned to be included in the Water Operating Fund budgets for Fiscal Years 2026-27 and 2027-28 as part of the annual budget adoption process; and

WHEREAS, Amendment No. 8 to the Memorandum of Agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom Authorizes the City Manager to Execute Amendment No. 8 to the Memorandum of Agreement (Contract No. 174-21 18-087) Regarding Sharing of Costs for Legislative Advocacy Services Between San Juan Water District and the City of Folsom for a Three-Year Period for $115,290 from the Water Operating Fund (Fund 520).

PASSED AND ADOPTED this 24th day of June 2025, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Sarah Aquino, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

AMENDMENT No. 8 TO THE MEMORANDUM OF AGREEMENT REGARDING SHARING OF COSTS FOR LEGISLATIVE ADVOCACY SERVICES BETWEEN THE SAN JUAN WATER DISTRICT AND THE CITY OF FOLSOM

This is Amendment No. 8 to the Memorandum of Agreement Regarding Sharing of Costs for Legislative Advocacy Services ("MOA") made between the San Juan Water District ("District") and the City of Folsom ("City") as of July 1, 2023. The District and the City are hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, the Parties entered into the MOA dated September 1, 2018, for the cost sharing of federal legislative advocacy services, by The Ferguson Group.

WHEREAS, this amendment will extend the amended MOA for three years to and through June 30, 2028, at the not to exceed expenditure of (1) $75,600 for services provided from July 1, 2025 through June 30, 2026; (2) $75,600 for services provided from July 1, 2026 through June 30, 2027; and, (3) $79,380 for services provided from July 1, 2027 through June 30, 2028 (inclusive in all years of regular business expenses).

WHEREAS, the aforementioned not to exceed expenditure amounts result in the City's 50% cost share being $37,800 ($3,150 per month) for the first two years of the extension, and $39,690 ($3,307.50 per month) for the third year.

WHEREAS, it is understood by the Parties that each year's funding of the City's cost share is dependent upon inclusion in the City's annual budget, which is subject to approval by the City Council.

NOW, THEREFORE, the Parties hereto agree as follows:

AGREEMENT

1. Section 3 of the MOA is amended to read that it "shall remain in full force and effect through June 30, 2028," instead of June 30, 2019, while retaining all other language in the Section.

2. The previously amended Section 4 of the MOA is amended again, retaining all language except the following, to read:

    4. Ceiling Price: In no event shall the total cost of lobbying and support services procured pursuant to this MOA over the fiscal year beginning July 1, 2025 and ending June 30, 2026, and the fiscal year beginning July 1, 2026 and ending June 30, 2026, exceed seventy-five thousand six hundred dollars to be paid by the Parties, and in the fiscal year beginning July 1, 2027 and ending June 30, 2028 exceed seventy-nine thousand three hundred and eighty dollars to be paid by the parties…."

3. All other terms and conditions in the MOA shall remain in full force and effect to the extent they are not in conflict with this Amendment.

4. The signatures of the Parties to this Amendment may be executed and acknowledged on separate pages or in counterparts which, when attached to this Amendment, shall constitute one complete Amendment.

IN WITNESS WHEREOF, the Parties execute this Amendment, effective as of July 1, 2025.

SAN JUAN WATER DISTRICT
A Community Services District

BY: _____
Paul Helliker, General Manager

CITY OF FOLSOM
a Municipal Corporation

BY: _____
Bryan Whitemyer, City Manager

Funding Available:

BY: _____
Stacey Tamagni, Finance Director

ORIGINAL APPROVED AS TO CONTENT:

BY: _____
Marcus Yasutake, Environmental & Water Resources Director

ORIGINAL APPROVED AS TO FORM:

BY: _____
Steven Wang, City Attorney

ATTEST:

BY: _____
Christa Freemantle, City Clerk

Folsom City Council
Staff Report

MEETING DATE:	6/24/2025
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No.11406 – A Resolution Authorizing the City Manager to Execute an Agreement with Mesa Energy Services Inc. for $372,516 from the General Fund (Fund 010) for the Folsom Community Center and Rotary Clubhouse Commercial Kitchen Equipment Replacement
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council Approve Resolution No.11406 – A Resolution Authorizing the City Manager to Execute an Agreement with Mesa Energy Services Inc. for $372,516 from the General Fund (Fund 010) for the Folsom Community Center and Rotary Clubhouse Commercial Kitchen Equipment Replacement.

BACKGROUND / ISSUE

The commercial kitchen equipment at the Folsom Community Center and Rotary Clubhouse are all existing equipment from the time of initial construction. The pieces of equipment have been in operation for 25-30 years. Regular and emergency maintenance has occurred on several units that have caused some of the equipment to be rendered unusable. Both of these facilities are in high demand from individuals, businesses, and organizations for events and gatherings in which having use of the kitchen is necessary.

The Parks & Recreation Department issued a Request for Proposal (RFP) for commercial kitchen equipment purchase, removal and installation services at the Folsom Community Center and Rotary Clubhouse on April 1, 2025. A mandatory facility and project walk through was held on April 10, 2025, where 5 representatives attended. During this project meeting staff shared the importance of the available time to complete this project and received verbal commitment from all vendors present that a 5-day window to complete the work was sufficient from what they were there to review. Additionally, vendors were able to discuss with the staff the electrical and gas connections to ensure seamless replacement of all new equipment with current electrical and gas supplies. Staff released an RFP for proposals with criteria of technical skills and project costs

due to the age of the equipment and the short window of time to complete the project. The proposals were evaluated based on a weighted response for the technical skills including relevant experience, project understanding and ability to complete work in the allotted timeframe, in addition to costs to ensure the best value for the project following the Folsom Municipal Code. In the review of the proposals three staff from the Parks & Recreation Department (Recreation Manager, Facilities Manager, Sr. Recreation Coordinator) evaluated and scored the proposals. The total cost of this project is under the allocated budget for this project of approximately $35,000. Any savings from this project, staff recommends transferring these funds into the facilities capital improvement fund.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, Public Works projects or purchases costing $75,049 or greater shall be awarded by the City Council.

In accordance with the Folsom Municipal Code, Chapter 2.36.110, the award of a contract shall be made to the responsible offer or whose proposal is determined in writing to be the most advantageous to the City, taking into consideration price and quality through the evaluation of technical skills outlined in the request for proposals.

ANALYSIS

The RFP was publicly advertised, and the due date was April 30, 2025. A total of 6 proposals were received by April 30, 2025. One proposal was not reviewed as they did not attend the mandatory facility and project walk through that was scheduled on April 10, 2025. A full review of 5 proposals was conducted by staff from the Parks & Recreation Department including the Facilities Manager, Recreation and Community Services Manager, and the Senior Recreation Coordinator. During this review it was determined that another proposal was not responsive to the RFP as they indicated that this job was being quoted as a non-prevailing wage job. Therefore, four proposals were scored based upon submission.

Technical Skills

Each evaluator reviewed the technical portion for the project based on a weighted score. The proposals scored experience and staffing (25 points), project understanding (20 points), and deliverables for delivering the project on time (30 points). Each technical skill was given a weighted score with a maximum of 75 points. The technical evaluations scoring is shown below in Table 1.

TABLE 1 – Score for technical skills (75 points maximum)

Consultant	PR 1	PR 2	PR 3	Average
Mesa Energy Services	73	68	75	72
Douglas Equipment	69	65	64	66
Federal Supply	66	62	62	63
HCI Inc	62	60	59	60

In the review of proposals staff focused on the information presented in the proposal to ensure that the individuals had the experience and staffing to confidently complete the work in the allotted 5-day window at each facility. Both of these facilities are highly impacted with rentals and programs that are scheduled 12 months in advance and any delays would impact users of the facility and potential revenue. We are currently working with a small window in late August to replace the Community Center kitchen and early September to replace the Rotary Clubhouse kitchen.

After reviewing the technical skills staff scored each proposal for a maximum of 25 points on total costs. Staff reviewed the equipment costs, equipment sales tax, labor/installation costs, and any other costs to be associated with the project including prevailing wage. During this review it was concluded that some of the proposals were missing costs including the prevailing wage and sales tax. The total costs of the project is listed on Table 2.

TABLE 2 – Total Project Costs

Consultant	Fee Amount
Mesa Energy Services	**$354,777.00**
Douglas Equipment	**$328,446.12**
Federal Supply	**$319,125.33**
HCI Inc.	**$317,308.00**

Table 3 shows the overall total scores including technical skills and project costs based on a maximum score of 100.

TABLE 3 – Score for technical skills and cost (100 points maximum)

Consultant	Technical Score	Cost Score	Total Score
Mesa Energy Services	72	22	94
Douglas Equipment	66	24	90
Federal Supply	63	25	88
HCI Inc	60	25	85

Following a comprehensive evaluation of the proposals in accordance with the RFP criteria, staff recommend awarding the Commercial Kitchen Equipment Replacement contract to Mesa Energy Services Inc. The evaluation team found that Mesa Energy Services Inc. demonstrated a strong understanding of the project, with a clear understanding of the project timeline and would meet the time allotted to complete this project in collaboration with staff. Staff have confirmed that Mesa Energy Services Inc, can secure needed equipment and assemble staffing during the week of August 25, 2025, to complete the Folsom Community Center and the week of September 2, 2025, to complete the Rotary Clubhouse. Additionally, their cost proposal is considered responsive with all fees for services identified in their proposal with all equipment identified in the RFP and was the best overall value.

In accordance with the Folsom Municipal Code, Chapter 2.36.110, the award of a contract shall be made to the responsible offer or whose proposal is determined in writing to be the most advantageous to the City, taking into consideration price and the technical skills set forth in the request for proposals.

FINANCIAL IMPACT

As part of the FY 2024-25 Budget, the City Council approved $497,599 toward the purchase of Folsom Community Center tables and chairs, and the replacement of kitchen equipment at the Folsom Community Center and Rotary Clubhouse. The tables and chairs have been purchased at a cost of $87,223 leaving an available balance of $410,376. Sufficient funds are available in the FY 2024-25 budget to proceed forward with this project at the fees for service amount of $354,777 with a 5% contingency to the project for a total of $372,516 charged to account 010.2710.900.9005.

ENVIRONMENTAL REVIEW

There is no environmental impact.

ATTACHMENTS

1. Resolution No.11406 – A Resolution Authorizing the City Manager to Execute an Agreement with Mesa Energy Services Inc. for $372,516 from the General Fund (Fund 010) for the Folsom Community Center and Rotary Clubhouse Commercial Kitchen Equipment Replacement

Submitted,

Kelly Gonzalez,
Parks & Recreation Department Director

RESOLUTION NO.11406

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH MESA ENERGY SERVICES INC. FOR $372,516 FROM THE GENERAL FUND (FUND 010) FOR THE FOLSOM COMMUNITY CENTER AND ROTARY CLUBHOUSE COMMERCIAL KITCHEN EQUIPMENT REPLACEMENT

WHEREAS, Folsom Community Center was built in 1994 and has provided the community with a memorable gathering place for families, businesses and organizations; and

WHEREAS, the Robert H. Miller III Rotary Clubhouse was built in 1997 and has provided the community with a memorable gathering place for families, businesses and organizations; and

WHEREAS, the kitchen equipment at both facilities is original to the building and requires replacement for continued operation and community use; and

WHEREAS, on April 1, 2025, staff issued a Request for Proposal for commercial kitchen equipment removal, purchase, and installation pursuant to Section 2.36.110 of the Folsom Municipal Code; and

WHEREAS, by April 30, 2025, staff received four qualified proposals; and

WHEREAS, following evaluation and ranking of the proposals, Mesa Energy Services Inc. was selected based on their qualifications, project understanding, ability to complete the project in the allotted time, and responsive to fees for services; and

WHEREAS, sufficient funds are budgeted and available in the FY 2024-25 budget; and

WHEREAS, the Professional and Consulting Services Agreement shall be in a form acceptable to the City Attorney.

NOW, THEREFORE, BE IT RESOLVED that the City Manager is authorized to execute a Professional and Consulting Services Agreement with Mesa Energy Services Inc. for commercial kitchen equipment removal, purchase, and installation services for the Folsom Community Center and Robert H. Miller III Rotary Clubhouse, for $354,777 with a 5% contingency amount of $17,739, for a total not-to-exceed amount of $372,516 from the General Fund (010).

PASSED AND ADOPTED this 24th day of June 2025, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Sarah Aquino, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

This page is intentionally left blank to facilitate double-sided printing and minimize paper use.

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	6/24/2025
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11413 - A Resolution Authorizing the City Manager to Execute a Consultant and Professional Services Agreement with Ghirardelli Associates, Inc. for $136,029.20 for Construction Inspection and Materials Testing for the Pavement Repair and Resurfacing Project FY 2024-25 from the Measure A Fund (Fund 276)
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 11413 – A Resolution Authorizing the City Manager to Execute a Consultant and Professional Services Agreement with Ghirardelli Associates, Inc. for $136,029.20 for Construction Inspection and Materials Testing for the Pavement Repair and Resurfacing Project FY 2024-25 from the Measure A Fund (Fund 276).

BACKGROUND / ISSUE

On April 22, 2025, the Folsom City Council approved the City of Folsom Public Works Department's annual Pavement Repair and Resurfacing Project. This citywide initiative is part of an ongoing effort to preserve and maintain the integrity of existing roadways within the public right-of-way. The scope of work for this project includes asphalt milling and replacement, crack filling, slurry sealing, installation of new concrete gutters, sidewalks, and curbs, as well as the removal and replacement of ADA-compliant ramps and manhole covers. Additional work includes curb painting, application of pavement markings, and installation of thermoplastic striping. A project overview map is included as Exhibit A.

The Public Works Department currently lacks adequate in-house staffing with the specialized training and availability required to perform daily inspection and materials testing for a project

of this scale. To ensure that the project is executed in accordance with engineering standards, budget constraints, and schedule requirements, it is necessary to retain a qualified consultant with expertise in construction inspection and materials testing. Engaging an experienced consultant will support the department's objective of delivering a high-quality, cost-effective, and timely pavement rehabilitation project.

POLICY / RULE

Section 2.36.080, Award of Contracts of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of $75,049 or greater shall be awarded by City Council.

ANALYSIS

On May 13, 2025, Public Works staff issued a Request for Proposals (RFP) to three firms previously shortlisted under the City's On-Call Construction Management, Inspection, and Materials Testing Services list. The RFP clearly specified a submission deadline of May 22, 2025. By the deadline, two proposals were received—from Ghirardelli Associates and 4LEAF. A third proposal, submitted on June 6, 2025, was received after the deadline and was therefore deemed ineligible for consideration. A review panel composed of three Public Works engineers independently evaluated and scored the two eligible proposals in accordance with the criteria outlined in the RFP.

The summary of the review scores is as follows:

Firm Name	Total Score
Ghirardelli Associates, Inc.	84
4LEAF, Inc.	60
UNICO Engineering, Inc.	DID NOT REVIEW

After reviewing the submitted proposals, Public Works staff selected the top-ranked firm, Ghirardelli Associates, Inc., to provide these services for the duration of the Pavement Repair and Resurfacing Project FY 2024-25, scheduled to begin in early July 2025. Ghirardelli Associates, Inc. has provided a scope and fee to provide the Construction Inspection and Materials Testing in the amount of $136,029.20.

Staff will use the City's standard agreement in a form acceptable to the City Attorney.

FINANCIAL IMPACT

Staff is requesting that a Consultant Services agreement with Ghirardelli Associates, Inc. in the amount of $136,029.20 be authorized for the Pavement Repair and Resurfacing Project FY 2024-25.

Funds in the amount of $136,029.20 are budgeted and available in the Street Overlay/Pavement Management Project, Project No. 8017, utilizing Measure A Funds (Fund 276).

ENVIRONMENTAL REVIEW

This project has been deemed Categorically Exempt from California Environmental Quality Act (CEQA) environmental review based on Class 1: Existing Facilities.

ATTACHMENTS

1. Resolution No. 11413 – A Resolution Authorizing the City Manager to Execute a Consultant and Professional Services Agreement with Ghirardelli Associates, Inc. for $136,029.20 for Construction Inspection and Materials Testing for the Pavement Repair and Resurfacing Project FY 2024-25 from the Measure A Fund (Fund 276)

2. Exhibit A – Project Overview Map

Submitted,

_____

Marcus Yasutake, Interim PUBLIC WORKS DIRECTOR

Attachment 1

RESOLUTION NO. 11413

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT WITH GHIRARDELLI ASSOCIATES, INC. FOR $136,029.20 FOR CONSTRUCTION INSPECTION AND MATERIALS TESTING FOR THE PAVEMENT REPAIR AND RESURFACING PROJECT FY 2024-25 FROM THE MEASURE A FUND (FUND 276)

WHEREAS, the Pavement Repair and Resurfacing Project FY 2024-25 is scheduled to begin in July and will require full-time construction inspection staff and materials testing; and

WHEREAS, project specific proposals were received from three firms, Ghirardelli Associates, Inc, 4LEAF, Inc., and UNICO Engineering, Inc.; and

WHEREAS, staff selected Ghirardelli Associates, Inc. to provide these services based on proposed project staff, project understanding, and experience with similar types of projects, for a not to exceed amount of $136,029.20: and

WHEREAS, funds in the amount of $136,029.20 are budgeted and available in the Street Overlay/Pavement Management Project, Project No. 8017, utilizing the Measure A Fund (Fund 276); and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute a Consultant and Professional Services Agreement with Ghirardelli Associates, Inc. for Construction Inspection and Materials Testing for the Pavement Repair and Resurfacing Project FY 2024-25 in the amount of $136,029.20.

PASSED AND ADOPTED this 24th day of June 2025, by the following roll-call vote:

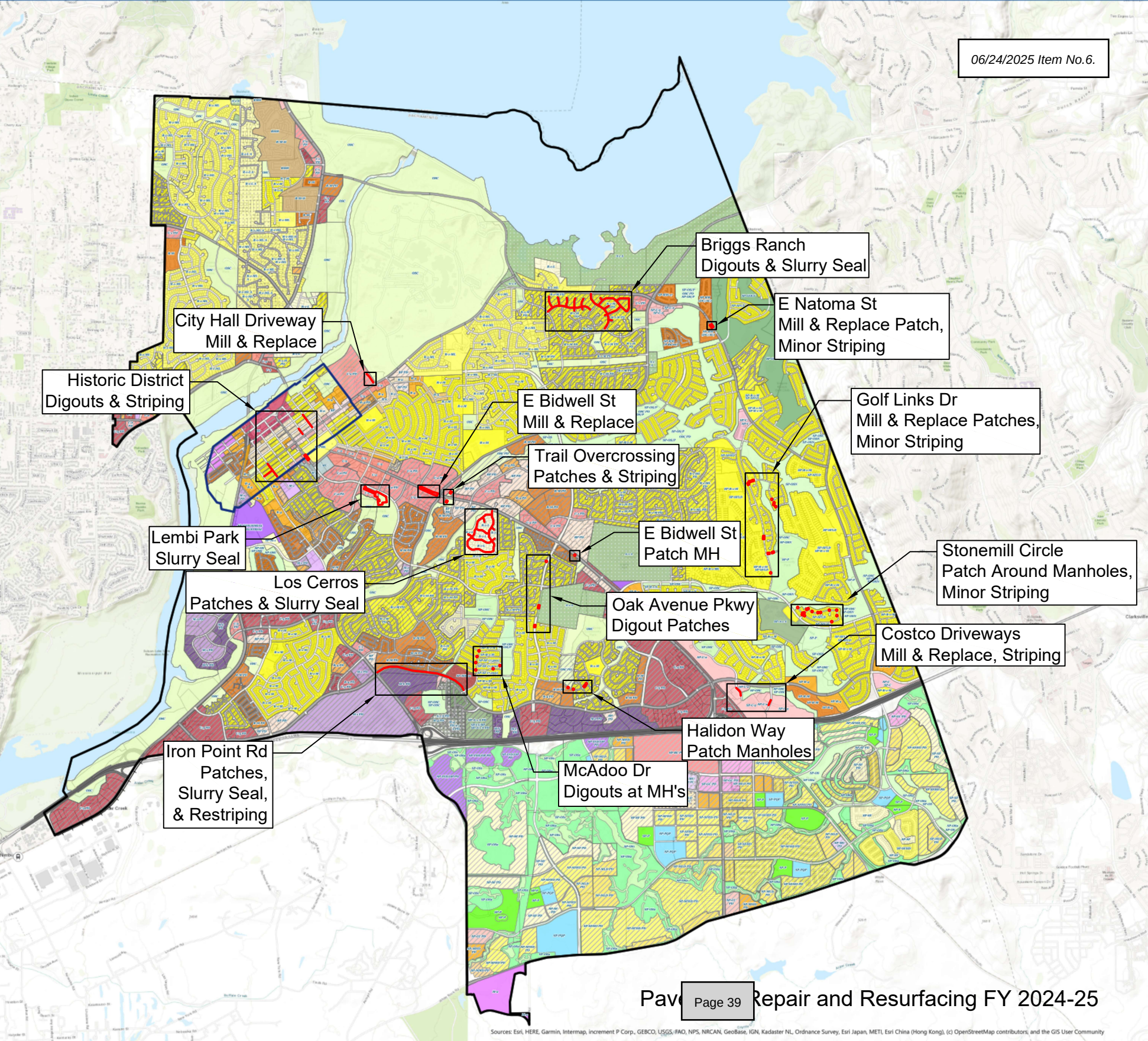
AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Sarah Aquino, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2



Pave Repair and Resurfacing FY 2024-25

This page is intentionally left blank to facilitate double-sided printing and minimize paper use.

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	6/24/2025
AGENDA SECTION:	Public Hearing
SUBJECT:	City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) i. Resolution No. 11408 – A Resolution of the City Council of the City of Folsom Forming a Community Facilities District and Levying Special Taxes Therein ii. Resolution No. 11409 – A Resolution of the City Council of the City of Folsom Deeming it Necessary to Incur Bonded Indebtedness in and for City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) iii. Resolution No. 11410 – A Resolution of the City Council of the City of Folsom Calling Special Mailed-Ballot Election in the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) iv. Resolution No. 11411 – A Resolution of the City Council of the City of Folsom Declaring Election Results in the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) v. Ordinance No. 1352– An Uncodified Ordinance Levying Special Taxes for the Fiscal Year 2025-26 and Following Fiscal Years Solely within and Relating to the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (Introduction and First Reading)
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

It is recommended that the City Council approve the following resolutions and conduct the first reading of the ordinance:

i. Resolution No. 11408 – A Resolution of the City Council of the City of Folsom Forming a Community Facilities District and Levying Special Taxes Therein

ii. Resolution No. 11409 – A Resolution of the City Council of the City of Folsom Deeming it Necessary to Incur Bonded Indebtedness in and for City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)

iii. Resolution No. 11410 – A Resolution of the City Council of the City of Folsom Calling Special Mailed-Ballot Election in the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)

iv. Resolution No. 11411 – A Resolution of the City Council of the City of Folsom Declaring Election Results in the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)

v. Ordinance No. 1352– An Uncodified Ordinance Levying Special Taxes for the Fiscal Year 2025-26 and Following Fiscal Years Solely within and Relating to the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (Introduction and First Reading)

BACKGROUND / ISSUE

Community Facilities District No. 20 (Russell Ranch) (CFD No. 20) was established by the City Council of Folsom under the Mello-Roos Act to support the construction and acquisition of public improvements for properties within the district. CFD No. 20 spans approximately 437.6 acres located in the City of Folsom, east of Placerville Road between Highway 50 and White Rock Road. The district was formally created on November 14, 2017, through Resolution No. 10035.

Planned development within CFD No. 20 includes a total of 1,025 residential units: 175 single-family units, 618 high-density single-family units, and 232 low-density multi-family units. The property development within CFD No. 20 is progressing in three main phases, with properties at various stages, including completed homes, homes under construction, finished lots, and partially improved lots. Each phase includes multiple villages. Phase 1 consists of lots owned by TNHC Northern California and Anthem United, while Phases 2 and 3 comprise lots owned by Lennar Homes of California, LLC (the Developer), AG Essential Housing CA 4, L.P., and TPG AG EHC III (LEN) CA 5, L.P. (the Landbank).

CFD No. 20 has issued two series of special tax revenue bonds. The first, Series 2018, was issued on June 5, 2018, for $13,255,000 to fund improvements acquired from TNHC Russell

Ranch, LLC, as outlined in the Acquisition and Shortfall Agreement with the City of Folsom. The second, Series 2022, issued on December 8, 2022, for $11,225,000, supports improvements acquired from Lennar Homes of California, LLC, per the First Amendment to the Acquisition and Shortfall Agreement.

The estimated cost for constructing all required facilities for CFD No. 20 is approximately $108,153,600, covering backbone infrastructure, soft costs, and subdivision infrastructure. Backbone infrastructure improvements include upgrades to transportation, water systems, recycled water systems, drainage, wastewater, parks, parkways, and open spaces. Subdivision infrastructure encompasses underground utilities, roadways, street lighting, sound walls, and landscaping.

The Developer has requested the City's approval for an overlay district, City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (CFD No. 20-1) within a portion of CFD No. 20. This overlay CFD No. 20-1 would be comprised of the parcel within Phase 2, Village 5, Assessor's Parcel Number 072-3510-005-0000. Village 5, projected to contain 118 multi-family low-density units, had not yet seen any building permits or Certificates of Occupancy issued as of April 30, 2025. The Developer proposed including all 118 units in the overlay district.

On May 13, 2025, this City Council appointed consultants; approved a proposed boundary map; declared the intention to form CFD No. 20-1; and authorized the City to levy special taxes within CFD No. 20-1 by passage of Resolution No. 11374. On that same date, this City Council declared the necessity for incurring bonded indebtedness in and for CFD No. 20-1 by passage of Resolution No. 11375.

A Public Hearing is required as part of the formation process of a Community Facilities District. Notice of the hearing was mailed to the landowner within CFD No. 20-1 on June 4, 2025 and published in the Folsom Telegraph on June 13, 2025. A copy of the required CFD Public Hearing Report has been made available in the City Clerk's office since June 13, 2025 and is also included with this report as Attachment 6.

POLICY / RULE

Chapter 5 of the Folsom Plan Area Public Facilities Financing Plan authorizes the formation of CFDs to finance the construction, acquisition, and servicing of Folsom Plan Area backbone infrastructure and public facilities.

Section 2.5.3 of the First Amended and Restated Tier 1 Development Agreement authorizes the formation of infrastructure CFDs.

Resolution No. 9282 – A Resolution of the City Council of the City of Folsom Approving Goals and Policies for Community Facilities Districts, provides guidance and minimum credit criteria for the issuance of CFDs.

ANALYSIS

CFD No. 20-1 would be structured as a standard-term CFD and would provide the necessary funding to help fund a portion of the CFD No. 20 subdivision infrastructure. These subdivision infrastructure costs will be financed using both bond proceeds and Pay-As-You-Go (PAYGO) special tax revenues. PAYGO may only be levied against developed property, and after the issuance of the first series of Bonds, PAYGO costs will no longer be levied and will not be included in determining the annual special tax requirement. The subdivision costs to be funded via CFD No. 20-1 were originally anticipated to be funded by CFD No. 20 and include items listed in the First Amendment to the Acquisition and Shortfall Agreement dated August 25, 2023, between the City and the Developer.

The special tax revenue generated from taxable parcels within CFD No. 20-1 will be comprised solely of a special tax to fund facilities. The CFD No. 20-1 special tax will not provide funding for Russell Ranch specific services. The 2025/26 maximum special tax rates, set forth in the Rate and Method of Apportionment of Special Taxes for each residential floor plan, are provided in the table below:

Land Use Category	Residential Floor Area	2025-2026 Maximum Special Tax Rate	Taxed Per
Developed Property:			
Multi Family Low Density Property	≥ 2,000	$1,534	Residential Unit
Multi Family Low Density Property	1,800 – 1,999	1,336	Residential Unit
Multi Family Low Density Property	< 1,800	1,280	Residential Unit
Other Taxable Property	Not Applicable	13,400	Acre
Small Lot Final Map Property:			
Multi Family Low Density Property	Not Applicable	$1,280	Residential Lot
Large Lot Property:	Not Applicable	$13,400	Acre

The CFD No. 20-1 special tax can be levied and collected through Fiscal Year 2064/65. Each fiscal year, commencing with 2026/27, the maximum special tax rate will be increased by 2% annually.

Excluding the overlay CFD No. 20-1, the estimated effective tax rate for developed residential property within Village 5 is approximately 1.60%. Upon inclusion of CFD No. 20-1, the total projected effective tax rate for developed residential property within CFD 20-1 is 1.80% and shall not exceed 2.00% of the estimated sales price of the respective homes to be constructed in CFD 20-1.

Approving the resolutions attached:

- Forms CFD No. 20-1;
- Authorizes the levy of special taxes within CFD No. 20-1;

- Deems it necessary to incur bonded indebtedness within CFD No. 20-1;
- Calls for a special mailed ballot election within CFD No. 20-1; and
- Declares the results of the special mailed ballot election within CFD No. 20-1

An ordinance is also being introduced to levy special taxes for Fiscal Year 2025/26 and following fiscal years. This is the first reading of the ordinance.

FINANCIAL IMPACT

The CFD No. 20-1 formation, bonded indebtedness, and expenses are solely the responsibility of CFD No. 20-1. There is no direct General Fund impact on the City of Folsom.

ENVIRONMENTAL REVIEW

An Environmental Impact Report (SCH No. 2014062018) was previously certified for the Russell Ranch project on May 15, 2015 by the City Council in accordance with the requirements of the California Environmental Quality Act (CEQA) and the CEQA Guidelines. Staff has determined that no new impacts will result from this proposal that were not already considered with the previous approval. No further environmental review is required.

ATTACHMENTS

1. Resolution No. 11408- A Resolution of the City Council of the City of Folsom Forming a Community Facilities District and Levying Special Taxes Therein

2. Resolution No. 11409 - Resolution of the City Council of the City of Folsom Deeming it Necessary to Incur Bonded Indebtedness in and for City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)

3. Resolution No. 11410- Resolution of the City Council of the City of Folsom Calling Special Mailed Ballot Election in the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)

4. Resolution No. 11411 – Resolution of the City Council of the City of Folsom Declaring Election Results in the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)

5. Ordinance No. 1352– An Uncodified Ordinance Levying Special Taxes for the Fiscal Year 2025-26 and Following Fiscal Years Solely within and Relating to the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (Introduction and First Reading)

6. City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) Public Hearing Report

Submitted,

_____

Stacey Tamagni
Finance Director
Treasurer of the Folsom Ranch Financing Authority

Attachment 1

RESOLUTION NO. 11408

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM FORMING A COMMUNITY FACILITIES DISTRICT AND LEVYING SPECIAL TAXES THEREIN

WHEREAS, a community facilities district is proposed to be established (the "Community Facilities District") under the terms of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Division 2 of Title 5 of the California Government Code, commencing with Section 53311 (the "Act"); and

WHEREAS, the boundaries of the Community Facilities District are described in a boundary map on file in the office of the City Clerk of the City of Folsom (the "City Clerk"); and

WHEREAS, for the preliminary scope of the project and financing contemplated by these proceedings, reference is made to Resolutions No. 11374 (the "Resolution of Intention") and No. 11375 adopted by the City Council of the City (the "City Council") on May 13, 2025; and

WHEREAS, on June 24, 2025, at the time and place scheduled for the public hearing concerning the formation of the Community Facilities District, said public hearing of protests was duly convened by the City Council, and the City Council duly heard all interested parties desiring to be heard; and

WHEREAS, the City Council determined that a majority protest under Section 53324 of the Government Code was not made at the public hearing and therefore the proposed formation of the Communities Facilities District and special tax to be levied within the Community Facilities District have not been eliminated by majority protest pursuant to said Section 53324; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom, as follows:

Section 1. The City Council finds and determines that the foregoing recitals are true and correct.

Section 2. The City Council hereby forms the Community Facilities District under the terms of the Act. The boundaries of the Community Facilities District are shown on the boundary map approved by the Resolution of Intention (the "Boundary Map"). A copy of the recorded Boundary Map is on file with the City Clerk and was recorded on May 20, 2025, at Book 146, Page 25 in the Book of Maps of Assessment and Community Facilities Districts in the official real estate records of the County of Sacramento.

Section 3. The name of the Community Facilities District is "City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)" ("CFD 20-1").

Section 4. The types of public facilities (the "Facilities") proposed to be financed by CFD 20-1, and to the financing of which CFD 20-1 is proposed to contribute, are set forth on Exhibit A attached to this resolution. The City Council hereby finds and determines that these

Facilities are necessitated to meet increased demands placed upon the City by new development occurring or anticipated within CFD 20-1.

Section 5. The types of incidental expenses and bond issuance costs proposed to be incurred are set forth on Exhibit B attached to this resolution.

Section 6. Except where funds are otherwise available, special taxes sufficient to pay for all Facilities will be annually levied within CFD 20-1. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure the related levy of the special tax shall attach to all nonexempt real property within CFD 20-1, and the lien shall continue in force and effect until the special tax obligation (or any portion thereof) is paid or prepaid and permanently satisfied and the special tax lien is cancelled in accordance with law or until collection of the special tax by the City ceases. The rate and method of apportionment of the special tax to be levied in CFD 20-1, are set forth in Exhibit C, attached to this resolution. The special tax with respect to the Facilities on any parcel within CFD 20-1 shall not be levied after Fiscal Year 2064-65. In the case of any special tax to pay for the Facilities and to be levied against any parcel used for private residential purposes, under no circumstances will the special tax levied against any parcel be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within CFD 20-1 by more than 10 percent of the special tax for Facilities that would be levied in that Fiscal Year but for such delinquencies or defaults.

Section 7. Advances of funds or contributions of work in kind from any lawful source, specifically including owners of property within CFD 20-1, may be reimbursed from bond proceeds or from special tax revenues or both to the extent of the lesser of the value or cost of the contribution, but any agreement to do so shall not constitute a debt or liability of the City.

Section 8. The City intends to reserve to itself the right and authority to allow bond tenders from any interested landowner within CFD 20-1 to be accepted under Government Code sections 53344.1 and 53356.8 in full or part payment of any installment of the special taxes or the interest or penalties thereon.

Section 9. The Office of Management and Budget, 50 Natoma Street, Folsom, California, (916) 355-7347, is designated as the office responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number, and for responding to inquiries regarding estimates of future special tax levies. The City Manager, the Finance Director, and the Chief Financial Officer are authorized, on behalf of the City, to negotiate and execute, from time to time, one or more contracts with private consultants to provide this service in lieu of the Office of Management and Budget, provided that the fees and charges for such private consultants will be provided for out of special tax revenues in CFD 20-1.

Section 10. Any bonds issued in these proceedings shall be callable in accordance with the provisions of the Act and as more specifically to be set forth in any resolution providing for the form, execution and issuance of bonds.

Section 11. The special tax will be collected and enforced as a separate line item on the regular property tax bill. However, the City reserves the right, under Section 53340, to utilize any method of collecting each special tax which it shall, from time to time, determine to be in the best interests of the City, including, but not limited to, direct billing by the City to the property owners and supplemental billing.

Section 12. This City Council hereby establishes the annual appropriations limit of CFD 20-1 at $3,500,000 for the 2025-26 fiscal year.

Section 13. Based upon a certificate relative to voters heretofore filed with the City Clerk, the qualified electors for the election to be held in these proceedings shall be the landowners owning land within CFD 20-1. The City Clerk or her designee will conduct the election by mailed ballot and hereby designates the City Clerk as the official to conduct the mailed-ballot election.

Section 14. This City Council now finds and determines that all proceedings up to and including the adoption of this resolution were and are valid and in conformity with the requirements of the Act. This determination and finding is final and conclusive in accordance with Government Code Section 53325.1(b).

Section 15. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 24th day of June 2025, by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

_____
Sarah Aquino, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

EXHIBIT A

AUTHORIZED FACILITIES
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 20-1
(RUSSELL RANCH 2)

Authorized facilities include any and all improvements that are included in the Specific Plan Infrastructure Fee Program adopted by the City Council on September 8, 2015, as amended to the date hereof and including any future amendments thereto. These facilities, include, but are not limited to:

- Zone 4/5 Booster Pump Station;
- Zone 5 Water Tank and Zone 6 Booster Pump Station;
- Highway 50 Water Transmission Line;
- Alder Creek Parkway Improvements; and
- Grand Prairie Improvements.

Transportation Improvements

Eligible roadway improvements include, but are not limited to: acquisition of land and easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal), and decorative/enhanced pavement concrete and/or pavers; joint trenches, underground utilities and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts; signs and striping; erosion control; median and parkway landscaping and irrigation; entry monumentation; bus shelters, Bus Rapid Transit improvements including transfer stations and regional public transit improvements; masonry walls; traffic control and agency fees; and other improvements related thereto. Eligible improvements for the roads listed above also include any and all necessary underground potable and recycled water, sanitary sewer, and storm drainage system improvements.

Authorized facilities include the following transportation improvements:

- Placerville Road—from Highway 50 to White Rock Road.
- Alder Creek Parkway—from Scott Road to the Empire Ranch Road.
- Grand Prairie Road—from Alder Creek Parkway to Placerville Road.
- Scott Road—from Alder Creek Parkway to Street “A.”

- Empire Ranch Road—from property line to White Rock Road.

- Other public roadway improvements designed to meet the needs of development within CFD No. 20-1, including internal subdivision streets and related underground utilities.

Potable and Non-Potable Water System Improvements

Authorized facilities include any and all on- and off-site backbone water and recycled (or non-potable water facilities) designed to meet the needs of development within CFD No. 20-1. These facilities include, but are not limited to, potable and non-potable mains, valves, pressure reducing stations, flow meters, fire hydrants, and other improvements related thereto such as site clearing, grading, and paving; services, and appurtenances; wells; water treatment, distribution, and storage facilities; curbs and gutters; booster pump stations; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates and fencing; and striping and signage.

Drainage System Improvements

Authorized facilities include any and all drainage and storm drain improvements designed to meet the needs of development within CFD No. 20-1. These facilities include, but may not be limited to excavation and grading, pipelines and appurtenances, outfalls, and water quality measures; detention/retention basins, drainage pretreatment facilities, drainage ways/channels, pump stations, landscaping and irrigation; access roads, gates and fencing; and striping and signage and other improvements related thereto.

Wastewater System Improvements

Authorized facilities include any and all wastewater facilities designed to meet the needs of development within CFD No. 20-1. These facilities include, but may not be limited to, pipelines and all appurtenances thereto; manholes; tie-in to existing main line; force mains; lift stations; odor-control facilities; and permitting related thereto; and related sewer system improvements.

Park, Parkway, Open Space and Preserve Improvements

Authorized facilities include any and all improvements to parks, parkways, and open space required for development within CFD No. 20-1. These facilities include, but may not be limited to grading; turf, shrubs and trees; landscaping irrigation; site lighting; drainage; sanitary sewer and water service, pedestrian and bicycle trails, protective fencing (including soundwalls), pedestrian/bicycle bridges; public art; active and passive park and open space improvements (including respites and overlooks); related monumentation and signage; storm drain crossings; environmental mitigation for wetlands, hawk, and other species for infrastructure under the Specific Plan Infrastructure Fee Program and authorized facilities herein; access gates and fencing; and related park, open space and preserve improvements.

Other Incidental Expenses and Bond Issuance Costs

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, including, but not limited to, the cost of planning and designing the facilities (including the cost of environmental evaluation, remediation and mitigation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs (including the costs of legal services) associated with the formation of the Mello-Roos CFD; issuance of bonds (if any); determination of the amount of taxes; collection of taxes; payment of taxes; costs of calculating and providing reimbursements from one-time special tax payments; or costs otherwise incurred in order to carry out the authorized purposes of the CFD; and any other expenses incidental to the formation and implementation of the CFD and to the construction, completion, inspection and acquisition of the authorized facilities.

EXHIBIT B

INCIDENTAL EXPENSES AND BOND ISSUANCE COSTS
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 20-1
(RUSSELL RANCH 2)

It is anticipated that the following incidental expenses may be incurred for CFD 20-1:

Engineering services
Special tax consultant services
City review and administration
Bond counsel services
Bond counsel expenses
Disclosure counsel services
Disclosure counsel expenses
Independent financial advisor services
Appraiser services
Market absorption study and real estate economist services
Initial bond transfer agent, fiscal agent, registrar and paying agent fees
Rebate calculation service set up charge
Bond printing
Offering memorandum printing and mailing costs
Publishing, mailing and posting of notices
Underwriter's discount
Bond reserve fund
Capitalized interest
Bond syndication costs
Governmental notification and filing costs
Credit enhancement costs
Real estate acquisition costs
Rating agency fees
Charges and fees of City other than those waived

Certain annual costs may be included in each annual special tax levy. These include:

Annual bond transfer agent, fiscal agent, registrar and paying agent fees
Annual rebate calculation costs
Special tax consultant costs
Other necessary consultant costs
Costs of posting and collecting the special taxes
Personnel and Administrative costs of the City
Arbitrage rebate
Continuing disclosure reporting and compliance

EXHIBIT C

RATE AND METHOD OF APPORTIONMENT
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 20-1
(RUSSELL RANCH 2)

[ATTACHED]

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
FOR CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 20-1
(RUSSELL RANCH 2)

A Special Tax, as hereinafter defined, shall be levied and collected within the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) ("CFD No. 20-1") each Fiscal Year commencing in Fiscal Year 2025-2026, in an amount determined by the application of the procedures below. All Taxable Property within CFD No. 20-1, as hereinafter defined, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or "ADU" means all Assessor's Parcels of Residential Property for which a building permit(s) has been issued for an "Accessory Dwelling Unit" as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a Residential Unit.

"Acre or Acreage" means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1, Division 2 of Title 5 of the Government Code of the State.

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of CFD No. 20-1 including, but not limited to, the following: the costs of any paying agents/fiscal agents/trustees related to Bond payments (including the fees and expenses of related counsel); the costs of computing the Special Tax Requirement, the Special Taxes and of preparing the collection schedules for the Special Taxes; the costs of collecting the Special Taxes, including any charges levied by the County Auditor's Office, County Tax Collector's Office or County Treasurer's Office; the costs of the City or designee in complying with the disclosure requirements associated with applicable federal and state securities laws, or otherwise related to CFD No. 20-1 or the Bonds; the City's annual administration fees and third party expenses; costs of responding to public inquiries regarding the Special Taxes; the costs of the City or designee related to an appeal of the Special Tax or interpretation of this Rate and Method of Apportionment of Special Taxes; amounts needed to pay any required arbitrage rebate to the federal government related to the Bonds; the costs associated with the release of funds from any escrow account; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Special Taxes in CFD No. 20-1. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 20-1 for any other administrative purposes of CFD No. 20-1.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Assessor's Parcel Number" or "APN" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"Bond Year" means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means bonds or other debt (as defined in section 53317 of the Act), whether in one or more series, issued or assumed by or on behalf of the City for CFD No. 20-1 under the Act, and secured by the pledge of the Special Taxes.

"Building Permit" means a permit issued by the City for new construction of a residential or non-residential building on an Assessor's Parcel.

"CFD No. 20-1" means City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2), established by the City Council pursuant to the Act.

"CFD No. 20-1 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"City" means the City of Folsom, California.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 20-1.

"County" means the County of Sacramento, California.

"Debt Service" means for each Bond Year, the total amount of principal and interest due on any Outstanding Bonds.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a Building Permit for new construction was issued prior to June 30 of the previous Fiscal Year.

"Exempt Property" means all property located within the boundaries of CFD No. 20-1 which is exempt from the Special Tax pursuant to the Act or Section E below.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Large Lot Property" means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property or Small Lot Final Map Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

"Large Lot Map" means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which Building Permits may be issued for Residential Units.

"Maximum Special Tax" means the total maximum annual Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax Rate" means the maximum annual Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Minimum Special Tax Revenue" means the minimum amount of total CFD No. 20-1 Maximum Special Tax, as adjusted annually by the Special Tax Escalation Factor, less any Maximum Special Tax amounts prepaid and permanently satisfied pursuant to Section I. The Minimum Special Tax Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes.

"Multi Family Low Density Property" means, for each Fiscal Year, all Taxable Property for which a Building Permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Open Space Property" means property within CFD No. 20-1 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Other Taxable Property" means all other land uses of Taxable Property, for which a Building Permit for new construction can be issued. Other Taxable Property does not include Multi Family Low Density Property land use categories.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay As You Go Costs" means that portion of the Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 20-1. Special Taxes attributable to Pay As You Go Costs may only be levied against Developed. After the issuance of the first series of Bonds, Pay As You Go Costs will no longer be levied and will not be included in determining the annual Special Tax Requirement.

"Planned Development" means the planned number of Residential Units and Other Taxable Property Acreage planned within CFD No. 20-1, set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 20-1.

"Property Owner Association Property" means any property within CFD No. 20-1 which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

"Proportionately" means for Taxable Property that the ratio of the Special Tax levy to the Maximum Special Tax is equal for all Assessors' Parcels within each land use category (Developed Property, Small Lot Final Map Property, Large Lot Property, etc.) within CFD No. 20-1.

"Public Property" means any property within CFD No. 20-1 which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property, which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State, the County, the City, school districts, or any other governmental agency.

"Residential Floor Area" means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 20-1 Administrator by reference to appropriate records kept by the City's building department. Residential Floor Area for a residential structure will be based on the Building Permit(s) issued for such structure prior to it being classified as Developed Property and will not be adjusted as a result of future development modifications.

"Residential Lot" means an individual residential lot within a recorded Small Lot Final Subdivision Map on which a Building Permit has been or is permitted to be issued for construction of one or more Residential Units.

"Residential Property" means, for each Fiscal Year, all Taxable Property for which a Building Permit has been issued for purposes of constructing Residential Units, including Multi Family Low Density Property.

"Residential Unit" means an individual single family detached residential unit or an individual residential unit within an apartment building, duplex, triplex, fourplex, townhome or condominium structure. The number of Residential Units assigned to each Assessor's Parcel may be determined by (a) referencing Assessor's Data, (b) site surveys and physical unit counts, and/or (c) other research by the CFD Administrator. An Accessory Dwelling Unit shall not be considered a Residential Unit for the purposes of the Special Tax.

"Small Lot Final Map Property" means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

"Small Lot Final Map Remainder Property" means an Assessor's Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

"Small Lot Final Subdivision Map" means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

"Special Tax" means the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement.

"Special Tax Escalation Factor" means two percent (2%) annually.

"Special Tax Requirement" means that amount required in any Fiscal Year for CFD No. 20-1 to (1) pay Debt Service on all Outstanding Bonds due in the succeeding Bond Year; (2) pay Debt Service on Bonds expected to be issued on behalf of CFD No. 20-1 due in the succeeding Debt Year; (3) Administrative Expenses; (4) provide any amount required to establish or replenish a reserve fund in connection with any CFD No. 20-1 Bonds; (5) provide an amount equal to reasonably anticipated Special Tax delinquencies based on the delinquency rate for Special Taxes levied in the previous Fiscal Year as determined by the CFD Administrator, as limited by the Act, and without duplicating any amounts described in clauses (3) or (4); and (6) account for Pay As You Go Costs. The amounts referred to in clauses (1) through (5) of the preceding sentence may be reduced in any Fiscal Year (in the City's sole discretion) by (i) surplus balances in funds and accounts for CFD No. 20-1 Bonds to the extent that such balances are available to apply against Debt Service pursuant to the Indenture, (ii) proceeds from the collection of penalties associated with delinquent Special Tax, and (iii) any other revenues available to pay Debt Service on the Outstanding Bonds or other indebtedness as determined by the CFD Administrator.

"Special Tax Term" means Fiscal Year 2064-2065.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the CFD No. 20-1 Boundaries that are not exempt from the CFD No. 20-1 Special Tax pursuant to law or Section E below.

"Trustee" means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

"Welfare Exempt Property" means, in any Fiscal Year, all Assessor Parcels within the boundaries of CFD No. 20-1 that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January

1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receive a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor's Parcels within CFD No. 20-1 shall be designated as either Taxable Property or Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, or Large Lot Property and shall be subject to the levy of the annual Special Tax determined pursuant to Section C below. Once Taxable Property is classified as Developed Property, it shall remain classified as Developed Property and shall not be reclassified, regardless of changes in land use or development modifications.

C. SPECIAL TAX

A Maximum Special Tax shall be assigned to all Taxable Property within CFD No. 20-1 according to the Maximum Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment of Special Taxes.

Once assigned, the sum of the total Maximum Special Tax shall be equal to or greater than the Minimum Special Tax Revenue. The Minimum Special Tax Revenue for Fiscal Year 2025-2026 is set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes.

On each July 1, commencing on July 1, 2026, the Maximum Special Tax Rates and Minimum Special Tax Revenue shall be increased by the Special Tax Escalation Factor of the Maximum Special Tax Rates and Minimum Special Tax Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes

The Maximum Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Special Tax revenue is not less than the Minimum Special Tax Revenue set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes.

Large Lot Property Subdividing into Small Lot Final Map Property

When Large Lot Property subdivides into Small Lot Final Map Property, the Maximum Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Special Tax for any

remaining Large Lot Property shall be based upon the Planned Development of the Large Lot Property.

If the sum of the total expected Developed Property Maximum Special Tax is greater than or equal to the Minimum Special Tax Revenue, there will be no further adjustments to the Developed Property and Small Lot Final Map Property Maximum Special Tax Rates for the Small Lot Final Map Property and Small Lot Final Map Remainder Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Special Tax is less than the Minimum Special Tax Revenue, and such difference is not eliminated by the full or partial prepayment of the Maximum Special Tax pursuant to Section I, the Developed Property and Small Lot Final Map Property Maximum Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property and Small Lot Final Map Remainder Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Special Tax is equal to the Minimum Special Tax Revenue. Attachment B of this Rate and Method of Apportionment of Special Taxes shall be updated to reflect any increases to the Maximum Special Tax Rates from the Large Lot Property subdivision. The Developed Property and Small Lot Final Map Property Maximum Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property or Small Lot Final Map Property created prior to the Large Lot Property subdivision.

C.2. Method of Apportionment of Special Tax

Using the definitions and procedures described herein, the CFD No. 20-1 Administrator shall determine the Special Tax Requirement and levy the Special Tax until the amount of Special Taxes equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Special Tax in order to satisfy the Special Tax Requirement.

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Special Tax. The Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Special Tax. The Special Tax shall be levied on Large Lot Property for the entire portion of the Special Tax Requirement, excluding only Pay As You Go Costs.

D. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 20-1 Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 20-1 Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above

the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

E. EXEMPTIONS

E.1. The CFD No. 20-1 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

E.2. No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property; however, pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receive a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Special Tax.

E.3. The Maximum Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until the Maximum Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

E.4. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section E.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

F. INTERPRETATIONS

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Taxes. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Taxes.

G. REVIEW/APPEALS

The CFD No. 20-1 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 20-1 Administrator shall interpret this Rate and Method

of Apportionment of Special Taxes and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner may file a written appeal of the Special Tax with the CFD No. 20-1 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 20-1 Administrator shall review the appeal, meet with the appellant if the CFD No. 20-1 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 20-1 Administrator's decision relative to the appeal, the owner may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action, if any, by the City Manager, the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 20-1 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

H. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that CFD No. 20-1, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

I. PREPAYMENT OF SPECIAL TAX

The Special Tax obligation of an Assessor's Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD No. 20-1 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 20-1 Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 20-1 Administrator may charge a fee for providing this service.

The following definitions apply to this Section I:

“Authorized Facilities” means the public facilities authorized to be financed, in whole or in part, by CFD No. 20-1.

“Buildout” means the state of maximum development of CFD No. 20-1, based on plans and anticipated development.

"CFD Public Facilities Cost" means $3,889,000 for CFD No. 20-1, expressed in 2025 dollars, which shall increase by the annual percentage change in the Construction Inflation Index on July 1, 2026 and on each July 1 thereafter, or such lower number as (i) shall be determined by the CFD No. 20-1 Administrator as sufficient to provide the public facilities to be funded by CFD No. 20-1 or (ii) shall be determined by the City Council concurrently with a covenant that it will not issue any more Bonds to be supported by Special Taxes levied under this Rate and Method of Apportionment of Special Taxes as described in Section C.

"Construction Inflation Index" means the annual percentage change in the Engineering News-Record Construction Cost Index, measured as of the calendar year which ends in the previous Fiscal Year, but not less than zero percent. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the City that is reasonably comparable to the Engineering News-Record Construction Cost Index.

"Future Facilities Costs" means, as of the date of prepayment, the CFD Public Facilities Costs minus the portion of the CFD Public Facilities Costs previously funded from (a) proceeds of all Previously Issued Bonds, which were, at the time of issuance, available to the City for Authorized Facilities, (b) interest earnings on the improvement fund actually earned prior to the date of prepayment, and (c) proceeds of the Special Tax dedicated to Pay-As-You-Go Costs. In no case shall the Future Facilities Costs be less than zero.

"Previously Issued Bonds" means all Outstanding Bonds that have been issued on behalf of CFD No. 20-1 prior to the date of prepayment.

I.1. Prepayment in Full

If a prepayment is made prior to the issuance of Bonds, the Redemption Premium, Interest Amount, Reserve Fund Credit, and Capitalized Interest Credit as calculated below, shall be zero. The Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

Bond Redemption Amount:	
Plus	Future Facilities Amount
Plus	Redemption Premium
Plus	Interest Amount
Plus	Administrative Fees and Expenses
Less	Reserve Fund Credit
Less	Capitalized Interest Credit
Total:	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be calculated by the CFD No. 20-1 Administrator as follows:

Step 1: Confirm that no Special Tax delinquency applies to such Assessor's Parcel, and if delinquencies are applicable compute all amounts due, including interest and penalties.

Step 2: For Assessor's Parcels of Developed Property compute the Maximum Special Tax. For Assessor's Parcels of Small Lot Final Map Property and Large Lot Property to be prepaid, compute the Maximum Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the expected development for that Assessor's Parcel.

Step 3: Divide the Maximum Special Tax computed pursuant to Step 2 by the total estimated Maximum Special Tax for CFD No. 20-1 based on the Developed Property Maximum Special Tax which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 20-1. (the "*Maximum Special Tax Percentage*").

Step 4: Multiply the Maximum Special Tax Percentage by the Outstanding Bonds to compute the principal amount of Outstanding Bonds to be redeemed (the *"Bond Redemption Amount"*).

Step 5: Compute the Future Facilities Costs.

Step 6: Multiply the Maximum Special Tax Percentage by the total Future Facilities Costs to compute the Future Facilities amount to be prepaid (the *"Future Facilities Amount"*).

Step 7: Multiply the Bond Redemption Amount computed pursuant to Step 4 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "*Redemption Premium*") determined by reference to the Indenture.

Step 8: Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds (the "*Interest Amount*").

Step 9: Verify the administrative fees and expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming the Outstanding Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "*Administrative Fees and Expenses*").

Step 10: If reserve funds for the Outstanding Bonds held under the Indenture, if any, are at or above 100% of the then reserve requirement (as required by the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve requirement for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "*Reserve Fund Credit*"). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the applicable reserve requirement on the prepayment date or if the Reserve Fund is satisfied by a credit instrument rather than cash funded.

Step 11: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the Maximum Special Tax Percentage by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the "Capitalized Interest Credit").

Step 12: The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 4, 6, 7, 8 and 9 less the amount computed pursuant to Steps 10 and 11 (the "*Prepayment Amount*").

Step 13: From the Prepayment Amount, the amounts computed pursuant to Step 6 shall be used by the City to pay for Future Facilities Costs. The amounts computed pursuant to Steps 4, 6, 7 and 8 shall be deposited into the appropriate fund as established under the Indenture and be used to redeem Outstanding Bonds or make Debt Service payments. The amount computed pursuant to Step 9 shall be retained by the City for the payment of Administrative Fees and Expenses.

Current year Special Taxes that are not yet paid will remain outstanding and will be collected in the manner billed. With respect to any Assessor's Parcel that is prepaid, the CFD No. 20-1 Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate the prepayment of the Special Tax and the obligation of such Assessor's Parcel has been satisfied.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Maximum Special Taxes, net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual Debt Service on all Outstanding Bonds to be paid from the Maximum Special Taxes in each Fiscal Year.

I.2. Prepayment in Part

The Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section I.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((P_E - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount
$\mathbf{P_E}$ = the Prepayment Amount calculated according to Section I.1 above
A = the Administrative Fees and Expenses calculated according to Section I.1 above
F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Special Tax obligation shall notify the CFD No. 20-1 Administrator of (i) such owner's intent to partially prepay the Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 20-1 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 20-1 Administrator shall indicate in the records of CFD No. 20-1 that there has been a partial prepayment of the Special Tax obligation and that a portion of the Special Tax obligation equal to the outstanding percentage (1.00 – F) of the remaining Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Special Taxes, net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual Debt Service on all Outstanding Bonds to be paid from the Maximum Special Taxes in each Fiscal Year.

J. TERM OF SPECIAL TAX

The Maximum Special Tax shall be levied commencing in Fiscal Year 2025-2026 to the extent necessary to fully satisfy the Special Tax Requirement and shall be levied for the Special Tax Term.

Attachment A
City of Folsom
Community Facilities District No. 20-1 (Russell Ranch 2)
Maximum Special Tax Rates
(Fiscal Year 2025-2026)

Land Use Category	Residential Floor Area	2025-2026 Maximum Special Tax Rate[(1)]	Taxed Per
Developed Property:			
Multi Family Low Density Property	≥ 2,000	$1,534	Residential Unit
Multi Family Low Density Property	1,800 – 1,999	1,336	Residential Unit
Multi Family Low Density Property	< 1,800	1,280	Residential Unit
Other Taxable Property	Not Applicable	13,400	Acre
Small Lot Final Map Property:			
Multi Family Low Density Property	Not Applicable	$1,280	Residential Lot
Large Lot Property:	Not Applicable	$13,400	Acre

(1) On each July 1, commencing on July 1, 2026, the Maximum Special Tax Rates shall be increased by the Special Tax Escalation Factor of the Maximum Special Tax Rates in effect for the previous Fiscal Year.

Attachment B
City of Folsom
Community Facilities District No. 20-1 (Russell Ranch 2)
Minimum Special Tax Revenue
(Fiscal Year 2025-2026)

Land Use Category	Planned Residential Units / Acres	2025-2026 Developed Property Maximum Special Tax Rate[(1)(2)]	2025-2026 Minimum Special Tax Revenue[(1)(3)]
Developed Property:			
Multi Family Low Density Property	118	$1,280	$151,040
Other Taxable Property	0.0	13,400	0
Total Minimum Special Tax Revenue			**$151,040**

(1) On each July 1, commencing on July 1, 2026, the Developed Property Maximum Special Tax Rates and Minimum Special Tax Revenue shall be increased by the Special Tax Escalation Factor of the Developed Property Maximum Special Tax Rates and Minimum Special Tax Revenue in effect for the previous Fiscal Year.

(2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Special Tax Rates for Developed Property may exceed the Developed Property Maximum Special Tax Rates set forth in this table.

(3) The total Minimum Special Tax Revenue may be decreased as result of all or a portion of Maximum Special Tax obligations being prepaid and permanently satisfied pursuant to Section I.

(4) Based upon the Developed Property Maximum Special Tax Rate for Multi Family Low Density Property with Residential Floor Area of less than 1,800 square feet.

Attachment 2

RESOLUTION NO. 11409

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS IN AND FOR CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 20-1 (RUSSELL RANCH 2)

WHEREAS, for the preliminary scope of the project and financing contemplated by these proceedings, reference is made to Resolutions No. 11374 and No. 11375 adopted by the City Council of the City of Folsom (the "City Council") on May 13, 2025; and

WHEREAS, on June 24, 2025, at the time and place scheduled for the public hearing concerning the formation of the proposed City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (the "District"), said public hearing of protests was duly convened by the City Council, and the City Council duly heard all interested parties desiring to be heard; and

WHEREAS, at said hearing, the City Council determined that a majority protest under Section 53324 of the Government Code was not made at the hearing for the District and therefore the proposed formation of the District and special tax to be levied within the District has not been eliminated by majority protest pursuant to said Section 53324;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom as follows:

Section 1. The City Council finds and determines that the foregoing recitals are true and correct.

Section 2. The City Council now deems it necessary to incur the contemplated bonded indebtedness for the District.

Section 3. The purpose for incurring the bonded indebtedness is to assist in the financing of the public facilities described in the Resolution to Form a Community Facilities District and to Levy Special Taxes Therein adopted this date (the "Resolution of Formation").

Section 4. All Taxable Property (as defined in Exhibit C of the Resolution of Formation) within the boundaries of the District shall be subject to a special tax to repay the bonded indebtedness for the District.

Section 5. Subject to the requirements of the Resolution of Formation and this resolution, the amount of bonded indebtedness to be incurred, and the amount and timing of each issuance of bonds, shall be subject to the discretion of this City Council; provided that the maximum principal amount of bonded indebtedness to be paid for by the District is $3,500,000.

Section 6. The maximum term of any issue of bonds under this authority shall not extend beyond 40 years from their date of issue.

Section 7. The maximum rate of interest shall be determined by competitive sale or by negotiation at the time of bond sale, but in any case shall not exceed the legal rate as specified, from time to time, by Government Code Section 53531 or any similar controlling provision of law.

Section 8. It is the intention of this City Council that any bonds issued may be made callable on terms to be specified in any resolution or indenture providing for the form, execution and issuance of bonds, in accordance with the terms of the Mello-Roos Community Facilities Act of 1982 (the "Act").

Section 9. The question of the authorization to issue the bonds described herein and incur the bonded indebtedness to be paid for by the District will be submitted to the voters of the District at a special election in accordance with the Act and with the findings contained in the certificate regarding landowners heretofore filed in these proceedings.

Section 10. The City Clerk of the City of Folsom (the "City Clerk") is hereby designated as the official to conduct a special, mailed-ballot election related to the District pursuant to Elections Code Sections 307 and 320.

Section 11. The special community facilities district election for the District (which shall be consolidated with the special community facilities district election to levy a special tax within the District) shall be conducted by mailed ballot. In order to be counted, ballots must be returned to, and be physically received by the City Clerk before 6:30 p.m. on June 24, 2025. If all authorized ballots are received prior to that time, the City Clerk shall be so notified and, pursuant to Government Code Section 53326(d), immediately close the election and declare the results.

Section 12. The ballot language shall be as follows:

> Shall the City of Folsom be authorized to issue a maximum amount not to exceed $3,500,000 in bonds that will be paid for by the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (the "District"), levy a special tax in the District and finance public facilities by and through the District and shall the appropriations limit for the District for fiscal year 2025-26 be established in the amount of $3,500,000, all as specified in the City's Resolution of Formation and Resolution Deeming it Necessary to Incur Bonded Indebtedness adopted by the City Council of the City on June 24, 2025?

Section 13. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 24th day of June 2025, by the following roll call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, City Clerk

Attachment 3

RESOLUTION NO. 11410

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM CALLING SPECIAL MAILED-BALLOT ELECTION IN THE CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 20-1 (RUSSELL RANCH 2)

WHEREAS, reference is made to the Resolution to Form a Community Facilities District and to Levy Special Taxes Therein (the "Resolution of Formation") and to the Resolution Deeming it Necessary to Incur Bonded Indebtedness in and for City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (the "Resolution of Necessity"), each adopted by the City Council of the City of Folsom (the "City Council") on June 24, 2025; and

WHEREAS, the levy of a special tax within CFD 20-1 (as defined herein) proposed in the Resolution of Formation shall be submitted to the voters pursuant to Government Code Section 53326; and

WHEREAS, the authorization to issue bonded indebtedness proposed in the Resolution of Necessity shall be submitted to the voters pursuant to Government Code Section 53351; and

WHEREAS, the setting of the appropriations limit shall be submitted to the voters pursuant to Government Code Section 53325.7; and

WHEREAS, the three ballot questions just described shall be combined into a single ballot measure pursuant to Government Code Section 53353.5. The ballot language shall be as shown on the form of ballot attached hereto as Exhibit A, which form of ballot is hereby approved; and

WHEREAS, a certificate relative to voters and a certificate regarding landowners have been filed with the City Clerk of the City of Folsom (the "City Clerk");

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL, as follows:

Section 1. The City Council finds and determines that the foregoing recitals are true and correct.

Section 2. This City Council hereby accepts the certificate relative to voters heretofore filed in these proceedings and finds, in accordance therewith, that there are no registered voters residing within the boundaries of Community Facilities District No. 20-1 (Russell Ranch 2) ("CFD 20-1"). Accordingly, under Government Code Section 53326(b) the qualified electors in this election shall be the landowners owning land within the District.

Section 3. The City Council hereby accepts the certificate regarding landowners heretofore filed in these proceedings and further finds, in accordance therewith, that the landowners of record owning property within CFD 20-1 are those set forth in the attachment to the certificate regarding landowners and that the attachment correctly sets forth the number of acres owned by each landowner and the number of votes to which each is entitled.

Section 4. The City Council hereby approves the form of Waiver and Consent Shortening Time Periods and Waiving Various Requirements for Proceedings and for Conducting Special Mailed-Ballot Election in the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2), attached hereto as Exhibit B. The City Council finds that the rights, procedures and time periods therein waived are solely for the protection of the voters, may be waived under Government Code Section 53326(a) and Section 53327(b), and that the waiver constitutes a full and knowing waiver, by any voter who has executed the form, of those rights, procedures and time periods.

Section 5. The City Council accepts the Certificate of the City Clerk that 100% of the voters eligible to vote in this election have delivered to the City Clerk properly executed waivers in the form of Exhibit B.

Section 6. Accordingly, this City Council hereby calls the special election described herein and sets June 24, 2025, as the election day. Pursuant to Government Code Section 53326(d), the election shall be conducted by mailed ballot. By attesting this resolution below, the City Clerk indicates her concurrence to such date and to the waivers and consents described in Section 4 hereof.

Section 7. The City Clerk is directed to cause the ballots to be mailed or delivered, in the form of Exhibit A hereto, to the landowners shown on the attachment to the certificate regarding landowners. The City Clerk or her designee shall fill in the names of the landowners and the number of votes to be cast on each ballot, according to the certificate regarding landowners, before delivery or mailing.

Section 8. The City Clerk shall accept personal or mail delivery of the ballots at any time up to 6:30 p.m. on June 24, 2025, provided, that if all authorized ballots are received by the City Clerk prior to that time, the City Clerk shall, pursuant to Government Code Section 53326(d), immediately close the election and declare the results to the City Council.

Section 9. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 24th day of June 2025, by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

_____
Sarah Aquino, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

EXHIBIT A

CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 20-1
(RUSSELL RANCH 2)

FORM OF SPECIAL ELECTION BALLOT

(Mailed-Ballot Election)

This ballot is for the use of _____, a landowner owning land within City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2).

According to the provisions of the Mello-Roos Community Facilities Act of 1982 and the resolutions of the City Council of the City of Folsom, the above-named landowner is entitled to cast _____ votes on this ballot.

In order to be counted, this ballot must be certified below and be returned, either by mail or in person, before 6:30 p.m. on June 24, 2025, to:

Christa Freemantle, City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

Mailing by that date will not be sufficient. The ballot must be physically received by the City Clerk prior to the deadline in order to be counted.

AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT, OR THE VOTER MAY WRITE NUMBERS IN THE SPACES PROVIDED.

BALLOT MEASURE

Shall the City of Folsom be authorized to issue a maximum amount not to exceed $3,500,000 in bonds that will be paid for by the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (the "District"), levy a special tax in the District and finance public facilities by and through the District and shall the appropriations limit for the District for fiscal year 2025-26 be established in the amount of $3,500,000, all as specified in the City's Resolution of Formation and Resolution Deeming it Necessary to Incur Bonded Indebtedness adopted by the City Council of the City on June 24, 2025?	Number of votes YES _____ Number of votes NO _____

Certification

The undersigned is or are the authorized representative(s) of the above-named landowner and is the person legally authorized and entitled to cast this ballot on behalf of the above-named landowner.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed as of June 24, 2025.

[LANDOWNER]

By: _____

Name: _____

Title: _____

EXHIBIT B

FORM OF WAIVER AND CONSENT
SHORTENING TIME PERIODS AND WAIVING VARIOUS
REQUIREMENTS FOR PROCEEDINGS AND FOR
CONDUCTING SPECIAL MAILED-BALLOT ELECTION
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 20-1
(RUSSELL RANCH 2)

The undersigned _____, is the owner or authorized representative of the owner of Assessor's Parcel No. _____ within the above-captioned Community Facilities District (the "District").

The undersigned is (or are) the person (or persons) legally entitled and authorized to cast the ballot for the above-referenced owner in the election to be conducted within the District to determine, among other things, whether certain land, including land owned by the above-referenced owner, shall be subject to an annual special tax.

The undersigned, on behalf of the above-referenced owner, hereby waives any and all minimum time periods relative to the election pursuant to Government Code Section 53326(a).

The undersigned, on behalf of the above-referenced owner, hereby waives the preparation and distribution of an impartial analysis of the ballot measure, as well as arguments in favor and against, under the authority of Government Code Section 53327(b).

The undersigned, on behalf of the above-referenced owner, hereby waives the requirement to publish notice of the election under Government Code Section 53352.

The undersigned, on behalf of the above-referenced owner, hereby waives the requirements regarding the time to mail ballots to the qualified electors under Elections Code Section 4101, and agrees to accept either mailed service or personal service of the ballot.

The undersigned, on behalf of the above-referenced owner, hereby waives the requirements regarding identification envelopes for the return of mailed ballots contained in Government Code Section 53327.5.

The undersigned, on behalf of the above-referenced owner, hereby waives any right to notice and hearing and consents to authorized facilities, expenses and rate and method of apportionment of special tax as described in the Resolution of Formation to be adopted by the City Council of the City of Folsom on June 24, 2025.

The undersigned, on behalf of the above-referenced owner, hereby waives any and all defects in notice or procedure in the formation of the District, time periods to record the boundary map, conduct of the election, whether known or unknown (other than the right to have ballots accurately counted), and states that the election is being expedited, pursuant to this waiver and consent, at the particular instance and request of the above-referenced owner.

Further, the undersigned, on behalf of the above-referenced owner, hereby waives any entitlement to initiate or prosecute any form of legal proceedings, including judicial proceedings, to challenge any aspect of the proceedings for levy of the special tax and for issuance of special tax bonds in the District.

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct and that this declaration is executed on _____, 2025.

[LANDOWNER]

By: _____

Name: _____

Title: _____

Attachment 4

RESOLUTION NO. 11411

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM DECLARING ELECTION RESULTS IN THE CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 20-1 (RUSSELL RANCH 2)

WHEREAS, reference is made to the Resolution Calling Special Mailed-Ballot Election in the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (the "Resolution Calling Election") adopted by the City Council of the City of Folsom (the "City Council") on June 24, 2025; and

WHEREAS, the City Council has received, reviewed and hereby accepts the Certificate of City Clerk Regarding Election Results, dated June 24, 2025;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom, as follows:

Section 1. The City Council finds and determines that the foregoing recitals are true and correct.

Section 2. The City Council hereby finds and declares that the ballot measure submitted to the qualified electors of the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) pursuant to the Resolution Calling Election has been passed and approved by those qualified electors in accordance with California Government Code Sections 53328 and 53355.

Section 3. The City Council hereby authorizes and directs the City Clerk to record the notice of special tax lien related to such ballot measure in accordance with the provisions of California Government Code Section 53328.3 and California Streets and Highways Code Section 3114.5.

Section 4. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 24th day of June 2025, by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

_____
Sarah Aquino, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 5

ORDINANCE NO. 1352

AN UNCODIFIED ORDINANCE LEVYING SPECIAL TAXES FOR THE FISCAL YEAR 2025-26 AND FOLLOWING FISCAL YEARS SOLELY WITHIN AND RELATING TO THE CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 20-1 (RUSSELL RANCH 2)

The City Council of the City of Folsom hereby ordains as follows:

SECTION 1 PURPOSE

The City Council of the City of Folsom hereby finds, determines and declares based on the record before it that:

1. The City is authorized to establish a community facilities district pursuant to the terms of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Division 2 of Title 5 of the California Government Code, commencing with Section 53311 (the "Act"); and

2. On June 24, 2025, the City Council adopted its Resolution No. 11408 (the "Resolution of Formation") establishing the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (the "District"), pursuant to the Act; and

3. In accordance with the Rate and Method of Apportionment, the Resolution of Formation approved the annual levy, subject to voter approval, of a special tax in connection with the District (the "Special Tax"); and

4. The Resolution of Formation proposed the establishment of an appropriations limit for the District (the "Appropriations Limit"); and

5. On June 24, 2025, the City Clerk, as elections official, conducted an election of the landowners of the District (the "Election"); and

6. On June 24, 2025, the City Council adopted its Resolution No. 11411 certifying that, at the Election, the landowners of the District approved the Special Tax and the Appropriations Limit; and

7. The City Council desires to levy and impose the Special Tax and to take other related actions.

SECTION 2

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FOLSOM RESOLVES:

1. The recitals set forth in Section 1 are true and correct.

2. A special tax is hereby levied on all Taxable Property (as defined in the Rate and Method of Apportionment) within the District, for the 2025-26 fiscal year and for all subsequent fiscal years in the amount of the maximum authorized tax, provided that this amount may be adjusted annually, subject to the maximum authorized special tax limit, by resolution of the City Council.

3. The Finance Director of the City of Folsom or designee thereof (the "CFD Administrator") is authorized and directed, to determine each year, without further action of the City Council, the Special Tax, to prepare the annual Special Tax roll in the amount of the Special Tax in accordance with the related exhibit and, without further action of the City Council, to provide all necessary and appropriate information to the Sacramento County Auditor-Controller's Office (the "County") in proper form, and in proper time, necessary to effect the correct and timely billing and collection of the Special Tax on the secured property tax roll of the County; provided, that as provided in the Resolution of Formation and Section 53340 of the California Government Code, the City has reserved the right to utilize any method of collecting the Special Tax which it shall, from time to time, determine to be in the best interests of the City of Folsom (the "City"), including but not limited to, direct billing by the City to the property owners and supplemental billing.

4. The appropriate officers and agents of the City are authorized to make adjustments to the Special Tax roll prior to the final posting of the Special Tax to the County tax roll each fiscal year, as may be necessary to achieve a correct match of the Special Tax levy with the assessor's parcel numbers finally utilized by the County in sending out property tax bills.

5. The City agrees that, in the event the Special Tax is collected on the secured tax roll of the County, the County may deduct its reasonable and agreed charges for collecting the Special Tax from the amounts collected, prior to remitting the Special Tax collections to the City.

6. Taxpayers who have requested changes or corrections of the Special Tax pursuant to Section G of the Rate and Method of Apportionment and who are not satisfied with the decision of the CFD Administrator (whether the CFD Administrator disagrees with the taxpayer or concludes that the City is not authorized to consider the change requested), may appeal to the City Council. The appeal must be in writing and fully explain the grounds of appeal, and must be based solely on the correction of mistakes in the levy based upon the status of the property, and no other appeals will be allowed. The CFD Administrator shall schedule the appeal for consideration within a reasonable time at a City Council meeting.

SECTION 3 SEVERABILITY

If for any cause any portion of this ordinance is found to be invalid, or if the Special Tax is found inapplicable to any particular parcel by a court of competent jurisdiction, the balance of this ordinance, and the application of the Special Tax to the remaining parcels, shall not be affected.

SECTION 4 EFFECTIVE DATE

This ordinance shall take effect and be in force as a tax measure thirty (30) days following its second reading and adoption at a meeting of the City Council; and before the expiration of twenty (20) days after its passage the same shall be published, with the names of the members voting for and against the same, at least once in a newspaper of general circulation published and circulated in the District.

This ordinance was introduced and the title thereof read at the regular meeting of the City Council on June 24, 2025, and the second reading is to occur at the regular meeting of the City Council on July 8, 2025.

On a motion by Council Member seconded by Council Member, the foregoing ordinance was passed and adopted by the City Council of the City of Folsom, State of California, this 8th day of July 2025 by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

Attachment 6

CITY OF FOLSOM

Report for:

Community Facilities District No. 20-1 (Russell Ranch 2) Public Hearing Report

June 2025

Prepared by NBS for and on behalf of the City of Folsom

Prepared by:

NBS
helping communities fund tomorrow

nbsgov.com

Corporate Headquarters
32605 Temecula Parkway, Suite 316
Temecula, CA 92592
Toll free: 800.676.7516

TABLE OF CONTENTS

INTRODUCTION **1**

DISTRICT INFORMATION **2**
Background 2
District Purpose 2
District Description 2
District Boundaries 3

DESCRIPTION OF FACILITIES **4**
Facilities 4
Incidental Expenses 6

COST ESTIMATE **7**
Estimated Cost of Public Facilities 7
Annual Appropriations Limit 7
Maximum Bonded Indebtedness 7
Maximum Special Tax Rates 7
Annual Maximum Special Tax Escalation 8

RATE AND METHOD OF APPORTIONMENT **9**
Term of Special Tax 9
Manner of Collection 9

APPENDIX A: BOUNDARY MAP ..... **A**

APPENDIX B: RATE AND METHOD OF APPORTIONMENT ..... **B**

INTRODUCTION

The City Council (the "City Council") of the City of Folsom (the "City") did, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (Sections 53311 and following, California Government Code; hereafter referred to as the "Act"), on May 13, 2025, adopt Resolution No. 11374 entitled the Resolution of the City Council of the City of Folsom Appointing Consultants, Approving a Proposed Boundary Map and Declaring Intention to Form a Community Facilities District to be Named "City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)" and to Levy Special Taxes Therein (the "Resolution of Intention"). In the Resolution of Intention, the City Council directed the study and filing of a public hearing report (the "Report") required by Section 53321.5 of the Act for the proposed City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (the "District").

Section 53321.5 of the Act provides that the Report includes the following:

1. A brief description of the public facilities to be provided by the District; and

2. An estimate of the fair and reasonable cost of providing the public facilities, including the incidental expenses in connection therewith, any City administration costs, and all other related costs.

For particulars, reference is made to the Resolution of Intention for the District, as previously adopted on May 13, 2025, by the City Council.

NOW, THEREFORE, the City Manager of the City, the appointed responsible officer directed to prepare the Report or cause the Report to be prepared pursuant to the provisions of the Act, does hereby submit this Report containing the following information:

- **DISTRICT INFORMATION**. Information related to the District, including background information, land use plans, and the proposed boundaries that include those properties and parcels on which special taxes may be levied to pay for the costs and expenses of the facilities.
- **DESCRIPTION OF FACILITIES**. A description of the facilities that the City Council has determined to be eligible to be funded by the District.
- **COST ESTIMATE**. The cost estimate for the District facilities.
- **RATE AND METHOD OF APPORTIONMENT**. The Rate and Method of Apportionment of Special Taxes, approved by this City Council on May 13, 2025.

DISTRICT INFORMATION

Background

The District is an overlay district within a portion of Community Facilities District No. 20 (Russell Ranch) (CFD No. 20), formally created on November 14, 2017, through Resolution No. 10035. CFD No. 20 spans approximately 437.6 acres located within the Folsom Plan Area. The Folsom Plan Area is located on approximately 3,520 acres and is located within the southern portion of the City, bounded by U.S. Highway 50, White Rock Road, Prairie City Road, and the Sacramento County/El Dorado County line. The Folsom Plan Area is a master-planned community and is planned to include approximately 13,300 residential units of various sizes and densities and approximately 2.5 million building square feet of non-residential land uses.

The District will overlay a portion of CFD No. 20's boundaries, approximately 12.4 acres, and provide necessary funding to fund a portion of CFD No. 20 subdivision infrastructure.

FOLSOM PLAN AREA SPECIFIC PLAN PUBLIC FACILITIES FINANCING PLAN

On January 28, 2014, the City Council approved the Folsom Plan Area Specific Plan Public Facilities Financing Plan (the "PFFP"). The PFFP is an $877 million plan that describes the backbone infrastructure and facility requirements, presents a comprehensive financing strategy, and sets forth the estimated time horizon for the development of the Folsom Plan Area (the "FPA"). The backbone infrastructure improvements identified in the PFFP include roadways, on-site water, off-site potable water, recycled water, wastewater (sewer), storm drainage, and habitat mitigation for infrastructure. The public facilities identified in the PFFP include public schools, parks, transit services, housing trust, trails, fire facilities and equipment, police facilities and equipment, a municipal service center, corporation yard, solid waste, branch library, a community and aquatic center, other general capital facilities, and transportation.

District Purpose

The District is structured as a standard-term CFD and would provide the necessary funding to help fund a portion of the CFD No. 20 subdivision infrastructure. These subdivision infrastructure costs will be financed using both bond proceeds and Pay-As-You-Go (PAYGO) special tax revenues. PAYGO may only be levied against developed property within the District, and after issuance of the first series of bonds, PAYGO costs will no longer be authorized and will not be included as part of the annual special tax requirement. The subdivision costs to be funded via the District were originally anticipated to be funded by CFD No. 20 and include items listed in the First Amendment to the Acquisition and Shortfall Agreement dated August 25, 2023 between the City and the developer.

District Description

The District boundaries represent a portion of land within CFD No. 20. Specifically, the overlay District boundaries include the land designated as Phase 2, Village 5 of the Russell Ranch development and is comprised of Assessor's Parcel Number 072-3510-005-0000. The Phase 2, Village 5 development is projected to contain 118 multi-family low-density units.

District Boundaries

The proposed boundaries of the District are identified on the map of the District recorded on May 20, 2025, in Book 146 at Page 25 of Maps of Assessment and Community Facilities Districts in the office of the County Recorder for the County of Sacramento. The District map is on file with the City Clerk, to which reference is hereby made and a reduced copy of such map is set forth in Appendix A of this Report.

DESCRIPTION OF FACILITIES

Facilities

Authorized facilities include any and all improvements that are included in the Specific Plan Infrastructure Fee Program adopted by the City Council on September 8, 2015, including any future amendments thereto. These facilities, include, but are not limited to:

- Zone 4/5 Booster Pump Station;
- Zone 5 Water Tank and Zone 6 Booster Pump Station;
- Highway 50 Water Transmission Line;
- Alder Creek Parkway Improvements; and
- Grand Prairie Improvements.

TRANSPORTATION IMPROVEMENTS

Eligible roadway improvements include, but are not limited to: acquisition of land and easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal), and decorative/enhanced pavement concrete and/or pavers; joint trenches, underground utilities and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts; signs and striping; erosion control; median and parkway landscaping and irrigation; entry monumentation; bus shelters, Bus Rapid Transit improvements including transfer stations and regional public transit improvements; masonry walls; traffic control and agency fees; and other improvements related thereto. Eligible improvements for the roads listed above also include any and all necessary underground potable and recycled water, sanitary sewer, and storm drainage system improvements.

Authorized facilities include the following transportation improvements:

- Placerville Road—from Highway 50 to White Rock Road.
- Alder Creek Parkway—from Scott Road to the Empire Ranch Road.
- Grand Prairie Road—from Alder Creek Parkway to Placerville Road.
- Scott Road—from Alder Creek Parkway to Street “A”.
- Empire Ranch Road—from property line to White Rock Road.
- Other public roadway improvements designed to meet the needs of development within the District, including internal subdivision streets and related underground utilities.

POTABLE AND NON-POTABLE WATER SYSTEM IMPROVEMENTS

Authorized facilities include any and all on- and off-site backbone water and recycled (or non-potable water facilities) designed to meet the needs of development within the District. These facilities include, but are not limited to, potable and non-potable mains, valves, pressure reducing stations, flow meters, fire

hydrants, and other improvements related thereto such as site clearing, grading, and paving; services, and appurtenances; wells; water treatment, distribution, and storage facilities; curbs and gutters; booster pump stations; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates and fencing; and striping and signage.

DRAINAGE SYSTEM IMPROVEMENTS

Authorized facilities include any and all drainage and storm drain improvements designed to meet the needs of development within the District. These facilities include, but may not be limited to: excavation and grading, pipelines and appurtenances, outfalls, and water quality measures; detention/retention basins, drainage pretreatment facilities, drainage ways/channels, pump stations, landscaping and irrigation; access roads, gates and fencing; and striping and signage and other improvements related thereto.

WASTEWATER SYSTEM IMPROVEMENTS

Authorized facilities include all wastewater facilities designed to meet the needs of development within the District. These facilities include, but may not be limited to, pipelines and all appurtenances thereto; manholes; tie-in to existing main line; force mains; lift stations; odor-control facilities; and permitting related thereto; and related sewer system improvements.

PARK, PARKWAY, OPEN SPACE AND PRESERVE IMPROVEMENTS

Authorized facilities include any and all improvements to parks, parkways, and open space required for development within the District. These facilities include, but may not be limited to grading; turf, shrubs and trees; landscaping irrigation; site lighting; drainage; sanitary sewer and water service, pedestrian and bicycle trails, protective fencing (including soundwalls), pedestrian/bicycle bridges; public art; active and passive park and open space improvements (including respites and overlooks); related monumentation and signage; storm drain crossings; environmental mitigation for wetlands, hawk, and other species for infrastructure under the Specific Plan Infrastructure Fee Program and authorized facilities herein; access gates and fencing; and related park, open space and preserve improvements.

OTHER INCIDENTAL EXPENSES AND BOND ISSUANCE COSTS

In addition to the above facilities, other incidental expenses as authorized by the Act, including, but not limited to, the cost of planning and designing the facilities (including the cost of environmental evaluation, remediation and mitigation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs (including the costs of legal services) associated with the formation of the District; issuance of bonds (if any); determination of the amount of taxes; collection of taxes; payment of taxes; costs of calculating and providing reimbursements from one-time special tax payments; or costs otherwise incurred in order to carry out the authorized purposes of the District; and any other expenses incidental to the formation and implementation of the District and to the construction, completion, inspection and acquisition of the authorized facilities.

Incidental Expenses

It is anticipated that the following incidental expenses may be incurred for the District:

- Engineering services
- Special tax consultant services
- City review and administration
- Bond counsel services
- Bond counsel expenses
- Disclosure counsel services
- Disclosure counsel expenses
- Independent financial advisor services
- Appraiser services
- Market absorption study and real estate economist services
- Initial bond transfer agent, fiscal agent, registrar and paying agent fees
- Rebate calculation service set up charge
- Bond printing
- Offering memorandum printing and mailing costs
- Publishing, mailing and posting of notices
- Underwriter's discount
- Bond reserve fund
- Capitalized interest
- Bond syndication costs
- Governmental notification and filing costs
- Credit enhancement costs
- Real estate acquisition costs
- Rating agency fees
- Charges and fees of City other than those waived

Certain annual costs may be included in each annual special tax levy. These include:

- Annual bond transfer agent, fiscal agent, registrar and paying agent fees
- Annual rebate calculation costs
- Special tax consultant costs
- Other necessary consultant costs
- Costs of posting and collecting the special taxes
- Personnel and Administrative costs of the City
- Arbitrage rebate
- Continuing disclosure reporting and compliance

COST ESTIMATE

Estimated Cost of Public Facilities

The District is eligible to finance the public facilities described in the Description of Facilities section of this Report. The estimated cost for constructing all required facilities for the Russell Ranch subdivision is approximately $108,153,600, covering backbone infrastructure, soft costs, and subdivision infrastructure. Backbone infrastructure improvements include upgrades to transportation, water systems, recycled water systems, drainage, wastewater, parks, parkways, and open spaces. Subdivision infrastructure encompasses underground utilities, roadways, street lighting, sound walls, and landscaping.

Annual Appropriations Limit

The Fiscal Year 2025/26 annual appropriations limit is $3,500,000.

Maximum Bonded Indebtedness

The maximum authorized bonded indebtedness for the District is $3,500,000.

Maximum Special Tax Rates

The determination and application of the maximum special tax rates for the District are more fully set forth in the Rate and Method of Apportionment, which is included under Exhibit B of this Report. The Rate and Method of Apportionment for the District was included as part of the Resolution of Intention, approved by the City Council on May 13, 2025, and established the Fiscal Year 2025/26 maximum special tax rates. The Fiscal Year 2025/26 maximum special tax rates are presented in the table below.

Land Use Category	Residential Floor Area	FY 2025/26 Maximum Special Tax Rate	Taxed Per
Developed Property:			
Multi Family Low Density Property	≥ 2,000	$1,534	Residential Unit
Multi Family Low Density Property	1,800 – 1,999	1,336	Residential Unit
Multi Family Low Density Property	< 1,800	1,280	Residential Unit
Other Taxable Property	Not Applicable	13,400	Acre
Small Lot Final Map Property:			
Multi Family Low Density Property	Not Applicable	$1,280	Residential Lot
Large Lot Property:	Not Applicable	$13,400	Acre

As a result of future Assessor's Parcel changes, described in Section C.1 of the Rate and Method of Apportionment, the maximum special tax rates for Developed Property and Small Lot Final Map Property may exceed the Developed Property and Small Lot Final Map Property maximum special tax rates set forth in the table above.

Annual Maximum Special Tax Escalation

On each July 1, commencing on July 1, 2026, the maximum special tax shall be increased by 2% of the maximum special tax in effect for the previous Fiscal Year.

RATE AND METHOD OF APPORTIONMENT

All the property located within the District, unless exempted by law or by the Rate and Method of Apportionment, shall be taxed for the purpose of providing the necessary facilities for the District. Pursuant to Section 53325.3 of the Act, the tax imposed "is a special tax and not a special assessment, and there is no requirement that the tax be apportioned on the basis of benefit to any property." The special tax "may be based on benefit received by parcels of real property, the cost of making facilities available to each parcel, or other reasonable basis as determined by the legislative body," although the special tax may not be apportioned on an ad valorem basis pursuant to Article XIIIA of the California Constitution.

As shown in Appendix B, the Rate and Method of Apportionment provides information sufficient to allow each property owner to estimate the maximum special tax that he or she will be required to pay.

Term of Special Tax

The District's special tax shall be levied commencing in Fiscal Year 2025/26 to the extent necessary to fully satisfy the annual special tax requirement and shall be levied for a period no longer than Fiscal Year 2064/65.

Manner of Collection

The annual special tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that the District, may directly bill the special tax, and may collect special taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of taxable property that are delinquent in the payment of special taxes.

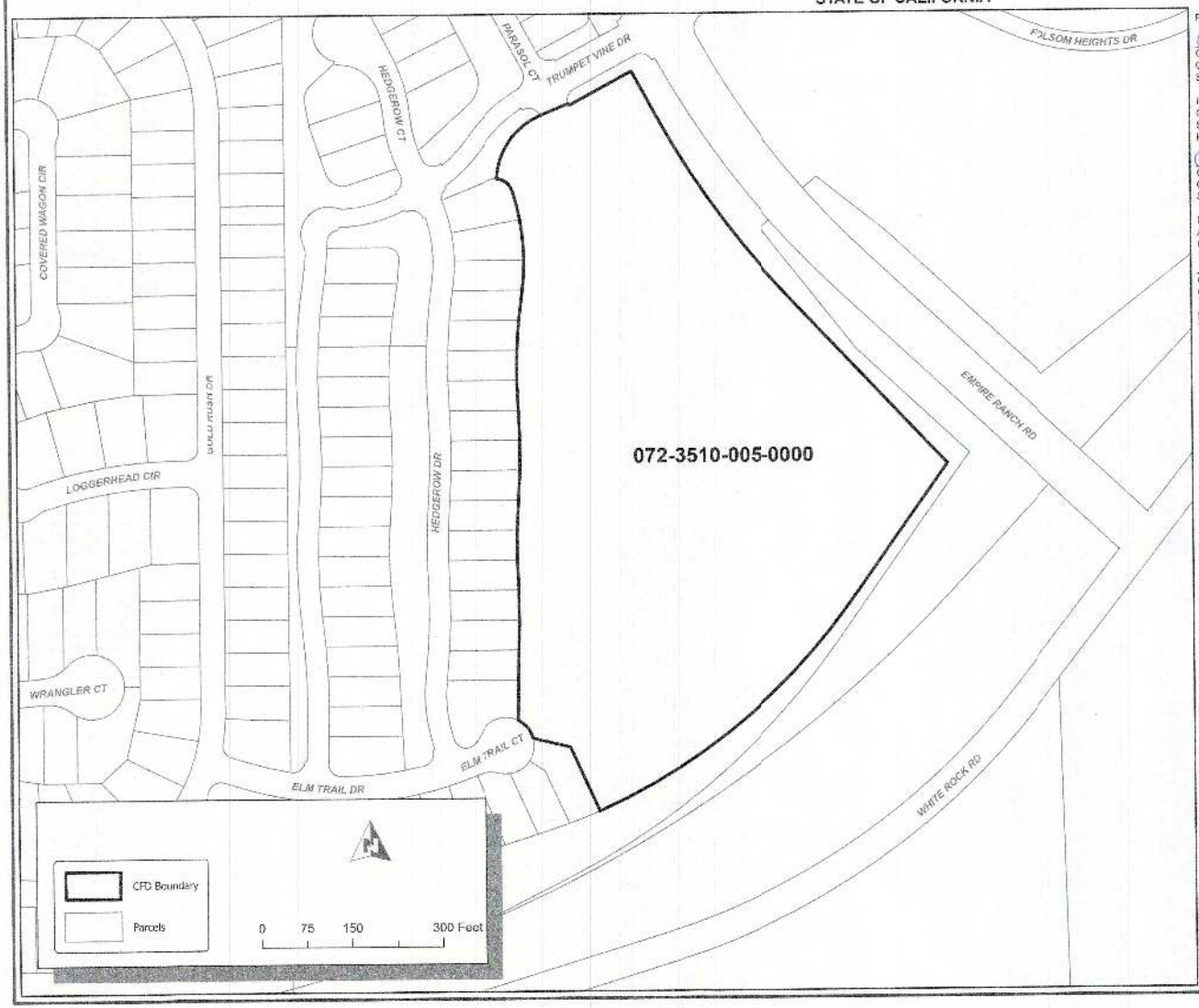
APPENDIX A: BOUNDARY MAP

The boundary map for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the County Assessor, at the time this Report was prepared, and are incorporated by reference herein and made part of this Report.

Sheet 1 of 1

PROPOSED BOUNDARIES OF CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 20-1 (RUSSELL RANCH 2)

CITY OF FOLSOM
COUNTY OF SACRAMENTO
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF FOLSOM THIS 19th DAY OF May 2025

CITY CLERK
CITY OF FOLSOM
SACRAMENTO COUNTY CALIFORNIA

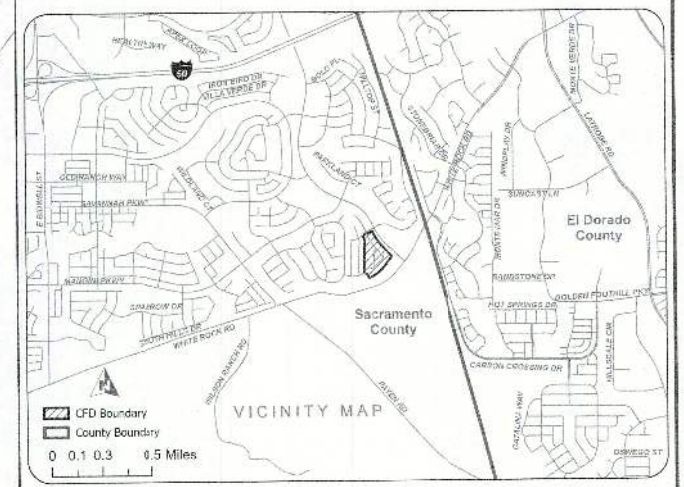
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF THE CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 20-1 (RUSSELL RANCH 2), CITY OF FOLSOM, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF FOLSOM, AT A MEETING THEREOF, HELD ON THE 13 DAY OF May 2025, BY ITS RESOLUTION NO. 11349.

CITY CLERK
CITY OF FOLSOM
SACRAMENTO COUNTY, CALIFORNIA

FILED THIS 20th DAY OF May 2025, AT THE HOUR OF 9:57 O'CLOCK AM, IN BOOK 146 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 25 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA. Doc# 202505200239

Monica Graham-Sidhu Donna Allred
COUNTY RECORDER
COUNTY OF SACRAMENTO, CALIFORNIA

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS THE ASSESSOR, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.



Source: Sacramento County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California II FIPS 0402 Feet

NBS

APPENDIX B: RATE AND METHOD OF APPORTIONMENT

The following pages provide a copy of the District's Rate and Method of Apportionment approved by the City Council on May 13, 2025, via Resolution No. 11374.

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
FOR CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 20-1
(RUSSELL RANCH 2)

A Special Tax, as hereinafter defined, shall be levied and collected within the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) ("CFD No. 20-1") each Fiscal Year commencing in Fiscal Year 2025-2026, in an amount determined by the application of the procedures below. All Taxable Property within CFD No. 20-1, as hereinafter defined, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or "ADU" means all Assessor's Parcels of Residential Property for which a building permit(s) has been issued for an "Accessory Dwelling Unit" as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a Residential Unit.

"Acre or Acreage" means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1, Division 2 of Title 5 of the Government Code of the State.

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of CFD No. 20-1 including, but not limited to, the following: the costs of any paying agents/fiscal agents/trustees related to Bond payments (including the fees and expenses of related counsel); the costs of computing the Special Tax Requirement, the Special Taxes and of preparing the collection schedules for the Special Taxes; the costs of collecting the Special Taxes, including any charges levied by the County Auditor's Office, County Tax Collector's Office or County Treasurer's Office; the costs of the City or designee in complying with the disclosure requirements associated with applicable federal and state securities laws, or otherwise related to CFD No. 20-1 or the Bonds; the City's annual administration fees and third party expenses; costs of responding to public inquiries regarding the Special Taxes; the costs of the City or designee related to an appeal of the Special Tax or interpretation of this Rate and Method of Apportionment of Special Taxes; amounts needed to pay any required arbitrage rebate to the federal government related to the Bonds; the costs associated with the release of funds from any escrow account; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Special Taxes in CFD No. 20-1. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 20-1 for any other administrative purposes of CFD No. 20-1.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Assessor's Parcel Number" or "APN" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"Bond Year" means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means bonds or other debt (as defined in section 53317 of the Act), whether in one or more series, issued or assumed by or on behalf of the City for CFD No. 20-1 under the Act, and secured by the pledge of the Special Taxes.

"Building Permit" means a permit issued by the City for new construction of a residential or non-residential building on an Assessor's Parcel.

"CFD No. 20-1" means City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2), established by the City Council pursuant to the Act.

"CFD No. 20-1 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"City" means the City of Folsom, California.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 20-1.

"County" means the County of Sacramento, California.

"Debt Service" means for each Bond Year, the total amount of principal and interest due on any Outstanding Bonds.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a Building Permit for new construction was issued prior to June 30 of the previous Fiscal Year.

"Exempt Property" means all property located within the boundaries of CFD No. 20-1 which is exempt from the Special Tax pursuant to the Act or Section E below.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Large Lot Property" means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property or Small Lot Final Map Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

"Large Lot Map" means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which Building Permits may be issued for Residential Units.

"Maximum Special Tax" means the total maximum annual Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax Rate" means the maximum annual Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Minimum Special Tax Revenue" means the minimum amount of total CFD No. 20-1 Maximum Special Tax, as adjusted annually by the Special Tax Escalation Factor, less any Maximum Special Tax amounts prepaid and permanently satisfied pursuant to Section I. The Minimum Special Tax Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes.

"Multi Family Low Density Property" means, for each Fiscal Year, all Taxable Property for which a Building Permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Open Space Property" means property within CFD No. 20-1 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Other Taxable Property" means all other land uses of Taxable Property, for which a Building Permit for new construction can be issued. Other Taxable Property does not include Multi Family Low Density Property land use categories.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay As You Go Costs" means that portion of the Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 20-1. Special Taxes attributable to Pay As You Go Costs may only be levied against Developed. After the issuance of the first series of Bonds, Pay As You Go Costs will no longer be levied and will not be included in determining the annual Special Tax Requirement.

"Planned Development" means the planned number of Residential Units and Other Taxable Property Acreage planned within CFD No. 20-1, set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 20-1.

"Property Owner Association Property" means any property within CFD No. 20-1 which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

"Proportionately" means for Taxable Property that the ratio of the Special Tax levy to the Maximum Special Tax is equal for all Assessors' Parcels within each land use category (Developed Property, Small Lot Final Map Property, Large Lot Property, etc.) within CFD No. 20-1.

"Public Property" means any property within CFD No. 20-1 which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property, which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State, the County, the City, school districts, or any other governmental agency.

"Residential Floor Area" means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 20-1 Administrator by reference to appropriate records kept by the City's building department. Residential Floor Area for a residential structure will be based on the Building Permit(s) issued for such structure prior to it being classified as Developed Property and will not be adjusted as a result of future development modifications.

"Residential Lot" means an individual residential lot within a recorded Small Lot Final Subdivision Map on which a Building Permit has been or is permitted to be issued for construction of one or more Residential Units.

"Residential Property" means, for each Fiscal Year, all Taxable Property for which a Building Permit has been issued for purposes of constructing Residential Units, including Multi Family Low Density Property.

"Residential Unit" means an individual single family detached residential unit or an individual residential unit within an apartment building, duplex, triplex, fourplex, townhome or condominium structure. The number of Residential Units assigned to each Assessor's Parcel may be determined by (a) referencing Assessor's Data, (b) site surveys and physical unit counts, and/or (c) other research by the CFD Administrator. An Accessory Dwelling Unit shall not be considered a Residential Unit for the purposes of the Special Tax.

"Small Lot Final Map Property" means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

"Small Lot Final Map Remainder Property" means an Assessor's Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

"Small Lot Final Subdivision Map" means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

"Special Tax" means the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement.

"Special Tax Escalation Factor" means two percent (2%) annually.

"Special Tax Requirement" means that amount required in any Fiscal Year for CFD No. 20-1 to (1) pay Debt Service on all Outstanding Bonds due in the succeeding Bond Year; (2) pay Debt Service on Bonds expected to be issued on behalf of CFD No. 20-1 due in the succeeding Debt Year; (3) Administrative Expenses; (4) provide any amount required to establish or replenish a reserve fund in connection with any CFD No. 20-1 Bonds; (5) provide an amount equal to reasonably anticipated Special Tax delinquencies based on the delinquency rate for Special Taxes levied in the previous Fiscal Year as determined by the CFD Administrator, as limited by the Act, and without duplicating any amounts described in clauses (3) or (4); and (6) account for Pay As You Go Costs. The amounts referred to in clauses (1) through (5) of the preceding sentence may be reduced in any Fiscal Year (in the City's sole discretion) by (i) surplus balances in funds and accounts for CFD No. 20-1 Bonds to the extent that such balances are available to apply against Debt Service pursuant to the Indenture, (ii) proceeds from the collection of penalties associated with delinquent Special Tax, and (iii) any other revenues available to pay Debt Service on the Outstanding Bonds or other indebtedness as determined by the CFD Administrator.

"Special Tax Term" means Fiscal Year 2064-2065.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the CFD No. 20-1 Boundaries that are not exempt from the CFD No. 20-1 Special Tax pursuant to law or Section E below.

"Trustee" means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

"Welfare Exempt Property" means, in any Fiscal Year, all Assessor Parcels within the boundaries of CFD No. 20-1 that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January

1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receive a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor's Parcels within CFD No. 20-1 shall be designated as either Taxable Property or Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, or Large Lot Property and shall be subject to the levy of the annual Special Tax determined pursuant to Section C below. Once Taxable Property is classified as Developed Property, it shall remain classified as Developed Property and shall not be reclassified, regardless of changes in land use or development modifications.

C. SPECIAL TAX

A Maximum Special Tax shall be assigned to all Taxable Property within CFD No. 20-1 according to the Maximum Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment of Special Taxes.

Once assigned, the sum of the total Maximum Special Tax shall be equal to or greater than the Minimum Special Tax Revenue. The Minimum Special Tax Revenue for Fiscal Year 2025-2026 is set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes.

On each July 1, commencing on July 1, 2026, the Maximum Special Tax Rates and Minimum Special Tax Revenue shall be increased by the Special Tax Escalation Factor of the Maximum Special Tax Rates and Minimum Special Tax Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes

The Maximum Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Special Tax revenue is not less than the Minimum Special Tax Revenue set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes.

Large Lot Property Subdividing into Small Lot Final Map Property

When Large Lot Property subdivides into Small Lot Final Map Property, the Maximum Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Special Tax for any

remaining Large Lot Property shall be based upon the Planned Development of the Large Lot Property.

If the sum of the total expected Developed Property Maximum Special Tax is greater than or equal to the Minimum Special Tax Revenue, there will be no further adjustments to the Developed Property and Small Lot Final Map Property Maximum Special Tax Rates for the Small Lot Final Map Property and Small Lot Final Map Remainder Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Special Tax is less than the Minimum Special Tax Revenue, and such difference is not eliminated by the full or partial prepayment of the Maximum Special Tax pursuant to Section I, the Developed Property and Small Lot Final Map Property Maximum Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property and Small Lot Final Map Remainder Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Special Tax is equal to the Minimum Special Tax Revenue. Attachment B of this Rate and Method of Apportionment of Special Taxes shall be updated to reflect any increases to the Maximum Special Tax Rates from the Large Lot Property subdivision. The Developed Property and Small Lot Final Map Property Maximum Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property or Small Lot Final Map Property created prior to the Large Lot Property subdivision.

C.2. Method of Apportionment of Special Tax

Using the definitions and procedures described herein, the CFD No. 20-1 Administrator shall determine the Special Tax Requirement and levy the Special Tax until the amount of Special Taxes equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Special Tax in order to satisfy the Special Tax Requirement.

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Special Tax. The Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Special Tax. The Special Tax shall be levied on Large Lot Property for the entire portion of the Special Tax Requirement, excluding only Pay As You Go Costs.

D. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 20-1 Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 20-1 Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above

the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

E. EXEMPTIONS

E.1. The CFD No. 20-1 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

E.2. No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property; however, pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receive a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Special Tax.

E.3. The Maximum Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until the Maximum Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

E.4. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section E.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

F. INTERPRETATIONS

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Taxes. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Taxes.

G. REVIEW/APPEALS

The CFD No. 20-1 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 20-1 Administrator shall interpret this Rate and Method

of Apportionment of Special Taxes and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner may file a written appeal of the Special Tax with the CFD No. 20-1 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 20-1 Administrator shall review the appeal, meet with the appellant if the CFD No. 20-1 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 20-1 Administrator's decision relative to the appeal, the owner may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action, if any, by the City Manager, the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 20-1 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

H. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that CFD No. 20-1, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

I. PREPAYMENT OF SPECIAL TAX

The Special Tax obligation of an Assessor's Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD No. 20-1 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 20-1 Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 20-1 Administrator may charge a fee for providing this service.

The following definitions apply to this Section I:

"Authorized Facilities" means the public facilities authorized to be financed, in whole or in part, by CFD No. 20-1.

"Buildout" means the state of maximum development of CFD No. 20-1, based on plans and anticipated development.

"CFD Public Facilities Cost" means $3,889,000 for CFD No. 20-1, expressed in 2025 dollars, which shall increase by the annual percentage change in the Construction Inflation Index on July 1, 2026 and on each July 1 thereafter, or such lower number as (i) shall be determined by the CFD No. 20-1 Administrator as sufficient to provide the public facilities to be funded by CFD No. 20-1 or (ii) shall be determined by the City Council concurrently with a covenant that it will not issue any more Bonds to be supported by Special Taxes levied under this Rate and Method of Apportionment of Special Taxes as described in Section C.

"Construction Inflation Index" means the annual percentage change in the Engineering News-Record Construction Cost Index, measured as of the calendar year which ends in the previous Fiscal Year, but not less than zero percent. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the City that is reasonably comparable to the Engineering News-Record Construction Cost Index.

"Future Facilities Costs" means, as of the date of prepayment, the CFD Public Facilities Costs minus the portion of the CFD Public Facilities Costs previously funded from (a) proceeds of all Previously Issued Bonds, which were, at the time of issuance, available to the City for Authorized Facilities, (b) interest earnings on the improvement fund actually earned prior to the date of prepayment, and (c) proceeds of the Special Tax dedicated to Pay-As-You-Go Costs. In no case shall the Future Facilities Costs be less than zero.

"Previously Issued Bonds" means all Outstanding Bonds that have been issued on behalf of CFD No. 20-1 prior to the date of prepayment.

I.1. Prepayment in Full

If a prepayment is made prior to the issuance of Bonds, the Redemption Premium, Interest Amount, Reserve Fund Credit, and Capitalized Interest Credit as calculated below, shall be zero. The Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

Bond Redemption Amount:	
Plus	Future Facilities Amount
Plus	Redemption Premium
Plus	Interest Amount
Plus	Administrative Fees and Expenses
Less	Reserve Fund Credit
Less	Capitalized Interest Credit
Total:	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be calculated by the CFD No. 20-1 Administrator as follows:

Step 1: Confirm that no Special Tax delinquency applies to such Assessor's Parcel, and if delinquencies are applicable compute all amounts due, including interest and penalties.

Step 2: For Assessor's Parcels of Developed Property compute the Maximum Special Tax. For Assessor's Parcels of Small Lot Final Map Property and Large Lot Property to be prepaid, compute the Maximum Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the expected development for that Assessor's Parcel.

Step 3: Divide the Maximum Special Tax computed pursuant to Step 2 by the total estimated Maximum Special Tax for CFD No. 20-1 based on the Developed Property Maximum Special Tax which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 20-1. (the "*Maximum Special Tax Percentage*").

Step 4: Multiply the Maximum Special Tax Percentage by the Outstanding Bonds to compute the principal amount of Outstanding Bonds to be redeemed (the *"Bond Redemption Amount"*).

Step 5: Compute the Future Facilities Costs.

Step 6: Multiply the Maximum Special Tax Percentage by the total Future Facilities Costs to compute the Future Facilities amount to be prepaid (the *"Future Facilities Amount"*).

Step 7: Multiply the Bond Redemption Amount computed pursuant to Step 4 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "*Redemption Premium*") determined by reference to the Indenture.

Step 8: Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds (the "*Interest Amount*").

Step 9: Verify the administrative fees and expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming the Outstanding Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "*Administrative Fees and Expenses*").

Step 10: If reserve funds for the Outstanding Bonds held under the Indenture, if any, are at or above 100% of the then reserve requirement (as required by the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve requirement for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "*Reserve Fund Credit*"). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the applicable reserve requirement on the prepayment date or if the Reserve Fund is satisfied by a credit instrument rather than cash funded.

Step 11: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the Maximum Special Tax Percentage by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the "Capitalized Interest Credit").

Step 12: The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 4, 6, 7, 8 and 9 less the amount computed pursuant to Steps 10 and 11 (the "*Prepayment Amount*").

Step 13: From the Prepayment Amount, the amounts computed pursuant to Step 6 shall be used by the City to pay for Future Facilities Costs. The amounts computed pursuant to Steps 4, 6, 7 and 8 shall be deposited into the appropriate fund as established under the Indenture and be used to redeem Outstanding Bonds or make Debt Service payments. The amount computed pursuant to Step 9 shall be retained by the City for the payment of Administrative Fees and Expenses.

Current year Special Taxes that are not yet paid will remain outstanding and will be collected in the manner billed. With respect to any Assessor's Parcel that is prepaid, the CFD No. 20-1 Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate the prepayment of the Special Tax and the obligation of such Assessor's Parcel has been satisfied.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Maximum Special Taxes, net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual Debt Service on all Outstanding Bonds to be paid from the Maximum Special Taxes in each Fiscal Year.

I.2. Prepayment in Part

The Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section I.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((P_E - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount
$\mathbf{P_E}$ = the Prepayment Amount calculated according to Section I.1 above
A = the Administrative Fees and Expenses calculated according to Section I.1 above
F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Special Tax obligation shall notify the CFD No. 20-1 Administrator of (i) such owner's intent to partially prepay the Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 20-1 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 20-1 Administrator shall indicate in the records of CFD No. 20-1 that there has been a partial prepayment of the Special Tax obligation and that a portion of the Special Tax obligation equal to the outstanding percentage (1.00 – F) of the remaining Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Special Taxes, net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual Debt Service on all Outstanding Bonds to be paid from the Maximum Special Taxes in each Fiscal Year.

J. TERM OF SPECIAL TAX

The Maximum Special Tax shall be levied commencing in Fiscal Year 2025-2026 to the extent necessary to fully satisfy the Special Tax Requirement and shall be levied for the Special Tax Term.

Attachment A
City of Folsom
Community Facilities District No. 20-1 (Russell Ranch 2)
Maximum Special Tax Rates
(Fiscal Year 2025-2026)

Land Use Category	Residential Floor Area	2025-2026 Maximum Special Tax Rate[(1)]	Taxed Per
Developed Property:			
Multi Family Low Density Property	≥ 2,000	$1,534	Residential Unit
Multi Family Low Density Property	1,800 – 1,999	1,336	Residential Unit
Multi Family Low Density Property	< 1,800	1,280	Residential Unit
Other Taxable Property	Not Applicable	13,400	Acre
Small Lot Final Map Property:			
Multi Family Low Density Property	Not Applicable	$1,280	Residential Lot
Large Lot Property:	Not Applicable	$13,400	Acre

(1) On each July 1, commencing on July 1, 2026, the Maximum Special Tax Rates shall be increased by the Special Tax Escalation Factor of the Maximum Special Tax Rates in effect for the previous Fiscal Year.

Attachment B
City of Folsom
Community Facilities District No. 20-1 (Russell Ranch 2)
Minimum Special Tax Revenue
(Fiscal Year 2025-2026)

Land Use Category	Planned Residential Units / Acres	2025-2026 Developed Property Maximum Special Tax Rate[(1)(2)]	2025-2026 Minimum Special Tax Revenue[(1)(3)]
Developed Property:			
Multi Family Low Density Property	118	$1,280	$151,040
Other Taxable Property	0.0	13,400	0
Total Minimum Special Tax Revenue			**$151,040**

(1) On each July 1, commencing on July 1, 2026, the Developed Property Maximum Special Tax Rates and Minimum Special Tax Revenue shall be increased by the Special Tax Escalation Factor of the Developed Property Maximum Special Tax Rates and Minimum Special Tax Revenue in effect for the previous Fiscal Year.

(2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Special Tax Rates for Developed Property may exceed the Developed Property Maximum Special Tax Rates set forth in this table.

(3) The total Minimum Special Tax Revenue may be decreased as result of all or a portion of Maximum Special Tax obligations being prepaid and permanently satisfied pursuant to Section I.

(4) Based upon the Developed Property Maximum Special Tax Rate for Multi Family Low Density Property with Residential Floor Area of less than 1,800 square feet.

This page is intentionally left blank to facilitate double-sided printing and minimize paper use.

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	6/24/2025
AGENDA SECTION:	New Business
SUBJECT:	Resolution No. 11403 - A Resolution Initiating Proceedings for the Formation of a Landscaping and Lighting Assessment District to be known as the Natoma Station Maintenance Assessment District No. 2025-2
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council approve Resolution No. 11403 - A Resolution Initiating Proceedings for the Formation of a Landscaping and Lighting Assessment District to be known as the Natoma Station Maintenance Assessment District No. 2025-2.

BACKGROUND / ISSUE

This action is for authorization to prepare the reports that will address the formation of a new landscaping and lighting district for the area known as Natoma Station. The new district would become Natoma Station Maintenance Assessment District No. 2025-2. If approved by a vote of the property owners, the new district would replace the existing Natoma Station Landscaping and Lighting District. Pursuant to Section 22611 of the Streets and Highways Code, all assets, liabilities, revenues, expenses and installments of the original Natoma Station Landscaping and Lighting District shall be transferred to, and assumed by, the Natoma Station Maintenance Assessment District No. 2025-2 for the continued maintenance and servicing of the improvements.

The Natoma Station Landscaping and Lighting District (District) was formed in 1990 and is one of the older districts within the City. There has not been an increase in the assessment since its formation and there is no escalator authorized on the assessment as well. There are 1272 single-family dwelling units within the district, and it was formed to maintain the landscaping and associated improvements along Iron Point, Blue Ravine, Turnpike, Black Diamond, and Natoma Station, as well as the subdivision's streetlights, landscape lighting, irrigation systems, open space, monument entry signage, soundwalls, art pieces, and mini parks. To comply with Proposition 218 pertaining to new or increased assessments, the City's engineer for assessment

district proceedings, NBS Government Finance Group, recommends the formation of a new landscaping and lighting district to fund the improvements and services that will convey a special benefit to the district's residents. The proposed district, which will replace the existing district upon voter approval, will cover the entire Natoma Station Landscaping and Lighting District.

POLICY / RULE

Formation of a new landscaping and lighting district is governed by the procedure set forth in Division 15, Part 2, Chapter 2, Sections 22585 *et. seq*. of the Streets and Highways Code.

ANALYSIS

Over the last several years, the City has been monitoring the revenue and expenses in the district. The current annual assessment of $91.70 per single family equivalent (SFE) unit does not have an escalator built into it nor has it been increased since 1990. In addition, the current annual assessment rate has been unable to keep up with inflation or provide adequate revenue to maintain and service the improvements within the District.

The City initiated a public outreach program for the Natoma Station community with two public meetings that were held on June 17, 2022, and March 13, 2024. The intent of the meetings was to discuss the options and ideas for addressing the district's financial condition and develop a viable option that will ultimately be voted on and approved (or denied) by the property owners within the District.

Staff presented four potential options for this district that are as follows: 1) Reduce level of service based on current funding; 2) create a new district that would just cover budget deficit; 3) create a new district to address budget deficit and address some deferred maintenance; and 4) create a new district to cover deficit and address all deferred maintenance and provide some enhancements. There was thoughtful discussion to ensure those in attendance had their questions answered. As a result of these two public meetings, those in attendance were supportive of Option 4. Option 4 was put out to a vote of the District property owners and results were presented on April 8, 2025, at the City Council meeting. The results of the assessment proceedings narrowly failed with 49.65% voting in favor and 50.35% opposed.

Since the results were presented on April 8, 2025, staff have held two additional community meetings to discuss the results and the service reductions that will be necessary to align with the existing assessment revenue amounts. Meetings were held on May 20, 2025, and May 28, 2025. Meetings were well attended with approximately 50 community members at each meeting. Feedback from those in attendance was that there is community support to go forward with a new ballot proceeding with increased communication with the district residents. Staff have since updated the Natoma Station website to include all relevant documents and an updated facts sheet to increase transparency and access to information. The City communications team is assisting with outreach efforts utilizing social media including district specific social media pages.

The primary objective of forming a new district, which would have the same boundary as the existing district, is to specifically address deferred maintenance of the improvements within the district, debt repayment, plan for life-cycle replacements and repairs for years into the future and provide for an annual inflationary adjustment as needed. Such deferred items include outdated and un-centralized irrigation systems, replacement of missing landscaping, addressing tree care and implementation of water conservation measures such as replacing dead/dying trees and shrubs with water wise plantings, and LED streetlight retrofits. Should the new landscaping and lighting district be formed, it is proposed to complete many of the deferred maintenance improvements over the first few years as well as embark on the phased replacement plan for the older landscape areas.

The City has successfully created six new overlay districts with similar objectives and a similar process within the last fourteen years for American River Canyon North No. 3 created in 2007, Blue Ravine Oaks No. 2 created in 2011, Folsom Heights No. 2 created in 2013, Broadstone No. 4 created in 2015, Willow Creek Estates East in 2017, and Prairie Oaks Ranch No. 2 in 2021. These past assessment districts were overlay districts in addition to the original district. This district is proposed to replace the original district; this will allow us to reduce the costs of engineering reports annually and work from one appropriately funded budget for all district assets. The attached resolution proposes the initiation of a formation proceeding for a new landscaping and lighting district and directs the engineer to prepare and file the report outlining the proposed assessment.

The next steps are preparation of the Preliminary Engineer's Report scheduled for City Council on August 12, 2025, and the mailing of a notice which contains information about the formation of the proposed district and the levy proposed, as well as the time and place of the public hearing. The notice along with a ballot will be mailed to all property owners on or around August 19, 2025. The Final Engineer's Report is scheduled for public hearing on October 14, 2025. Prior to the approval of the Final Engineer's Report, the ballots received will be counted which is a process overseen by the City Clerk and open to the public. In the absence of a majority protest of the votes as weighted by assessment amount in accordance with Assessment Law against the imposition of a new assessment, the City Council may consider approving a resolution to approve the Final Engineer's Report, form the district, and authorize the levy and collection of the new assessments. The proceeding for the formation of a new assessment district shall be abandoned if a majority protest exists.

Historically Expenses Have Exceeded Revenues

The existing revenue from the collected assessments has been unable to fund the expected day-to-day unscheduled costs such as irrigation repairs, tree maintenance, and landscape replacements, as well as not being able to set aside funds for life-cycle costs in the district. As a result, the account balance as of April 30, 2025, was negative $729,220. Significant cuts to service have been proposed in the budget which will slow the growth of the deficit, but without new assessment revenues the deficit will continue to grow as the cost of services increases over time. Expenses have exceeded revenues for several years, which highlights the need for additional assessment.

Revenues vs. Expenditures

Natoma Station					
	Actual	Actual	Actual	Adopted	Projected
	2021-22	2022-23	2023-24	2024-25	2025-26
Assessment Revenues	$ 174,252	$ 173,482	$ 169,289	$ 174,000	$ 170,279
Expenditures	$ 246,858	$ 338,710	$ 253,075	$ 267,701	$ 233,138
	$ (72,606)	$ (165,229)	$ (83,786)	$ (93,701)	$ (62,859)
Account Balance April 30, 2025	**$ (729,220)**				

FINANCIAL IMPACT

There may be a small fiscal impact to the general fund to provide for the proportion of the district that provides a general benefit, the majority of the costs associated with this district will be borne by the district and for the benefit of the district residents.

ENVIRONMENTAL REVIEW

The formation of a financing district maintaining and servicing existing landscaping and lighting improvements is not a project under the California Environmental Quality Act. No environmental review is required.

ATTACHMENT

1. Resolution No. 11403 - A Resolution Initiating Proceedings for the Formation of a Landscaping and Lighting Assessment District to be known as the Natoma Station Maintenance Assessment District No. 2025-2.

Submitted,

Kelly Gonzalez, Director
Parks & Recreation Department

RESOLUTION NO. 11403

A RESOLUTION INITIATING PROCEEDINGS FOR THE FORMATION OF A LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT TO BE KNOWN AS THE NATOMA STATION MAINTENANCE ASSESSMENT DISTRICT NO. 2025-2

WHEREAS, the City of Folsom desires to form and levy annual assessments for the Natoma Station Maintenance Assessment District No. 2025-2 ("District"), pursuant to the Landscaping and Lighting Act of 1972 (Part 2 of Division 15 of the California Streets and Highways Code) (hereafter referred to as the "Act") that provides for the levy and collection of assessments to pay the maintenance, operation and servicing of all improvements and facilities related thereto in the District; and,

WHEREAS, the City Council determines that the properties within the District boundaries will be specifically benefitted by the maintenance and servicing of said improvements; and

WHEREAS, once formed, the District will consolidate with the existing Landscaping and Lighting District known as the Natoma Station Landscaping and Lighting District; and

WHEREAS, Pursuant to Section 22611 of the Streets and Highways Code, all assets, liabilities, revenues, expenses and installments of the original Natoma Station Landscaping and Lighting District shall be transferred to, and assumed by, the Natoma Station Maintenance Assessment District No. 2025-2 for the continued maintenance and servicing of the improvements; and

WHEREAS, the City of Folsom desires to retain an engineer of record to prepare an engineer's report for the purpose of assisting with the formation and annual levy of the District, and to prepare and file an engineer's report with the City Clerk in accordance with the Act.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Folsom as follows:

1. **Proposal:** The City hereby proposes the formation of the District pursuant to the Landscaping and Lighting Act of 1972, and the levy and collection of assessments, for the purpose of installing, servicing, and maintaining the improvements described in Section 3 below.

2. **Engineer's Report:** The City Council hereby designates and appoints NBS Government Finance Group (NBS) as its engineer of record and orders NBS to prepare and file with the City Clerk a report in accordance with Article 4 of Chapter 1 of the Act.

3. **Proposed Improvements**: Generally, the improvements within the District may include, but are not limited to:

(1) the maintenance, operation, and servicing of street trees and other landscaping throughout the boundary of the District including but not limited to: groundcover, turf, trees, weed and pest management; shrubs, planters, street medians in the public right of way as well as open

space, trails and green belt areas dispersed throughout the District; and may also include sidewalk and hardscape Improvements, entry monuments and associated appurtenant facilities. Eligible District costs may include, but are not limited to, personnel, furnishing electrical energy, utilities such as water, refuse and gas, materials, contracting services, and other items necessary for the satisfactory operation of these services;

(2) the maintenance, operation, and servicing of street lighting including theme light poles, ornamental lighting and other appurtenant facilities in the public right of way areas throughout the boundary of the District. The Improvements are generally described as: maintenance, operation, and servicing of public street lighting facilities, including all works or improvements used or useful for the lighting of any public places, including ornamental standards, luminaires, poles, supports, tunnels, manholes, vaults, conduits, pipes, wires, conductors, guys, stubs, platforms, braces, transformers, insulators, contacts, switches, capacitors, meters, communication circuits, appliances, attachments, and appurtenances;

(3) the maintenance, operation, and servicing of Public Art within the District. Costs include, but are not limited to, personnel, supplies, contracting services, and other expenses necessary for the satisfactory maintenance of these art pieces located at village entries and mini parks.

4. **District Designation:** The proposed District shall be designated as Natoma Station Maintenance Assessment District No. 2025-2, City of Folsom, Sacramento County, California, and shall include that certain real property situated in the City generally shown and identified in Exhibit A attached to this Resolution.

PASSED AND ADOPTED this 24th day of June 2025, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Sarah Aquino, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

ATTACHMENT A

Sheet 1 of 4

ASSESSMENT DIAGRAM
CITY OF FOLSOM
NATOMA STATION MAINTENANCE ASSESSMENT DISTRICT NO. 2025-2

CITY OF FOLSOM
COUNTY OF SACRAMENTO
STATE OF CALIFORNIA

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF FOLSOM, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, THIS ____ DAY OF _____, 2025.

_____
CITY CLERK
CITY OF FOLSOM
COUNTY OF SACRAMENTO

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS OF THE CITY OF FOLSOM ON THE LOTS, PIECES AND PARCELS OF LAND ON THIS ASSESSMENT DIAGRAM ON THE ____ DAY OF _____, 2025.

_____
SUPERINTENDENT OF STREETS
CITY OF FOLSOM
COUNTY OF SACRAMENTO

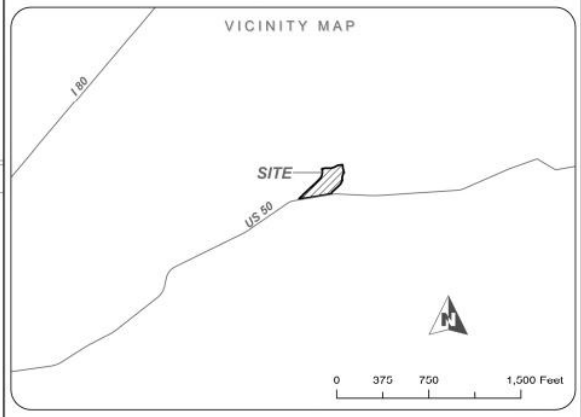
AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL OF THE CITY OF FOLSOM ON THE LOTS, PIECES, AND PARCELS OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM. THE ASSESSMENT WAS LEVIED ON THE ____ DAY OF _____, 20___; THE ASSESSMENT DIAGRAM AND ASSESSMENT ROLL WERE RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS OF THAT CITY ON THE ____ DAY OF _____, 20___. REFERENCE IS MADE TO THE ASSESSMENT ROLL RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM.

_____
CITY CLERK
CITY OF FOLSOM
COUNTY OF SACRAMENTO

FILED THIS ____ DAY OF _____, 20___, AT THE HOUR OF ___ O'CLOCK _M, IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____, IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

_____
COUNTY RECORDER
COUNTY OF SACRAMENTO

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.



Source: Sacramento County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California II FIPS 0402 Feet

NBS

Folsom City Council
Staff Report

MEETING DATE:	6/24/2025
AGENDA SECTION:	New Business
SUBJECT:	Resolution No. 11407 – A Resolution Rescinding Resolution No. 7193, Removing Site Supervision of the Cummings Family Skate and Bike Park, and Denying Petition to Modify Safety Requirements
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff along with the Parks & Recreation Commission recommend Folsom City Council approve Resolution No. 11407, to take the following actions:

1. To remove the supervision at the Cummings Family Skate and Bike Parks and to place signage for compliance with Health and Safety Code 115800 and FMC 9.69.

2. To deny the petition submitted to Modify Safety Equipment Requirements at Cummings Family Skatepark.

BACKGROUND / ISSUE

Members of the community expressed interest in removing the use of safety equipment at the Skate and Bike Park at Cummings Family Skatepark. A petition (attachment 2) was submitted to the City of Folsom to modify safety equipment requirements at Cummings Family Skatepark that asked the City of Folsom to rephrase language that would encourage the use of the safety equipment but not mandate its use. The language and requirements for use of safety equipment at public skateparks come from the California Health and Safety Code 115800 (attachment 3). This request prompted the Mayor and Vice Mayor to have staff consider the existing staffing model at the skate and bike park. The request for the petition and staffing model was agendized for a future Parks and Recreation Commission meeting for May 2025.

The Cummings Family skatepark opened in November of 2003. During the initial park development, and before opening, staff conducted an extensive survey of over 30 skateparks throughout the state to determine the following: should the park be supervised or unsupervised,

fee or no fee, and hours of operation. Pursuant to Section 115800 of the California Health and Safety Code, helmets, elbow pads, and knee pads are required while utilizing the skatepark.

115800. (a) An operator of a skateboard park shall not permit a person to ride a skateboard or other wheeled recreational device in the skateboard park, unless that person is wearing a helmet, elbow pads, and knee pads.

Below you will find the original staff recommendations from September 9, 2003:
Based on staff's assessment of over 30 similar skate park facilities and the advice of the city risk management advisor, staff recommended the Parks & Recreation Commission to operate the new skatepark at Cummings Family Park without supervision.

While it was the original recommendation of staff not to monitor the park, on September 9, 2003, the City Council decided after much discussion to monitor the park by resolution No. 7193, to ensure a family-friendly atmosphere, while providing an extra level of security and safety that meets the needs of our community.

Since 2003, over 184,000 participants have visited the Cummings Family Park for skating, biking, and scooting purposes. During this time, staff have continually monitored the park to ensure the safety of participants, enforcement of helmets and pads, while maintaining the family-friendly atmosphere that our community has come to expect. Along with the skate and bike park operations, Cummings Family Park is also home to Fido Field dog parks, a party pavilion, a basketball court, and a large grass area with a small play structure.

In 2018, the Parks & Recreation Commission unanimously recommended to the City Council to continue to monitor the skate and bike park with staff as a preventative safety measure as well as the continuation to keep the park a family-friendly park amenity. During the October 2018 City Council meeting the City Council voted to continue monitoring the Cummings Skate and Bike Parks.

At the May 6, 2025, Parks & Recreation Commission agendized an action item and presentation by staff on staffing at the skatepark and recommendation to deny the petition.

POLICY / RULE

Folsom Municipal Code, Section 9.68 Use of Park Facilities

Folsom Municipal Code, Section 9.69.010 As used in this code "Use of Skate Parks" [Ord. 1159 (2012)]

Folsom Municipal Code, Section 9.69.020 Purpose.

Folsom Municipal Code, Section 9.69.030 Definitions

Folsom Municipal Code, Section 9.69.040 Skate Park-Safety Equipment.

Folsom Municipal Code, Section 9.69.050 Skate Park Regulations.

Folsom Municipal Code, Section 9.69.060 Closing Skate Park.

Folsom Municipal Code, Section 9.69.070 Signing and Posting.

Folsom Municipal Code, Section 9.69.080 Enforcement.

Folsom Municipal Code, Section 9.69.090 Penalties

Folsom Municipal Code, Section 9.69.100 Enforcement Procedures

ANALYSIS

Currently, the Folsom Parks & Recreation Department supervises the Cummings Family Skate and Bike Park 7 days a week, 363 days per year (Closed Thanksgiving Day, Christmas Day). During the summer, the park is open 55 hours per week, while during the school year the park is open 29 hours per week. Over the past 4 years of operating the skate and bike park, the average monthly attendance totals 589 visitors. Parks & Recreation staff who are trained in CPR & First Aid are scheduled during posted hours of operation and provide the initial response to all issues that arise at the park. Over the past 22 years staff has handled hundreds of issues ranging from upset parents and participants, reported suspected drug dealing, concealed weapons, fights, and provides the first response to all major and minor injuries within the park.

Providing staff to supervise the skate and bike park provides community benefits that help mitigate against unwanted activities, ensures the park is safe for use, creates community engagement with visitors, and provides the park site with general oversite that greatly enhances the environment for community usage. The annual part-time staff costs that are invested to supervise the skate and bike parks help to prevent more staff resources and dollars spent on damage, vandalism, graffiti, and other park issues. The presence of staff provides the skate and bike parks with a family-friendly experience for all users to enjoy.

In February 2025, the City of Folsom was presented with a petition to modify safety equipment requirements at Cummings Family Skatepark. The petition signed requested the City of Folsom to change the requirements of safety equipment that is outlined in the California Health and Safety Code 115800 that all skatepark users must wear a helmet, elbow pads, and knee pads. The City Council should note that of the 19 petitioner signatures, that only 3 petitioners indicated an address in the City of Folsom. Additionally, the total number of petitioners represents less than 4% of the total monthly average of visitors to the park over the past 4 years. The submitted petition is requesting the City of Folsom to not comply with the current California Health and Safety Code 115800. In both supervised and unsupervised skate parks, park users are required to comply with the safety equipment requirements of the California Health and Safety Code.

Should the Folsom City Council take action to remove supervision of the Cummings Family Skate and Bike Park, staff are prepared to install new signage at the skatepark and bike park and no longer schedule staff effective Tuesday, July 1, 2025, beginning at 8:00am. The park would

be available for use from dusk until 9:00 pm with the installation of Musco Lighting Control-Link System that allows staff to schedule the lights to turn on and off. Visitors may submit notifications of problems at the parks through SeeClickFix and call 911 for emergencies. Park Maintenance staff would continue with their regular scheduled duties and maintain the park to the best of their abilities with cleanliness and safety. Should a major issue arise, that would deem a park unusable then staff would close it down until repairs could be made. Parks & Recreation Department Staff identified potential concerns for consideration when staff are removed from supervising the parks. These items will need to be addressed by the users of the park and self monitoring. Some of the items that were discussed with the changes include:

- Increased response times for trash pick-up and vandalism;
- Increased response times for closure of the park during unsafe conditions (wet during inclement weather);
- Risky behavior or poor conduct; and
- Mixed use of skateboard, scooters, bikes, E-bikes and other wheeled, motorized vehicles or devices not in line with the current rules of the park.

At the May 6, 2025, Parks & Recreation Commission heard a presentation by staff on the history of staffing at the skatepark, information about the Health and Safety Code and reviewed the petition. In addition, several speakers spoke in support of removing staffing from the skate and bike park. During public testimony, individuals stated the community would be responsible for taking care of the facility and ensuring responsible behavior following the Health and Safety Guidelines.

The Parks & Recreation Commission took formal action to recommend to City Council to remove supervision of the skate and bike parks and take the necessary steps to ensure the facility is in compliance with all Health and Safety Codes. The Parks & Recreation Commission asked for a report back in one year on the transition of the skate and bike park from supervised to unsupervised.

FINANCIAL IMPACT

There is no financial impact in denying the petition to modify safety requirements. The savings in the Parks & Recreation Department's proposed Fiscal Year 2025–26 General Fund (Fund 010) operating budget from removing the site supervision of the Cummings Family Skate and Bike Park will be utilized to offset the cost of installing park lighting upgrades.

The City has spent on average $41,300 each year to cover the cost of the park attendant position. Eliminating the supervision at the Cummings Skate and Bike Park will lower the staffing costs to the general fund by that amount. Savings from not staffing will be used to install Musco Lighting Control Links at a cost of $14,550 to the lights over the skate and bike parks to allow for scheduling of lights for nighttime use throughout the year and as seasons change.

ENVIRONMENTAL REVIEW

There is no environmental impact.

ATTACHMENTS

1. Resolution No. 11407 – A Resolution Rescinding Resolution No. 7193, Removing Site Supervision of the Cummings Family Skate and Bike Park, and Denying Petition to Modify Safety Requirements
2. Petition to Modify Safety Equipment Requirements at Cummings Family Skatepark
3. California Health and Safety Code 115800

Submitted,

Kelly Gonzalez, Parks & Recreation Director

Attachment 1

RESOLUTION NO. 11407

A RESOLUTION RESCINDING RESOLUTION NO. 7193, REMOVING SITE SUPERVISION OF THE CUMMINGS FAMILY SKATE AND BIKE PARK, AND DENYING PETITION TO MODIFY SAFETY REQUIREMENTS

WHEREAS, the Cummings Family Skate and Bike Park opened in 2003 with direction from the Folsom City Council to supervise the park to ensure a safe and family friendly facility; and

WHEREAS, since 2003 the Folsom Parks & Recreation Department has provided supervision at the park for use of the skate and bike parks; and

WHEREAS, California Health and Safety Code 115800 requires public skatepark users to wear a helmet, elbow pads, and knee pads for use of the park; and

WHEREAS, in February 2025 the City of Folsom was given a petition requesting amended language to encourage the use of all required safety equipment; and

WHEREAS, the petition violates the California Health and Safety Code 115800; and

WHEREAS, site supervision is not required by law; and

WHEREAS, the Cummings Family Skate and Bike Park operations will follow general park amenity use from dawn until one hour past sunset; and

WHEREAS, park lighting is necessary for safety and useability of the parks; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom does approve the removal of supervision at the Cummings Family Skate and Bike Parks, and the denial of the petition requesting modification of the safety equipment requirements.

PASSED AND ADOPTED this 24th day of June 2025, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Sarah Aquino, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

POC: Brian [illegible]
509 S[illegible]
Folsom, CA 95630
443-848-0137

Petition to Modify Safety Equipment Requirements at Folsom Skatepark

Dear Folsom City Council,

We, the undersigned members of the Folsom community, respectfully request that the current requirement for all skatepark participants to wear full safety equipment, including knee pads, elbow pads, and helmets, be replaced with a policy that strongly encourages but does not mandate the use of such equipment. This adjustment would align our skatepark's policies with those of neighboring towns, whose parks are well-utilized despite having less stringent rules.

The current mandatory equipment policy has deterred many potential users, resulting in significantly lower participation at our skatepark compared to others in the area. We believe that reducing these restrictions will promote greater use of the facility while still emphasizing the importance of safety through strong recommendations and visible signage.

Why This Matters:

- **Increased Accessibility**: Making safety gear optional would remove a barrier for those who may find the requirement financially burdensome or inconvenient, especially casual users.
- **Encouraging Activity**: A more flexible policy could draw more participants to the skatepark, fostering a healthier and more engaged community.
- **Personal Responsibility**: Like other physical activities, skateboarding involves risk, and participants should have the ability to make informed decisions about their safety practices.

We, the Undersigned, Request:

1. That the city council replace the current mandatory safety equipment rule with a policy that encourages and strongly recommends wearing pads and helmets.
2. That visible safety notices and recommendations be posted at the skatepark to educate users about potential risks and the benefits of safety equipment.
3. That the council consider the usage trends of skateparks in neighboring towns to ensure fair and practical policies.

By signing below, we express our support for revising the skatepark's rules to encourage, rather than mandate, safety equipment.

Signature	Printed Name	Address/Neighborhood	Email (Optional)
	JASON TALBOT	SACRAMENTO, CA	
	Mikey Murphy	Folsom, CA	
	Matthew Mullen	SACRAMENTO, CA	
	Karen Strusan	Orangevale CA	
	SKYLER CAUDILL	FAIR OAKS CA	
	SIENA GETZ	SACRAMENTO CA	
	Carter Cecil	Sacramento CA	
	Trevor Varah	El dorado Hills CA	
	Ethan. Schuman	eldo hills CA	
	Jaxon. Flores	Sacramento CA	
	Osker. Mortensen	Orangevale	
	DORI Mullen	FOLSOM, CA	

Signature	Printed Name	Address/Neighborhood	Email (Optional)
MARIE NICOLE CAPEL	MARIE	2932 STANFORD LN	EDH, CA
	Christian Dorsett	4074 Bothwell Cir.	EDH, CA
	Dmitri Young	2030 Medici Way	EDH, CA
	Ivan Fernandez	771 Florin Rd.	
	Damien Wynn	4553 Hummingbird	elk grove, CA
	ISAIAS PONCHO	1855 Tuscany Dr. VC, CA 95687	Yuba City, CA
	Kugen Osboin	Sacramento, CA	Ogkugen@gmail.com

Attachment 3

STATE OF CALIFORNIA
AUTHENTICATED
ELECTRONIC LEGAL MATERIAL

State of California

HEALTH AND SAFETY CODE

Section 115800

115800. (a) An operator of a skateboard park shall not permit a person to ride a skateboard or other wheeled recreational device in the park, unless that person is wearing a helmet, elbow pads, and knee pads.

(b) With respect to a facility, owned or operated by a local public agency, that is designed and maintained for the purpose of riding a recreational skateboard or other wheeled recreational device, and that is not supervised on a regular basis, the requirements of subdivision (a) may be satisfied by compliance with the following:

(1) Adoption by the local public agency of an ordinance requiring a person riding a skateboard or other wheeled recreational device at the facility to wear a helmet, elbow pads, and knee pads.

(2) The posting of signs at the facility affording reasonable notice that a person riding a skateboard or other wheeled recreational device in the facility must wear a helmet, elbow pads, and knee pads, and that a person failing to do so will be subject to citation pursuant to the ordinance required by paragraph (1).

(c) "Local public agency" for purposes of this section includes, but is not limited to, a city, county, or city and county.

(d) For purposes of this section, "other wheeled recreational device" means nonmotorized bicycles, scooters, inline skates, roller skates, or wheelchairs being used for recreational purposes.

(e) (1) Riding a skateboard or other wheeled recreational device, or any concurrent combination of these activities at a facility or park owned or operated by a public entity as a public skateboard park, as provided in paragraph (3), shall be deemed a hazardous recreational activity within the meaning of Section 831.7 of the Government Code if all of the following conditions are met:

(A) The person riding the skateboard or other wheeled recreational device is 12 years of age or older.

(B) The riding of the skateboard or other wheeled recreational device that caused the injury was stunt, trick, or luge riding.

(C) The skateboard park is on public property that complies with subdivision (a) or (b).

(2) In addition to subdivision (c) of Section 831.7 of the Government Code, this section does not limit the liability of a public entity with respect to any other duty imposed pursuant to existing law, including the duty to protect against dangerous conditions of public property pursuant to Chapter 2 (commencing with Section 830) of Part 2 of Division 3.6 of Title 1 of the Government Code. However, this section

does not abrogate or limit any other legal rights, defenses, or immunities that may otherwise be available at law.

(3) (A) Except as provided in subparagraph (B), for public skateboard parks that were constructed on or before January 1, 1998, this subdivision shall apply to hazardous recreational activity injuries incurred on or after January 1, 1998, and before January 1, 2001. For public skateboard parks that are constructed after January 1, 1998, this subdivision shall apply to hazardous recreational activity injuries incurred on or after January 1, 1998. For purposes of this subdivision, a skateboard facility that is a movable facility shall be deemed constructed on the first date it is initially made available for use at a location by the local public agency.

(B) For public skateboard parks that were constructed after January 1, 1996, and before January 1, 1998, this subdivision shall apply to hazardous recreational activity injuries incurred on or after January 1, 2012.

(4) The appropriate local public agency shall maintain a record of all known or reported injuries incurred by a person riding a skateboard or other wheeled recreational device in a public skateboard park or facility. The local public agency shall also maintain a record of all claims, paid and not paid, including any lawsuits and their results, arising from those incidents that were filed against the public agency.

(5) (A) Except as provided in subparagraph (B), this subdivision shall not apply on or after January 1, 2001, to public skateboard parks that were constructed on or before January 1, 1998, but shall continue to apply to public skateboard parks that are constructed after January 1, 1998.

(B) On and after January 1, 2012, this subdivision shall apply to public skateboard parks that were constructed on or after January 1, 1996.

(6) For purposes of injuries that occur while operating one of the other wheeled recreational devices defined in subdivision (d) in a skateboard facility, this subdivision shall apply to any claim for injuries occurring on or after the effective date of the measure adding this paragraph.

(Amended by Stats. 2020, Ch. 236, Sec. 1. (SB 1003) Effective September 28, 2020.)

This page is intentionally left blank to facilitate double-sided printing and minimize paper use.

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	6/24/2025
AGENDA SECTION:	Old Business
SUBJECT:	Resolution No. 11412 – A Resolution Authorizing the City Manager to Execute a Contract Amendment to the Agreement with Western Truck Parts and Equipment Company, LLC (Contract No. 046-21 23-002) for the Purchase of Two Electric Refuse Collection Vehicles to Update the Specifications and Modify the Delivery Schedule
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 11412 – A Resolution Authorizing the City Manager to Execute a Contract Amendment to the Agreement with Western Truck Parts and Equipment Company, LLC (Contract No. 046-21 23-002) for the Purchase of Two Electric Refuse Collection Vehicles to Update the Specifications and Modify the Delivery Schedule.

BACKGROUND / ISSUE

Resolution 10909, approved by Folsom City Council on August 23, 2022, authorized the City Manager to execute an agreement for the purchase of two electric refuse trucks. The purchase is consistent with the Folsom 2035 General Plan goal of reducing the consumption of carbon-intensive fuels and the State of California goal to transition to zero emission vehicles to improve air quality. Since the Waste and Recycling Division (Division) is responsible for about 90% of diesel fuel use by city operations, there is significant potential to reduce greenhouse gas emissions if electric refuse trucks are proven to be a viable alternative to diesel powered trucks. As this technology is new to the waste industry, the Public Works Department (Department) ordered two different collection trucks, one side loader for residential cans and one rear loader for bulky waste, to pilot the feasibility of this technology for different types of collection.

The total cost of the electric refuse trucks is $1,352,661.18; the side loader is $704,230.83 and the rear loader is $648,430.35. Due to the high cost of electric trucks, the Department secured additional funding to support the purchase. The funding includes $240,000 from the California Air Resources Board Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), and two grants from the Sacramento Metropolitan Air Quality Management District (SMAQMD) totaling $302,361, which includes a requirement to surrender two operational diesel trucks. After the incentive and grants, the cost to the city is $810,300.18. The cost of equivalent diesel trucks at the time of this order was $810,363.

The purchase agreement was executed on January 10, 2023, with a delivery date no later than September 6, 2023. The agreement also included the purchase of fourteen diesel trucks, all of which have been received. The production of the electric refuse vehicles took longer than expected, but additional delays occurred due to severe rodent damage to the wiring harnesses. Following these repairs, the first attempt to deliver one of the electric trucks was November 7, 2024; however, it was not accepted due to coolant pump issues, a power steering fluid leak, and a few minor cosmetic issues. Several subsequent delivery attempts of both trucks failed due to mechanical or electrical concerns discovered upon arrival, or in one case a transmission failure on the way to Folsom that resulted in it being towed back to the dealer.

Upon learning about a second transmission replacement in one of the trucks, staff determined that the delays in providing operational trucks were unreasonable and notified the dealer of the city's intent to terminate the contract. Following this notice, the dealer met with city staff to propose specification upgrades to permanently correct the issues. Staff learned that the problems with our electric trucks are not isolated to our order; the manufacturer built approximately two hundred trucks with the same specifications and they are working to upgrade every one of them, whether they are already in service or still pending acceptance like ours. The upgrades include a new inverter motor and mount, transmission, drive shaft, electrical harness, hill start assist, and artificial sound for pedestrian safety. If the city agrees to accept the upgrades rather than terminate the contract, the trucks would be shipped back to the factory in Ohio where they were built before being returned for our inspection. The anticipated timeframe for this to start is September 2025 with about a six-week turnaround. The standard two year warranty would begin upon our acceptance.

POLICY / RULE

Section 2.36.080 of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of $75,049 or greater shall be awarded by the City Council.

ANALYSIS

Staff has reviewed the proposal and recommend proceeding with the purchase of the electric side loader and rear loader refuse trucks with the manufacturer proposed upgrades. The proposed revisions to the specifications are expected to resolve the mechanical problems. In

addition, there is still a need to test this technology within the operation. The city is currently subject to California's Advanced Clean Fleet Regulations which require fifty percent of all medium and heavy-duty vehicles to be electric. Since the purchases are mandated, vehicles purchased with grant funding do not count toward the city's fifty percent; however, these trucks were ordered prior to the mandate so we are able to benefit from the grants and use this purchase toward our quota. In addition, since this order, the cost of electric vehicles has increased approximately $200,000 per vehicle. Continuing with this order gives us the most current electric refuse truck technology for the 2023 price.

Recently staff was notified that due to volatility in federal funding for electric vehicles, there is some risk that SMAQMD may not be able to honor one of the grants, putting $100,000 per vehicle of grant funding at risk. Due to the other benefits of continuing this purchase, this does not change staff recommendation to proceed.

FINANCIAL IMPACT

Funding for the electric refuse trucks was included in the fiscal year 2022-23 rate study and $1,112,661.18 is currently encumbered in the Solid Waste Operating Fund (Fund 540). The encumbrance includes the cost of the vehicles plus the grant funding since both are reimbursement grants. The HVIP voucher is provided directly to the manufacturer and is reduced from the overall amount the city will be invoiced. The city will receive $102,361.00 from the SMAQMD to offset the cost, and pending federal funding stability, may also be reimbursed another $200,000 from a separate grant from SMAQMD. If SMAQMD is not able to honor the federally funded portion of the previously approved grants, the Solid Waste Fund (Fund 540) would be used for up to $200,000 in additional costs that were not originally anticipated for this purchase.

ENVIRONMENTAL REVIEW

This action is exempt from environmental review under the California Environmental Quality Act (CEQA).

ATTACHMENT

Resolution No. 11412 – A Resolution Authorizing the City Manager to Execute a Contract Amendment to the Agreement with Western Truck Parts and Equipment Company, LLC (Contract No. 046-21 23-002) for the Purchase of Two Electric Refuse Collection Vehicles to Update the Specifications and Modify the Delivery Schedule

Submitted,

Marcus Yasutake, Interim Public Works Director

RESOLUTION NO. 11412

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AMENDMENT TO THE AGREEMENT WITH WESTERN TRUCK PARTS AND EQUIPMENT COMPANY, LLC (CONTRACT NO. 046-21 23-002) FOR THE PURCHASE OF TWO ELECTRIC REFUSE COLLECTION VEHICLES TO UPDATE THE SPECIFICATIONS AND MODIFY THE DELIVERY SCHEDULE

WHEREAS, the Folsom 2035 General Plan commits to reducing the consumption of carbon-intensive fuels through the purchase of more efficient vehicles; and

WHEREAS, the city is currently subject to California's Advanced Clean Fleet Regulations which require fifty percent of all medium and heavy-duty vehicle purchases to be zero-emission by 2024, and 100% of medium and heavy-duty vehicle purchases to be zero-emission vehicles by 2027; and

WHEREAS, refuse collection vehicles consume more diesel fuel than any other City of Folsom fleet vehicles; and

WHEREAS, on August 23, 2022, the Folsom City Council approved Resolution No. 10909 authorizing the purchase of one electric side loader refuse collection vehicle and one electric rear loader refuse collection vehicle to pilot the feasibility of electric vehicle technology within the waste collection operation; and

WHEREAS, the Waste and Recycling Division has contracted with Western Truck Parks and Equipment Company, LLC (WTP) to supply electric refuse collection vehicles; and

WHEREAS, WTP is an approved dealer for California's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP); and

WHEREAS, WTP will use HVIP funding vouchers in the amount of $240,000 to discount the City of Folsom electric refuse truck purchase; and

WHEREAS, staff has been awarded reimbursement grant funding of $302,361 from the Sacramento Metropolitan Air Quality Management District (SMAQMD); and

WHEREAS, SMAQMD has notified staff that they may not be able to honor up to $200,000 of the previous award due to federal funding instability; and

WHEREAS, if the SMAQMD funding is not honored, the Solid Wate Fund (Fund 540) would be used for up to $200,000 to cover the shortfall; and

WHEREAS, WTP did not deliver fully operational vehicles in the timeframe specified in the contract; and

WHEREAS, WTP has acknowledged mechanical deficiencies with the original vehicle specifications; and

WHEREAS, WTP has proposed upgrades to the vehicles based on revised specifications to correct mechanical deficiencies; and

WHEREAS, WTP has provided a timeline to deliver vehicles meeting the updated specifications; and

WHEREAS, funds in the amount of $1,112,661 are encumbered in the Solid Waste Fund (Fund 540); and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom hereby authorizes the City Manager to Execute a Contract Amendment to the Agreement with Western Truck Parts and Equipment Company, LLC (Contract No. 046-21 23-002) for the Purchase of Two Electric Refuse Collection Vehicles to Update the Specifications and Modify the Delivery Schedule.

PASSED AND ADOPTED this 24th day of June 2025, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Sarah Aquino, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

This page is intentionally left blank to facilitate double-sided printing and minimize paper use.

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	6/24/2025
AGENDA SECTION:	Old Business
SUBJECT:	Resolution No. 11401– A Resolution Adopting the Fiscal Year 2025-26 Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority (Continued from June 10, 2025)
FROM:	City Manager's Office

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends that the City Council adopt Resolution No. 11401 – A Resolution Adopting the Fiscal Year 2025-26 Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority.

BACKGROUND / ISSUE

On Tuesday, May 27, 2025, the City Council held a budget workshop at the Folsom Library. The meeting was well attended with members of the public present. Staff presented the initial draft of the FY 2025/2026 budget in a new format. The City Council and members of the public had the opportunity to provide input and ask questions about the proposed budget.

On Tuesday, June 10, 2025, the City Council held a public hearing on the FY 2025/2026 budget. Staff presented information to the City Council that included historical revenue and expenditure trends. The proposed FY 2025-2026 General Fund budget presented that evening anticipated revenues of $114,442,459 and Transfers In of $5,546,145 for a grand total in revenues of $119,988,604. The projected expenditures totaled $121,877,171 with Transfers Out of $1,601,982 for a grand total for expenses of $123,479,153. The budget intended to use $3,490,549 of unassigned General Fund Balance to maintain current services.

To provide additional time for the City Council and the public to review the proposed budget City staff asked that the City Council continue the public hearing on the budget until Tuesday, June 24, 2025. This time has allowed staff to further review the budget as well as receive feedback from the public and City Council. The budget staff report from the June 10, 2025 City Council meeting has been included in Attachment 2.

As part of the proposed budget process staff recommended that additional budget reviews take place in September/October 2025 and February/March 2026 so that budget reductions for FY 2026/2027 could be developed. Feedback received over the last couple weeks asked if some cuts could be made sooner to try to limit the use of General Fund Reserve in FY 2025/2026. Recognizing the value of this feedback, City staff reassessed the budget to see if General Fund reductions could be made now so that the deficit could be reduced.

Proposed Budget Reductions:

Although there is much more work to do over the coming months staff is recommending that the City Council adopt a FY 2025/2026 Preliminary Budget that includes the following reductions.

1) Eliminate the Park Attendant position at Cummings Family Skate and Bike Park. This will produce on-going staff cost savings of approximately $40,000 per year. If approved, the savings anticipated for FY 2025/2026 are $25,000. Currently, the lighting system at the park is turned on and off manually. The lighting system needs to be upgraded so it can be set on a timer system that will turn the lights on and off automatically. The cost to convert to this system is about $15,000.

   GF Cost Reduction: $25,000

2) Eliminate the proposed $500,000 annual contribution to the City's Public Entity Investment Trust for Retiree Health Obligations (Trust held outside City funds). The savings to the General Fund (Fund 010) of eliminating the FY 2025-26 contribution is $426,647. The Water, Wastewater and Solid Waste Enterprise Funds contribute the remaining $73,353.

   GF Cost Reduction: $426,647

Proposed General Fund Cost Reduction Total: $451,647

The proposed modified preliminary FY 2025-2026 General Fund budget looks as follows:

No changes are being made to the projected revenue figure of $114,442,459 and Transfers In of $5,546,145 for a grand total in revenues of $119,988,604. However, the projected expenditures total is now being reduced by $451,647 from $121,877,171 to $121,425,524. These changes lower the grand total for General

Fund expenses from $123,479,153 to $123,027,506. The use of the unassigned General Fund balance will be reduced by $451,647 from $3,490,549 to $3,038,902.

Additional Staff Actions Going Forward:

1) Explore bringing back the use of prison labor to maintain open space and trail areas
2) Assess City owned properties to see what properties could be sold or deeded to non-profits or community organizations that could maintain the property better than the City while still maintaining the property as a community asset.
3) Have the Housing Fund reimburse the General Fund for the sale of the former City property located on Persifer Street. Currently, Habitat for Humanity is building 10 housing units on that property. It is anticipated that this could bring $635,000 to General Fund. Staff would recommend that these one-time funds be used for one-time renewal and replacement expenditures.

POLICY / RULE

Folsom Municipal Code, Section 3.02.030, Budget
"An Annual Budget shall be prepared by the City Manager, with the assistance of the Finance Director. . . . (G) The City Council shall adopt the annual budget by Resolution by fund and program by affirmative vote of at least three members, on or before the last working day of the last month of the current fiscal year. If the City Council fails to adopt the budget by the last working day of the current fiscal year, the budget as presented by the City Manager shall be deemed adopted."

ANALYSIS

Budget Structure and Overview:

The Operating Budget for the City of Folsom is a complex document that manages the revenues and expenditure of over 150 separate Fund Accounts. A summary of these accounts is found in Attachment 2. Many of these fund accounts have specific rules and requirements that dictate how these funds can be used.

For example, funds collected from the water bills that are paid for by residents each month can only be used to cover the costs associated with maintaining and operating the water system. These funds cannot be used to cover public safety or any other non-water related expenses.

The four largest and most familiar Fund Accounts in the budget are 1) General Fund; 2) Solid Waste Fund, 3) Sewer Fund; and 4) Water Fund.

1) ***General Fund (Fund 010)*** – This fund accounts for all general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The

General Fund accounts for all financial resources of a governmental unit which are not accounted for in other funds.

2) ***Solid Waste (Fund 540)*** – This fund accounts for the revenues and expenses of the City's solid waste operations.
3) ***Sewer Fund (Fund 530)*** – This fund accounts for the revenues and expenses of the City's sewer operations.
4) **Water Fund (Fund 520)** – This fund accounts for the revenues and expenses of the City's water operations.

All City Funds Budget Analysis:

The City Manager's Fiscal Year 2025-26 Proposed Preliminary Budget, as presented on June 10, totaled $266,480,640 in proposed expenditures. Recommended reductions to the General Fund discussed above and the City Council's June 10 direction to restore funding to Natoma Station L&L District, are included in the updated totals in the chart below, for a total of $266,070,437 in proposed expenditures, and $7,508,127 in transfers. The Budget Summary by Fund in the online budget document will be updated to reflect the approved totals after City Council adoption.

Below is a breakdown by Fund category

Fund Category	**FY 2025-26 Proposed Amounts**
General Fund	$ 121,425,524
Enterprise Funds	53,700,278
Special Revenue Funds	13,418,596
Debt Service Funds	16,761,774
Capital Projects Funds	10,624,850
Internal Service Funds	25,060,360
Fiduciary Funds	25,079,055
Total	$ 266,070,437

The City Manager's proposed Fiscal Year 2025-26 Preliminary Budget also includes 513.5 full and permanent part-time positions across all funds. This proposed budget provides for 8 new positions all funded by Enterprise Funds. The added positions are listed below along with the department.

Department	**Position**
Environmental and Water Resources	Senior Civil Engineer
Solid Waste	Refuse Driver (6)
Solid Waste	Senior Office Assistant

The City Manager's Fiscal Year 2025-26 Proposed Preliminary Budget is available on the City's web site at https://www.folsom.ca.us/government/finance/city-budget/-folder-366#docfold_14_786_600_366.

Recommended Budget Approval Process

- May 27, 2025 – City Council held public workshop on the budget at the Folsom Library.

- June 10, 2025 – City Council held budget public hearing and continued the public hearing to the June 24, 2025, City Council meeting allowing for more public dialogue.

- June 24, 2025 – City Council holds budget public hearing, receives public input and approves the FY 2025-2026 Preliminary Budget.

- July – September 2025 – City departments review their budgets and develop cost cutting proposals and that will be reviewed at the Review of the Final Budget in September/October 2025.

- FY 2025-2026 Review of Final Budget - September/October 2025:

    - At a City Council meeting in either September or October City staff will have another budget review with the City Council that will allow additional public input from the community. This budget review will allow the City to work with the actual ending fund balance numbers for FY 2024-2025. Possible FY 2026-2027 General Fund budget reductions discussions will take place.

- FY 2025-2026 Mid-Year Budget Review – February/March 2026:

    - At a City Council meeting in either February or March City staff will conduct a Mid-Year Budget review with the City Council. Any adjustments needed for the current year will be approved by the City Council at that time. Staff will be seeking direction from the Council as to what cuts they would consider including in the FY 2026-2027 budget.

CONCLUSION:

The City of Folsom cannot continue to provide the General Fund services it presently provides to the community. With the recommended budget reductions there is a projected $3.0 million General Fund deficit for FY 2025-2026. To live within its means the City will need to reduce its expenditures which translates into reductions in services.

Staff proposes using General Fund Reserves to fund the FY 2025-2026 budget but aggressively pursue a strategy to reduce costs and services in preparation for the FY 2026-2027 budget period that begins on July 1, 2026.

ATTACHMENTS

1. Resolution No. 11401 – A Resolution Adopting the Fiscal Year 2025-26 Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority
    a. Exhibit A - Budget Summary by Fund – Projected Balance 2025-26 and Summary of General Fund Revenues and Expenditures
    b. Exhibit B – Staffing Detail 2025-2026
    c. Exhibit C – FY 2025-2026 Budget Request Proposal Detail Listing

2. Budget Staff Report from the June 10, 2025 City Council meeting.

Submitted,

_____
Bryan Whitemyer, City Manager

Attachment 1

RESOLUTION NO. 11401

A RESOLUTION ADOPTING THE FISCAL YEAR 2025-26 OPERATING AND CAPITAL BUDGETS FOR THE CITY OF FOLSOM, THE SUCCESSOR AGENCY, THE FOLSOM PUBLIC FINANCING AUTHORITY, AND THE FOLSOM RANCH FINANCING AUTHORITY

WHEREAS, section 3.02.030 of the Folsom Municipal Code states "An Annual Budget shall be prepared by the City Manager, with the assistance of the Finance Director …."; and

WHEREAS, on the 27th day of May 2025, the City Manager presented to the City Council the City Manager's FY 2025-26 Proposed Preliminary Budget; and

WHEREAS, on the 10th day of June 2025, a Public Hearing was held and the City Council received presentations from the City Manager and City Staff regarding the FY 2024-25 Proposed Operating Budget and Capital Improvement Plan; and

WHEREAS, the Proposed Budget includes the budget recommendations for each office and department of the City, including the FY 2025-26 Proposed Budget for the Successor Agency, the Folsom Public Financing Authority and the Folsom Ranch Financing Authority; and

WHEREAS, the City Manager's FY 2025-26 Proposed Preliminary Budget is on file and available for inspection on the City website; and

WHEREAS, the City Council reviewed the City Manager's FY 2025-26 Proposed Preliminary Budget, and all components thereof on May 27, 2025, June 10, 2025, and June 24, 2025; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom that the documents attached to this resolution, identified as:

- **Exhibit A** - Summary by Fund: Projected Balances for Fiscal Year 2025-26 and Summary of General Fund Revenues and Expenditures
- **Exhibit B** – Staffing Detail for Fiscal Year 2025-26
- **Exhibit C** – Budget Request Proposal Detail Listing for Fiscal Year 2025-26

are hereby approved and appropriated to the respective departments for their offices and operations in the amounts, and for the objects and purposes, as specified therein.

PASSED AND ADOPTED this 24th day of June 2025, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):

ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Sarah Aquino, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

City of Folsom
Budget Summary By Fund - Projected Balance
2025-26

Fund Name Description	Estimated Cash Balance 07/01/2025	Projected Revenues	Projected Transfers In	Projected Transfers Out	Projected Expenditures	Projected Ending Balance 06/30/2026
010 - General Fund	24,934,176	114,442,459	5,546,145	1,601,982	121,877,171	21,443,627
031 - SPIF Fee	252,265	0	0	0	0	252,265
032 - SPIF Parkland Fee	272,556	0	0	0	0	272,556
033 - SPIF Facilities Land	11,448	0	0	0	0	11,448
034 - SPIF Off-Site Road Set-Aside	933,338	0	0	0	0	933,338
	26,403,783	114,442,459	5,546,145	1,601,982	121,877,171	22,913,234
Special Revenue Funds						
201 - Community Development Block Grant	169,818	221,000	0	0	220,000	170,818
203 - TRAFFIC CONGESTION RELIEF	1,027	0	0	0	0	1,027
204 - LOS CERROS L&L AD	95,681	43,577	0	1,414	62,361	75,483
205 - BRIGGS RANCH L&L AD	(204,338)	80,576	0	2,348	203,973	(330,083)
206 - TRANSPORTATION SYSTEM MGT	351,315	41,000	0	204	35,000	357,111
207 - NATOMA STATION L&L AD	(703,984)	170,279	0	3,805	270,778	(808,288)
208 - FOLSOM HGHTS L&L AD	61,418	22,799	0	354	16,001	67,862
209 - BROADSTONE UNIT 3 L & L	77,786	38,755	0	313	30,746	85,482
210 - BROADSTONE L&L AD	264,725	398,482	0	4,894	572,147	86,166
212 - HANNAFORD CROSS L & L AD	(47,067)	20,165	0	581	34,640	(62,123)
213 - LAKE NATOMA SHORES L & L	77,134	22,733	0	617	37,231	62,019
214 - COBBLE HILLS/REFLECT L&L	(80,717)	44,011	0	939	61,304	(98,949)
215 - PRAIRIE OAKS #2 L&L	250,136	323,773	0	7,340	312,052	254,517
219 - FOLSOM COMMNTY CULT'L SER	111,867	3,500	0	0	40,000	75,367
221 - HOUSING TRUST FUND	951,872	62,000	0	553	155,000	858,319
223 - HUMBUG WILLOW CREEK	56,199	50,000	0	622	20,000	85,577
225 - GENERAL PLAN AMENDMENT	729,890	110,000	0	368	96,250	743,272
226 - TREE PLANTING & REPLACEMT	1,408,257	135,000	0	5,554	396,018	1,141,685
230 - Truck Management Plan	651,644	50,000	0	0	0	701,644
231 - SIERRA ESTATES L & L	12,649	11,853	0	326	13,524	10,652
232 - LAKERIDGE ESTATES L & L	274,549	36,643	0	1,282	58,913	250,997
233 - LA COLLINA DEL LAGO L & L	(7,702)	0	0	0	0	(7,702)
234 - COBBLE RIDGE L & L	138,357	13,909	0	330	22,035	129,901
235 - ROAD MAINTENANCE & REHAB	3,140,458	2,326,600	0	0	1,725,000	3,742,058
236 - PRAIRIE OAKS RANCH L&L AD	(551,377)	196,220	0	2,038	134,515	(491,710)
237 - SILVERBROOK L&L	98,919	17,292	0	246	11,098	104,867
238 - Folsom Housing Fund	23,960,396	620,000	0	26,395	615,300	23,938,701
240 - PARK DEDICATION (QUIMBY)	2,819,882	450,000	0	2,193	400,000	2,867,689
243 - GAS TAX 2106	1,759,342	404,616	0	225,000	0	1,938,958
244 - GAS TAX 2107	2,543,289	805,619	0	500,000	0	2,848,908
245 - GAS TAX 2107.5	2,288,560	878,778	0	225,000	0	2,942,338
246 - PLANNING SERVICES	196,652	412,000	0	8,181	350,000	250,471
247 - GAS TAX 2105	2,214,887	604,942	0	250,000	0	2,569,829
248 - TRANSPORTATION TAX(SB325)	469,719	89,500	0	0	40,000	519,219
249 - WILLOW CREEK EAST L&L AD	(34,267)	60,059	0	638	25,451	(297)
250 - BLUE RAVINE OAKS L&L AD	162,732	39,217	0	501	27,320	174,128
251 - STEEPLECHASE L&L AD	23,241	25,268	0	704	33,688	14,117
252 - WILLOW CREEK SOUTH L&L AD	443,965	171,748	0	4,584	228,026	383,103
253 - AMERICAN RV CANYON NO L&L	(171,826)	105,205	0	4,916	71,608	(143,145)
254 - HISTORICAL DISTRICT	11,056	5,000	0	163	8,000	7,893
260 - WILLOW SPRINGS L & L	7,732	14,776	0	367	16,131	6,010
262 - WILLOW SPGS CFD 11 M. DST	610,795	215,288	0	4,014	176,487	645,582
266 - CFD #12 MAINT. DIST.	1,005,212	630,824	0	13,529	727,415	895,092
267 - CFD #13 ARC MAINT. DIST.	2,666	123,278	0	2,636	113,136	10,172

City of Folsom
Budget Summary By Fund - Projected Balance
2025-26

Fund Name Description	Estimated Cash Balance 07/01/2025	Projected Revenues	Projected Transfers In	Projected Transfers Out	Projected Expenditures	Projected Ending Balance 06/30/2026
270 - ARC NO. L & L DIST #2	210,429	16,503	0	233	9,230	217,469
271 - THE RESIDENCES AT ARC, N	47,302	30,136	0	456	25,162	51,820
273 - SPHERE OF INFLUENCE	62,512	4,000	0	0	0	66,512
274 - OAKS AT WILLOW SPRINGS	2,855,726	1,000	0	0	0	2,856,726
275 - ARC L & L DIST #3	825,061	320,635	0	5,479	399,988	740,229
276 - NEW MEASURE A	5,033,347	3,857,552	0	0	3,235,100	5,655,799
278 - BLUE RAVINE OAKS NO.2 L&L	93,723	25,137	0	1,020	35,637	82,203
281 - FOLSOM HEIGHTS L&L 2	292,211	82,817	0	2,215	78,079	294,734
282 - Broadstone L&L 4	(851,971)	105,454	0	6,883	151,616	(905,016)
283 - CFD #16 Islands Maint. Dist.	881,287	165,481	0	2,283	101,571	942,914
284 - Willow Creek Estates East #2	62,716	86,249	0	1,245	103,084	44,636
285 - Prospect Ridge	65,691	47,948	0	463	30,102	83,074
288 - CFD #18 Maint District	5,032,995	2,435,382	0	17,930	1,345,294	6,105,153
289 - CFD #19 Maint District	1,010,634	187,317	0	1,564	97,756	1,098,631
291 - CFD #23 A1 Maint District	318,412	166,886	0	714	76,549	408,035
292 - CFD #23 IA2 Maint District	397,119	34,149	0	75	31,355	399,838
293 - CFD #23 IA3 Maint District	143,568	155,987	0	288	29,469	269,798
294 - CFD #23 IA4 Maint District	125,754	135,642	0	191	76,456	184,749
751 - POLICE SPECIAL REVENUE	683,471	25,000	0	1,110	50,000	657,361
753 - ZOO SPECIAL REVENUE	240,914	34,000	0	0	131,000	143,914
760 - WETLAND/OPEN SPACE MAINT	111,002	10,000	0	389	50,000	70,613
766 - POLICE IMPOUND	32,347	0	0	0	0	32,347
296 - CFD #23 IA6 Maint District	1,000	0	0	2	0	998
297 - CFD #23 IA7 Maint District	29,426	0	0	27	0	29,399
295 - CFD #23 IA5 Maint District	(1,464)	0	0	0	0	(1,464)
Total Special Revenue Funds	63,345,761	18,023,560	0	1,345,516	13,418,596	66,605,209
Debt Service						
302 - CCF DEBT SERVICE	348,597	0	0	0	0	348,597
305 - 1993 G O SCHOOL FAC D S	55,578	0	0	0	0	55,578
320 - FSAD REFUNDING	275,042	5,000	0	0	0	280,042
321 - 1982-1 NIMBUS AD D S	965,627	20,000	0	0	0	985,627
325 - TRAFFIC SIGNAL COP REFI	(22,132)	0	0	0	0	(22,132)
337 - RECREATION FACILITIES COP	96,995	0	0	0	0	96,995
604 - Folsom Ranch Financing Auth	41,127,346	10,689,300	0	0	10,689,300	41,127,346
605 - FOLSOM PUBLIC FINANC AUTH	28,668,400	6,072,474	0	0	6,072,474	28,668,400
Total Debt Service Funds	71,515,453	16,786,774	0	0	16,761,774	71,540,453
Capital Projects						
411 - SUPPLEMENTAL PARK FEE	315,801	5,000	0	0	0	320,801
412 - PARK IMPROVEMENTS	9,531,116	1,150,000	0	10,162	501,044	10,169,910
414 - Johnny Cash Trl Art Experience	26,907	9,000	0	0	10,000	25,907
416 - CFD #10 RUSSELL RANCH	558,401	13,000	0	436	0	570,965
418 - PRAIRIE OAK 92-2 1915 AD	377	0	0	0	0	377
428 - POLICE CAPITAL	1,984,695	245,000	0	1,516	0	2,228,179
431 - REDEVELOPMENT AGY CAP PRO	2,195	500	0	0	0	2,695
438 - PARKWAY II CFD #14	2,209,769	50,000	0	1,549	0	2,258,220
441 - FIRE CAPITAL	709,072	255,000	0	361	0	963,711
443 - HWY 50 IMPRV CAPITAL	7,083,129	1,230,000	0	5,029	100,000	8,208,100
444 - HWY 50 INTERCH CAPITAL	14,285,257	2,600,000	0	10,096	350,000	16,525,161
445 - GENERAL CAPITAL	2,990,035	455,000	0	2,234	10,000	3,432,801
446 - TRANSPORTATION IMPR	14,050,176	5,153,415	0	64,470	2,031,824	17,107,297
448 - DRAINAGE CAPITAL IMPRV	1,451,639	805,940	0	10,674	1,710,000	536,905

City of Folsom
Budget Summary By Fund - Projected Balance
2025-26

Fund Name Description	Estimated Cash Balance 07/01/2025	Projected Revenues	Projected Transfers In	Projected Transfers Out	Projected Expenditures	Projected Ending Balance 06/30/2026
449 - TRANSIT CAPITAL	13,950,176	1,350,000	0	5,128	50,000	15,245,048
451 - LIGHT RAIL TRANSPORTATION	1,402,337	205,000	0	1,467	215,000	1,390,870
452 - GENERAL PARK EQUIP CAP	593,251	110,000	0	451	100,000	602,800
456 - WATER IMPACT FEE(ORD912)	2,505,433	280,000	0	306,917	155,000	2,323,516
458 - LIBRARY DEVELOPMENT FUND	78,712	0	0	61	0	78,651
459 - CORP YARD CAPITAL	3,229,325	735,000	0	2,170	50,000	3,912,155
470 - FSPA INFRASTRUCTURE	22,006	500	0	17	0	22,489
472 - FSPA CAPITAL	45,887,106	11,800,000	0	99,993	100,000	57,487,113
601 - Capital Fleet Fund	84,756	2,000	125,000	66	175,000	36,690
602 - Capital Facilities Fund	7,157,668	0	0	4,629	3,640,000	3,513,039
603 - Capital IT Fund	0	0	200,000	0	150,000	50,000
607 - Police Equipment/Capital Fund	0	0	520,982	0	520,982	0
608 - Fire Equipment/Capital Fund	0	0	756,000	0	756,000	0
Total Capital Projects Funds	130,109,339	26,454,355	1,601,982	527,426	10,624,850	147,013,400
Enterprise						
520 - Water Operating	30,708,469	19,136,000	300,000	1,027,020	19,128,366	29,989,083
521 - Water Capital	3,914,738	340,000	0	5,778	300,000	3,948,960
522 - Water Meters	899,864	295,000	0	10,259	400,000	784,605
530 - Sewer Operating	20,166,173	12,246,435	0	872,169	8,124,832	23,415,607
531 - Sewer Capital	329,183	191,920	0	7,854	90,000	423,249
536 - Facility Augmentation Critical	45,802	500	0	35	0	46,267
537 - Facility Augmentation General	5,107	1,500	0	710	0	5,897
540 - Solid Waste Operating	21,456,206	29,894,633	0	2,077,300	25,307,080	23,966,459
541 - Solid Waste Capital	504,377	107,500	0	371	85,000	526,506
543 - Landfill Closure	1,034	0	60,000	0	100,000	(38,966)
544 - Solid Waste Capital FPA	848,616	445,000	0	31,707	165,000	1,096,909
Total Enterprise Funds	78,879,569	62,658,488	360,000	4,033,203	53,700,278	84,164,576
Internal Service						
015 - Compensated Leaves	(65,271)	727,360	0	0	760,867	(98,778)
606 - Risk Management	2,397,457	24,290,668	0	0	24,299,493	2,388,632
Total Internal Service Funds	2,332,186	25,018,028	0	0	25,060,360	2,289,854
Trust Funds						
279 - RDA Obligation Retirement	6,907,342	3,966,043	0	0	3,735,475	7,137,910
280 - RDA SA Trust - Housing	155,567	4,000	0	0	0	159,567
702 - BLUE RAVINE EAST AGENCY	8,948	0	0	0	0	8,948
703 - CFD #23 IA7 Folsom Ranch	96,664	7,500	0	0	3,400	100,764
706 - LEGENDS 93-2 1915 AD AGCY	9,285	0	0	0	0	9,285
707 - NATOMA STA92-1 1915AD AGY	22,785	0	0	0	0	22,785
708 - FOLSOM AUTO PLAZA 1915 AD	65,669	0	0	0	0	65,669
709 - LK NATOMA SHOR93-1 AD AGY	1,529	0	0	0	0	1,529
710 - PRAIRIE OAKS AD92-2 REFI	73,907	0	0	0	0	73,907
711 - COBBLE HILLS RDG AD AGNCY	33,727	0	0	0	0	33,727
712 - RIDGEVIEW95-1 1915 AD AGY	14,507	0	0	0	0	14,507
713 - CRESLEIGH 95-2 AD AGENCY	24,577	0	0	0	0	24,577
715 - HANNFORD CROSS 1915 REFI	47,405	0	0	0	0	47,405
716 - CFD #23 IA2 F Ranch	5,354,429	586,700	0	0	609,659	5,331,470
718 - CFD #23 IA3 F Ranch	3,308,620	526,806	0	0	547,064	3,288,362
719 - CFD #23 IA4 F Ranch	11,509,698	7,500	0	0	576,350	10,940,848
720 - CFD 2013-01 Water Facility	986,608	20,000	0	0	1,473,000	(466,392)
721 - CFD #1 WILLOW CR SO REFI	5,141	0	0	0	0	5,141
722 - CFD #2 NATOMA STATION	120,123	0	0	0	0	120,123

City of Folsom
Budget Summary By Fund - Projected Balance
2025-26

Fund Name Description	Estimated Cash Balance 07/01/2025	Projected Revenues	Projected Transfers In	Projected Transfers Out	Projected Expenditures	Projected Ending Balance 06/30/2026
723 - CFD #3 FOLSOM HGTS REFI	434	0	0	0	0	434
724 - CFD #4 BROADSTONE REFI	57,474	0	0	0	0	57,474
725 - CFD #23 IA5 F Ranch	(19,735)	0	0	0	0	(19,735)
726 - CFD #23 IA6 F Ranch	(19,672)	7,500	0	0	125	(12,297)
727 - CFD #7 BROADSTONE #2	336,475	0	0	0	0	336,475
728 - CFD #8 PARKWAY	38,267	0	0	0	0	38,267
729 - CFD #9 WILLOW CREEK SO	49,890	0	0	0	0	49,890
730 - CFD #10 RUSSELL RANCH	10,689,707	4,751,708	0	0	4,786,884	10,654,531
733 - CFD #16 Islands IA2	872,706	374,805	0	0	305,019	942,492
734 - CFD #14 PARKWAY II	725,200	1,267,619	0	0	1,241,027	751,792
735 - FOL HIS DIST BUS IMP DIST	32,300	0	0	0	0	32,300
736 - CFD #16 Islands at Parkshore	735,184	272,263	0	0	178,050	829,397
737 - CFD #17 Willow Hill Pipeline	1,545,856	468,922	0	0	451,744	1,563,034
738 - CFD #18 Area Wide	9,437,765	2,290,869	0	0	4,468,194	7,260,440
739 - CFD #19 Mangini Ranch	4,215,543	2,676,565	0	0	2,627,710	4,264,398
740 - CFD #20 Russell Ranch	12,472,084	1,505,619	0	0	1,485,819	12,491,884
741 - CFD #21 WHITE ROCK SPRINGS RAN	2,462,238	1,334,394	0	0	1,218,499	2,578,133
742 - CFD #22 FOLSOM HEIGHTS	(22,294)	0	0	0	0	(22,294)
743 - CFD #23 IA1 F Ranch	4,590,813	1,388,645	0	0	1,371,036	4,608,422
Total Trust Funds	76,946,766	21,457,458	0	0	25,079,055	73,325,169
All Fund Total	449,532,857	284,841,122	7,508,127	7,508,127	266,522,084	467,851,895

Summary of General Fund Revenues and Expenditures
Fund 010

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Adopted Budget	FY 2024-25 Q2 Amended Budget	FY 2025-26 Proposed Budget
Revenues								
Taxes	54,536,427	59,967,769	66,075,402	70,086,681	73,208,866	79,228,197	79,228,197	80,622,692
Licenses & Permits	3,420,381	4,241,034	4,299,748	4,010,647	4,977,444	3,916,089	3,860,725	4,068,589
Intergovernmental	8,024,245	9,753,188	10,045,573	12,900,194	14,025,143	10,959,022	11,805,809	11,251,068
Charges for Services	12,778,865	13,959,335	18,250,447	17,696,356	18,948,237	13,994,978	13,840,847	16,908,910
Fines, Impact Fees	169,015	153,339	133,772	133,080	207,365	109,200	111,000	110,200
Interest	670,228	69,519	(951,314)	894,693	2,891,036	300,000	300,000	600,000
Other Revenue	1,001,389	1,381,614	1,178,166	1,182,071	453,511	716,807	2,644,460	881,000
Total Revenues	80,600,551	89,525,798	99,031,792	106,903,722	114,711,602	109,224,293	111,791,038	114,442,459
Expenditures								
0101100 - City Council	129,451	104,152	112,377	118,539	120,089	142,718	142,718	155,116
0101200 - City Manager's Office	875,712	721,621	700,467	690,940	736,166	772,045	772,045	797,322
0101203 - City Manager's Office - PIO	496,879	460,718	466,083	516,999	547,952	573,328	573,328	628,587
0101700 - City Attorney	1,001,724	953,138	1,095,212	1,307,443	1,267,677	1,306,487	1,306,487	1,383,331
0101400 - City Clerk	605,492	581,740	591,310	648,107	637,181	682,306	682,306	752,283
0101401 - City Clerk - Elections	0	65,873	0	46,173	0	61,000	61,000	0
0102300 - Community Development - Admin	691,355	725,524	862,562	834,003	1,711,027	1,030,640	1,406,797	1,027,761
0102310 - Community Development - Engineering	2,593,414	2,853,007	3,464,248	3,843,386	3,070,958	1,964,540	1,964,540	1,890,800
0102320 - Community Development - Building Services	2,066,538	1,699,346	2,055,017	2,778,896	2,633,569	2,432,662	2,447,518	2,367,397
0102325 - Community Development - Code Enforcement	350,504	380,915	407,434	433,132	469,975	517,041	517,041	541,018
0102330 - Community Development - Planning	1,266,365	1,166,814	1,225,619	1,285,672	1,066,760	1,246,580	1,349,844	1,282,288
0102220 - Fire - Administration	1,553,304	1,772,999	2,174,459	2,623,131	2,599,250	2,970,803	2,975,899	3,172,887
0102221 - Fire - Emergency Response	20,590,461	20,875,664	22,076,490	21,905,235	23,413,909	25,763,853	26,197,223	26,699,344
0102222 - Fire - Prevention	519,482	558,290	545,028	417,838	554,070	373,981	373,981	502,243
0102223 - Fire - Emergency Medical	588,768	565,007	949,752	673,950	1,136,681	889,553	3,125,722	589,553
0101800 - Human Resources	720,680	622,182	602,453	673,714	834,153	947,648	947,648	1,027,029
0102900 - Library	1,942,428	1,838,898	1,753,515	2,192,763	2,099,362	2,220,694	2,220,694	2,304,966
0101601 - Finance- Administration	496,904	444,849	445,758	551,754	518,758	566,259	566,259	586,392
0101602 - Finance- Disbursements	653,949	615,952	564,817	564,266	752,331	864,996	864,996	879,197
0101603 - Finance - Revenue	727,358	795,003	735,201	914,563	970,777	811,292	815,005	878,909
0101604 - Finance - Financial Services	1,113,416	1,146,806	1,182,517	1,281,548	1,200,276	1,535,759	1,535,759	1,642,612
0101904 - Admin Services - Info Svcs	1,721,630	1,843,038	1,840,028	2,007,640	2,142,912	2,454,255	2,483,117	2,294,062
0101905 - Admin Services - GIS	150,038	155,092	196,954	236,417	317,814	367,013	367,013	382,527
0101902 - Admin Services - Facilities	1,303,799	1,473,134	1,914,986	2,103,702	3,317,082	2,057,128	3,219,890	2,264,680
0102700 - Parks & Rec - Administration	821,007	799,947	807,163	854,864	898,200	1,041,307	1,041,307	1,081,431
0102710 - Parks & Rec - Comm & Cultural Svcs	2,012,401	1,368,765	1,982,598	2,680,164	2,694,057	2,951,231	2,951,231	2,792,550
0102711 - Parks & Rec - Community Facilities	0	0	0	450	0	0	0	0
0102720 - Parks & Rec - Outdoor Sports	1,651,151	1,192,935	1,693,408	2,743,801	2,117,223	1,905,819	1,905,819	2,171,278

Summary of General Fund Revenues and Expenditures
Fund 010

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Adopted Budget	FY 2024-25 Q2 Amended Budget	FY 2025-26 Proposed Budget
0102730 - Parks & Rec - Aquatics	1,383,092	2,576,346	1,724,335	2,217,494	2,189,239	1,771,198	1,771,531	2,140,434
0103801 - Parks & Rec - Park Maintenance	3,421,513	2,895,757	3,216,766	3,226,003	3,636,625	4,318,222	4,628,508	5,194,579
0103802 - Parks & Rec - Park Dev	155,920	157,489	175,176	264,888	248,862	401,526	694,707	580,196
0103803 - Parks & Rec - Trails	577,744	719,527	608,225	296,443	312,572	235,398	250,133	252,775
0103805 - Parks & Rec - Municipal Landscaping	1,483,981	1,568,648	1,684,296	2,046,564	2,254,397	2,602,610	2,602,610	1,808,916
0104000 - Parks & Rec - Zoo	1,830,047	1,648,755	1,917,544	2,376,124	3,226,894	2,336,385	2,491,161	2,541,399
0101909 - Police - Animal Control	218,721	233,215	232,439	277,896	390,701	386,917	386,917	406,978
0102110 - Police - Administration	2,654,466	2,978,264	3,752,555	4,851,227	4,607,086	3,750,767	4,184,737	3,953,669
0102111 - Police - Support Services	3,881,322	3,634,826	3,674,585	4,053,600	3,992,357	4,447,581	4,483,024	4,809,564
0102112 - Police - Operations	13,597,612	13,496,724	13,911,636	14,192,085	15,889,941	16,987,177	17,153,622	17,759,513
0102113 - Police - Investigations	3,169,998	3,221,597	3,104,183	2,885,039	3,301,779	3,674,954	3,674,954	4,492,216
0103700 - Public Works - Fleet Management	1,311,067	1,217,805	1,228,449	1,621,593	1,463,334	1,751,592	1,755,623	1,778,190
0232601 - Public Works - Engineering	2,178,459	2,219,368	2,109,771	2,161,266	2,145,815	2,513,687	2,570,669	2,496,441
0233200 - Public Works - Streets	1,702,564	1,748,802	2,173,388	2,470,514	2,997,166	2,344,206	2,661,726	2,482,843
0233201 - Public Works - Traffic	1,698,641	1,858,533	2,032,349	2,054,696	2,140,155	2,404,941	2,455,545	2,444,991
0105000 - Nondepartmental	9,493,007	3,855,487	6,180,073	7,588,332	8,096,163	8,640,948	9,377,225	8,638,904
Total Expenditures	95,402,366	89,812,552	98,171,225	107,512,854	114,721,296	117,019,047	123,957,879	121,877,171
Revenues Over (Under) Expenditures	(14,801,815)	(286,754)	860,567	(609,132)	(9,694)	(7,794,754)	(12,166,841)	(7,434,712)
Transfer In	6,829,425	6,058,559	4,589,055	4,454,442	4,026,857	6,107,155	6,732,155	5,546,145
Transfer Out	0	0	0	0	387,124	50,000	50,000	1,601,982
Net	(7,972,390)	5,771,805	5,449,622	3,845,310	3,630,039	(1,737,599)	(5,484,686)	(3,490,549)

Position Detail

	FY 22 Approved	FY 23 Approved	FY 24 Approved	FY 25 Approved	FY 26 Proposed
City Council					
Mayor	1.00	1.00	1.00	1.00	1.00
Council Member	4.00	4.00	4.00	4.00	4.00
Total City Council	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**
City Manager's Office					
Administration					
City Manager	1.00	1.00	1.00	1.00	1.00
Assistant City Manager	0.75	0.75	-	-	-
Administrative Support Specialist	1.00	1.00	1.00	1.00	1.00
Public Information					
Communications Director	1.00	1.00	1.00	1.00	1.00
Communications & Marketing Specialist	1.00	1.00	1.00	1.00	1.00
Total City Manager	**4.75**	**4.75**	**4.00**	**4.00**	**4.00**
City Attorney					
City Attorney	1.00	1.00	1.00	1.00	1.00
Deputy/Asst City Attorney	1.00	1.00	1.00	1.00	1.00
Legal Analyst	1.00	1.00	1.00	1.00	1.00
Legal Secretary	1.00	1.00	1.00	1.00	1.00
Total City Attorney	**4.00**	**4.00**	**4.00**	**4.00**	**4.00**
City Clerk					
City Clerk	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00
Assistant City Clerk	-	1.00	1.00	-	-
City Clerk Specialist	-	-	-	-	1.00
Administrative Assistant	-	-	-	1.00	-
City Clerk Technician II	1.00	-	-	-	-
Total City Clerk	**3.00**	**3.00**	**3.00**	**3.00**	**3.00**
Community Development					
Administration					
Community Development Director	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	2.00	2.00	2.00	2.00
Senior Office Assistant	1.00	-	-	-	-
Building					
Building Inspector I/II	2.00	2.00	3.00	2.00	2.00
Building Plans Coordinator	1.00	1.00	2.00	2.00	2.00
Building Technician I/II	2.00	2.00	2.00	2.00	2.00
Plan Check Engineer	2.00	1.00	1.00	1.00	1.00
Building Inspection Supervisor	1.00	1.00	1.00	1.00	1.00
Principal Civil Engineer	1.00	1.00	1.00	1.00	1.00
Senior Building Inspector	-	-	-	1.00	1.00
Senior Civil Engineer	-	1.00	1.00	1.00	1.00

Position Detail

	FY 22 Approved	FY 23 Approved	FY 24 Approved	FY 25 Approved	FY 26 Proposed
Community Development (cont)					
Code Enforcement					
Code Enforcement Officer I/II	1.00	1.00	1.00	1.00	1.00
Code Enforcement Manager	-	-	-	-	1.00
Code Enforcement Supervisor	1.00	1.00	1.00	1.00	-
Engineering					
Arborist	1.00	1.00	-	-	1.00
Urban Forester	-	-	1.00	1.00	1.00
Senior Construction Inspector	1.00	1.00	1.00	1.00	1.00
Engineering Technician I/II	1.00	1.00	1.00	1.00	1.00
City Engineer	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	2.00	2.00	2.00	2.00	2.00
Planning					
Planner I (Asst)/Planner II (Associate)	2.00	2.00	2.00	2.00	2.00
Planning Manager	1.00	1.00	1.00	1.00	1.00
Principal Planner	2.00	2.00	1.00	1.00	1.00
Housing Manager	-	-	-	-	1.00
Senior Planner	1.00	1.00	1.00	1.00	-
Total Community Development	**26.00**	**26.00**	**27.00**	**27.00**	**28.00**
Fire Department					
Administration					
Fire Chief	1.00	1.00	1.00	1.00	1.00
Fire Division Chief	2.00	2.00	2.00	3.00	3.00
Administrative Technician	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Office Assistant	1.00	1.00	1.00	1.00	1.00
Senior Equipment Mechanic	-	-	1.00	1.00	1.00
Emergency Operations					
Fire Division Chief	1.00	1.00	1.00	-	-
Fire Battalion Chief	2.00	2.00	2.00	3.00	3.00
Fire Captain-Suppression	15.00	15.00	15.00	18.00	18.00
Fire Engineer	15.00	15.00	15.00	18.00	18.00
Firefighter	36.00	46.00	48.00	42.00	42.00
Fire Prevention					
Deputy Fire Marshall	1.00	1.00	1.00	1.00	1.00
Fire Prevention Officer	2.00	2.00	1.00	1.00	1.00
Total Fire	**78.00**	**88.00**	**90.00**	**91.00**	**91.00**
Human Resources					
Human Resources Director	1.00	-	1.00	1.00	1.00
Human Resources Manager	-	1.00	-	-	-
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Human Resources Technician I/II	2.00	2.00	2.00	2.00	2.00
Senior Management Analyst	2.00	2.00	2.00	2.00	2.00
Total Human Resources	**6.00**	**6.00**	**6.00**	**6.00**	**6.00**

Position Detail

	FY 22 Approved	FY 23 Approved	FY 24 Approved	FY 25 Approved	FY 26 Proposed
Library					
Library Director	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Librarian	2.00	2.00	2.00	2.00	2.00
Library Assistant	4.00	4.00	4.00	4.00	4.00
Library Circulation Coordinator	1.00	1.00	1.00	1.00	1.00
Library Technician	2.00	2.00	2.00	2.00	2.00
Lead Senior Librarian	1.00	1.00	1.00	-	-
Library Supervisor	-	-	-	1.00	1.00
Total Library	**12.00**	**12.00**	**12.00**	**12.00**	**12.00**
Office of Management and Budget					
Administration					
Chief Financial Officer/Finance Director	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Disbursements					
Disbursements Manager	-	-	-	1.00	1.00
Disbursements Specialist	1.00	1.00	1.00	1.00	1.00
Payroll Specialist	2.00	2.00	2.00	2.00	2.00
Disbursements Technician	1.00	1.00	1.00	1.00	1.00
Revenue					
Revenue Technician I/II	3.00	3.00	3.00	2.00	2.00
Revenue Supervisor	1.00	1.00	1.00	1.00	-
Revenue Manager	-	-	-	-	1.00
Senior Revenue Technician	2.00	2.00	2.00	2.00	2.00
Financial Services					
Accounting Technician II	1.00	1.00	1.00	1.00	1.00
Financial Specialist	1.00	1.00	1.00	1.00	1.00
Financial Services					
Senior Financial Analyst	2.00	2.00	2.00	2.00	2.00
Deputy Treasurer	1.00	1.00	1.00	1.00	1.00
Financial Services Manager	1.00	1.00	1.00	1.00	1.00
Office of Management and Budget (cont)					
Information Systems					
Information Systems Manager	1.00	1.00	1.00	1.00	1.00
Information Systems Analyst	3.00	2.00	2.00	2.00	2.00
Information Systems Technician I/II	-	1.00	1.00	1.00	1.00
GIS Analyst	1.00	1.00	1.00	1.00	1.00
GIS Technician	-	-	1.00	1.00	1.00
Process Improvement Specialist	1.00	1.00	1.00	1.00	1.00
Total Office of Management and Budget	**24.00**	**24.00**	**25.00**	**25.00**	**25.00**

Position Detail

	FY 22 Approved	FY 23 Approved	FY 24 Approved	FY 25 Approved	FY 26 Proposed
Parks & Recreation					
Administration					
Parks & Recreation Director	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	3.00	3.00	3.00	3.00	3.00
Marketing & Graphics Coordinator	1.00	1.00	1.00	1.00	1.00
Management Analyst	1.00	-	-	-	-
Senior Management Analyst	-	1.00	1.00	1.00	1.00
Park Maintenance					
Maintenance Specialist	2.00	2.00	2.00	2.00	1.00
Maintenance Worker I/II	1.00	1.00	1.00	2.00	2.00
Parks/Facilities Maintenance Manager	1.00	1.00	1.00	1.00	1.00
Parks Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Maintenance Worker	2.00	2.00	2.00	2.00	2.00
Senior Maintenance Specialist	-	-	-	-	1.00
Park Development					
Park Planning Manager	-	-	1.00	1.00	1.00
Park Planner II	-	-	-	1.00	1.00
Senior Park Planner	1.00	1.00	-	-	1.00
Trails					
Senior Trails Planner	1.00	1.00	1.00	1.00	1.00
Zoo					
Zoo Manager	1.00	1.00	1.00	1.00	1.00
Zoo Supervisor	-	-	1.00	1.00	1.00
Zookeeper I / II	5.00	5.00	5.00	5.00	5.00
Lead Zookeeper	1.00	1.00	-	-	-
Recreation Coordinator II	1.00	1.00	-	-	-
Senior Recreation Coordinator	-	-	1.00	1.00	1.00
Aquatics					
Recreation Coordinator I	1.00	-	-	-	-
Recreation Coordinator II	0.50	1.50	1.50	1.50	0.50
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Recreation Coordinator	-	-	-	-	1.00
Senior Maintenance Worker	1.00	1.00	1.00	1.00	1.00
Community & Cultural Services / Community Facilities					
Community & Cultural Services Manager	1.00	1.00	1.00	1.00	-
Recreation & Community Services	-	-	-	-	1.00
Recreation Coordinator I	1.00	1.00	1.00	-	-
Recreation Coordinator II	3.00	3.00	2.00	3.00	3.00
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Recreation Coordinator	1.00	1.00	2.00	2.00	2.00

Position Detail

	FY 22 Approved	FY 23 Approved	FY 24 Approved	FY 25 Approved	FY 26 Proposed
Parks & Recreation (cont)					
Recreation / Sports Complex					
Recreation Coordinator I	1.00	1.00	1.00	-	-
Recreation Coordinator II	1.50	1.50	1.50	2.50	2.50
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Recreation Coordinator	1.00	1.00	1.00	1.00	1.00
Facility Services					
Facilities Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Building Tradesworker	3.00	3.00	3.00	3.00	3.00
Building Tradesworker I/II	1.00	1.00	1.00	1.00	1.00
Municipal Landscaping					
Lighting & Landscape District Manager	1.00	1.00	1.00	-	-
MLS Manager	-	-	-	1.00	1.00
Construction Inspector II	1.00	1.00	1.00	1.00	-
Irrigation Systems Coordinator	1.00	1.00	1.00	1.00	1.00
Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Maintenance Worker	-	-	-	-	-
Senior Maintenance Specialist	-	-	-	-	2.00
Maintenance Worker I/II	1.00	2.00	2.00	2.00	1.00
Total Parks & Recreation	**48.00**	**49.00**	**49.00**	**51.00**	**52.00**
Police Department					
Administration					
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Commander	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Administrative Technician	1.00	1.00	1.00	1.00	1.00
Police Sergeant	1.00	1.00	2.00	2.00	2.00
Police Officer	1.00	1.00	1.00	1.00	1.00
Support Services					
Police Lieutenant	1.00	1.00	1.00	1.00	1.00
Communications Supervisor	3.00	3.00	3.00	3.00	3.00
Dispatcher I/II	13.00	14.00	14.00	14.00	14.00
Senior Records Clerk	1.00	1.00	1.00	1.00	1.00
Police Records Clerk	2.00	2.00	2.00	2.00	2.00
Police Records Clerk - PPT	0.50	0.50	0.50	0.50	0.50
Police Records Supervisor	1.00	1.00	1.00	1.00	1.00
Operations					
Police Commander	1.00	1.00	1.00	1.00	1.00
Police Lieutenant	3.00	3.00	3.00	3.00	3.00
Police Sergeant	9.00	9.00	8.00	9.00	9.00
Police Corporal	5.00	5.00	5.00	6.00	6.00
Police Officer	43.00	44.00	45.00	49.00	49.00
Police Volunteer Coordinator	1.00	1.00	1.00	1.00	1.00

Position Detail

	FY 22 Approved	FY 23 Approved	FY 24 Approved	FY 25 Approved	FY 26 Proposed
Police Department (cont.)					
Investigations					
Police Lieutenant	1.00	1.00	1.00	1.00	1.00
Police Sergeant	2.00	2.00	2.00	2.00	2.00
Police Officer	10.00	10.00	10.00	10.00	10.00
Community Service Officer	3.00	3.00	5.00	5.00	5.00
Crime & Intelligence Analyst	1.00	1.00	1.00	1.00	1.00
Animal Care Services					
Animal Control Officer	1.00	2.00	2.00	2.00	2.00
Total Police Department	**107.50**	**110.50**	**113.50**	**119.50**	**119.50**
Public Works Department					
Administration / Engineering					
Public Works Director	0.80	0.80	0.80	0.80	0.80
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Construction Inspector I/II	1.00	1.00	1.00	1.00	1.00
Engineering Technician I/II	1.00	1.00	-	-	-
PW/Utilities Section Manager	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	3.00	3.00	3.00	3.00	3.00
Senior Management Analyst	0.75	0.75	0.75	0.75	0.75
Senior Office Assistant	1.00	1.00	1.00	1.00	1.00
Fleet Maintenance					
PW / Utilities Section Manager	0.35	0.35	0.35	0.35	0.35
Fleet / Solid Waste Manager	0.35	0.35	0.35	0.35	0.35
Administrative Assistant	0.10	0.10	0.10	0.10	0.10
Inventory Clerk	1.00	1.00	1.00	-	-
Fleet Service Coordinator	-	-	-	1.00	1.00
Lead Senior Mechanic	1.00	1.00	1.00	1.00	1.00
Mechanic II	4.10	4.10	4.10	4.10	4.10
Senior Equipment Mechanic	1.00	1.00	1.00	1.00	1.00
Streets					
Maintenance Specialist	3.00	3.00	4.00	4.00	4.00
Maintenance Worker I/II	4.00	4.00	4.00	6.00	6.00
Mechanic II	0.10	0.10	0.10	0.10	0.10
Senior Maintenance Worker	1.00	1.00	1.00	1.00	1.00
Streets Operations Supervisor	1.00	1.00	1.00	1.00	1.00
Traffic Maintenance					
Associate Civil Engineer	1.00	-	-	-	-
Maintenance Specialist	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	-	1.00	1.00	1.00	1.00
Senior Maintenance Worker	1.00	1.00	1.00	1.00	1.00
Senior Traffic Control & Lighting Technician	1.00	1.00	1.00	1.00	1.00
Traffic Control & Lighting Technician I/II	4.00	4.00	4.00	4.00	4.00
Total Public Works Department	**34.55**	**34.55**	**34.55**	**36.55**	**36.55**

Position Detail

	FY 22 Approved	FY 23 Approved	FY 24 Approved	FY 25 Approved	FY 26 Proposed
Environmental and Water Resources					
Water Resources Administration					
Director	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Administrative Technician	-	1.00	1.00	2.00	2.00
Associate Civil Engineer	1.00	1.00	1.00	1.00	1.00
Engineering Technician I/II	1.00	1.00	1.00	1.00	1.00
PW / Utilities Section Manager	1.00	1.00	1.00	1.00	1.00
Electrical & Instrument Technician	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	2.00	2.00	2.00	1.00	2.00
Principal Civil Engineer	-	-	-	1.00	1.00
Senior Office Assistant	2.00	2.00	2.00	1.00	1.00
Wastewater					
Revenue Technician I/II	-	1.00	1.00	1.00	1.00
Senior Wastewater Collection Technician	2.00	2.00	2.00	2.00	2.00
Wastewater Collection Supervisor	1.00	1.00	1.00	1.00	1.00
Wastewater Collection Tech I/II	11.00	11.00	11.00	11.00	11.00
Wastewater Collection Tech III	-	-	-	1.00	1.00
Water Conservation					
Water Management Coordinator	1.00	1.00	1.00	1.00	1.00
Water Management Specialist	2.00	2.00	2.00	2.00	2.00
Water Utility Maintenance					
Senior Water Utility Worker	1.00	1.00	1.00	1.00	1.00
Utility Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Water Utility Worker I/II	5.00	5.00	6.00	6.00	6.00
Utility Maint Wastewater Coll Tech III	-	-	-	1.00	1.00
Water Treatment Plant					
Lead Plant Mechanic	1.00	1.00	1.00	1.00	1.00
Water Treatment Plant Chief Operator	1.00	1.00	1.00	1.00	1.00
Water Treatment Plant Operator III	4.00	4.00	4.00	4.00	4.00
Water Treatment Plant Operator I / II	1.00	1.00	1.00	1.00	1.00
Water Treatment Plant Manager	-	-	-	-	1.00
Water Treatment Plant Supervisor	1.00	1.00	1.00	1.00	-
Water Quality					
Water Distribution Chief Operator	1.00	1.00	1.00	1.00	1.00
Water Distribution Operator I/II	3.00	3.00	3.00	3.00	3.00
Water Distribution Operator III	-	-	1.00	1.00	1.00
Water Quality Technician	1.00	1.00	1.00	1.00	1.00
Water Distribution Supervisor	1.00	1.00	1.00	1.00	1.00
Water Metering Program					
Utility Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Water Utility Worker	1.00	1.00	1.00	1.00	1.00
Water Utility Worker I/II	3.00	4.00	4.00	4.00	4.00
Total Environmental and Water Resources	**53.00**	**56.00**	**58.00**	**60.00**	**61.00**

Position Detail

	FY 22 Approved	FY 23 Approved	FY 24 Approved	FY 25 Approved	FY 26 Proposed
Solid Waste Department					
Solid Waste Collections					
Public Works Director	0.20	0.20	0.20	0.20	0.20
PW / Utilities Section Manager	0.65	0.65	0.65	0.65	0.65
Solid Waste / Fleet Manager	0.65	0.65	0.65	0.65	0.65
Solid Waste Manager	-	-	1.00	1.00	1.00
Solid Waste Supervisor	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	0.90	0.90	0.90	0.90	0.90
Account Technician	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	0.25	0.25	0.25	0.25	0.25
Maintenance Worker I/II	1.00	1.00	1.00	1.00	1.00
Mechanic II	1.80	1.80	1.80	1.80	1.80
Refuse Driver	37.00	38.00	39.00	39.00	42.00
Senior Refuse Driver	-	-	-	-	3.00
Senior Maintenance Worker	2.00	2.00	2.00	2.00	2.00
Senior Office Assistant	3.00	3.00	3.00	3.00	4.00
Hazardous Materials					
Environmental Specialist	-	-	1.00	-	-
Hazardous Materials Coordinator	1.00	1.00	1.00	1.00	1.00
Maintenance Specialist	1.00	1.00	-	-	-
Senior Environmental Specialist	1.00	1.00	1.00	2.00	2.00
Recycling					
Environmental Specialist Supervisor	1.00	1.00	1.00	1.00	1.00
Environmental Specialist	-	-	1.00	1.00	1.00
Senior Environmental Specialist	2.00	2.00	2.00	2.00	2.00
Total Solid Waste Department	**55.45**	**56.45**	**59.45**	**59.45**	**66.45**
Total Staffing Positions	**461.25**	**479.25**	**490.50**	**503.50**	**513.50**

Department	Budget Request Proposal Description	Requested Amount	Amount Included in Proposed Budget	Funding Source	Frequency: (One-Time/Recurring)	up/New-Request)
City Attorney	City Attorney - Hardware	$ 600	$ 600	General Fund (010)	Recurring	True-up
City Attorney	City Attorney - Software	$ 500	$ 500	General Fund (010)	Recurring	True-up
City Attorney	City Attorney - Training & Education	$ 500	$ 500	General Fund (010)	Recurring	True-up
City Clerk	City Clerk - Laptop	$ 1,600	$ 1,600	General Fund (010)	Recurring	True-up
City Clerk	City Clerk - Training & Education	$ 1,500	$ 1,500	General Fund (010)	Recurring	True-up
City Clerk	City Clerk - Training-Related Travel	$ 1,000	$ 1,000	General Fund (010)	Recurring	True-up
City Manager	Citywide Survey	$ 25,000	$ -	General Fund (010)	Recurring	New-Request
City Manager	Reclass Social Media Coordinator	$ 77,000	$ -	General Fund (010)	Recurring	New-Request
Community Development	Petroleum Products True-up	$ 4,467	$ 4,467	General Fund (010)	Recurring	True-up
Facilities	Building Maintenance True Up	$ 130,000	$ 130,000	General Fund (010)	Recurring	True-up
Facilities	Temp Wages	$ 15,000	$ 15,000	General Fund (010)	Recurring	True-up
Facilities	Rents	$ 7,500	$ 7,500	General Fund (010)	Recurring	True-up
Facilities	Synthetic Turf Replacement	$ 328,654	$ -	General Fund (010)	Recurring	New-Request
Facilities	Library Exterior Paint	$ 100,000	$ -	General Fund (010)	One-Time	New-Request
Facilities	Rodeo Arena Lighting Replacement	$ 140,000	$ -	General Fund (010)	One-Time	New-Request
Facilities	Community Center Divider	$ 200,000	$ -	General Fund (010)	One-Time	New-Request
Finance	Contracts - True-up	$ 11,436	$ 11,436	General Fund (010)	Recurring	True-up
Finance	Training & Education	$ 5,021	$ 5,021	General Fund (010)	Recurring	True-up
Fire Department	PPE Replacements	$ 166,800	$ 166,800	General Fund (010)	One-Time	New-Request
Fire Department	Building Maintenance Fund Increase	$ 150,000	$ 150,000	General Fund (010)	Recurring	True-up
Fire Department	Plan Check Fund Increase	$ 115,000	$ 115,000	General Fund (010)	Recurring	True-up
Fire Department	SRFECC Assessment Increase	$ 113,681	$ 113,681	General Fund (010)	Recurring	True-up
Fire Department	Vehicles Maintenance Fund Increase	$ 100,000	$ 100,000	General Fund (010)	Recurring	True-up
Fire Department	Safety Equipment Fund Increase	$ 37,700	$ 37,700	General Fund (010)	Recurring	True-up
Fire Department	Petroleum Products Fund Increase	$ 25,000	$ 25,000	General Fund (010)	Recurring	True-up
Fire Department	Departmental Supplies Fund Increase	$ 16,000	$ 16,000	General Fund (010)	Recurring	True-up
Fire Department	Equipment Maintenance Fund Increase	$ 7,581	$ 7,581	General Fund (010)	Recurring	True-up
Fire Department	Two Type I Fire Engines (E35 & E33)	$ 2,500,000	$ -	General Fund (010)	One-Time	New-Request
Fire Department	Type V Engine (E533)	$ 475,000	$ -	General Fund (010)	One-Time	New-Request
Fire Department	Fire Prevention Officer	$ 126,101	$ -	General Fund (010)	Recurring	New-Request
Fire Department	Administrative Battalion Chief	$ 306,521	$ -	General Fund (010)	Recurring	New-Request
Fire Department	Nine Firefighters (Staff Engine 35)	$ 1,625,679	$ -	General Fund (010)	Recurring	New-Request
Fire Department	Six Firefighters (Staff Medic 34)	$ 1,083,787	$ -	General Fund (010)	Recurring	New-Request
Fire Department	Explorer Program	$ 5,000	$ -	General Fund (010)	Recurring	New-Request
Fire Department	SCBA SKA-PAK Cylinders and Vise	$ 5,670	$ -	General Fund (010)	One-Time	New-Request
Fire Department	Thermal Imaging Cameras	$ 22,974	$ -	General Fund (010)	One-Time	New-Request
Fire Department	Administrative Office Space	$ 205,000	$ -	General Fund (010)	Recurring	New-Request
Fire Department	Uniform Expense Fund Increase	$ 12,000	$ -	General Fund (010)	Recurring	True-up
Fire Department	Training	$ 50,000	$ -	General Fund (010)	Recurring	New-Request
Fire Department	Water Rescue Drysuits	$ 35,000	$ -	General Fund (010)	One-Time	New-Request
Fire Department	Fuel Management System	$ 80,000	$ -	General Fund (010)	One-Time	New-Request
Fire Department	Security Card System Update	$ 60,000	$ -	General Fund (010)	One-Time	New-Request
Fire Department	PPE Extractor Washing Machine	$ 28,000	$ -	General Fund (010)	One-Time	New-Request
Fire Department	Annual PPE Inspection Increase	$ 12,500	$ -	General Fund (010)	Recurring	New-Request
Fire Department	Physical Fitness Equipment	$ 4,479	$ -	und (010)	One-Time	New-Request

Department	Budget Request Proposal Description	Requested Amount	Amount Included in Proposed Budget	Funding Source	Frequency: (One-Time/Recurring)	up/New-Request)
Fire Department	Security Cameras (Station 35)	$ 5,000	$ -	General Fund (010)	One-Time	New-Request
Fire Department	UKG-Kronos Consultation Service	$ 12,000	$ -	General Fund (010)	One-Time	New-Request
Fire Department	Shower Room Update (Station 36, Men's)	$ 50,000	$ -	General Fund (010)	One-Time	New-Request
Fire Department	Hydraulic Vehicle Extrication Tools	$ 66,715	$ -	General Fund (010)	One-Time	New-Request
Fire Department	PPE Stormstick Decontamination Sprayer	$ 3,020	$ -	General Fund (010)	One-Time	New-Request
Fire Department	Roto Decon Gear Washer	$ 35,500	$ -	General Fund (010)	One-Time	New-Request
Fleet	Shop Equipment	$ 125,000	$ -	General Fund (010)	One-Time	New-Request
Fleet	Consolidated Vehicle Replacements	$ 1,762,016	$ -	General Fund (010)	Recurring	New-Request
Fleet	Consolidated Equipment Replacements	$ 142,715	$ -	General Fund (010)	Recurring	New-Request
Human Resources	HR Technician	$ 99,752	$ -	General Fund (010)	Recurring	New-Request
Information Systems	Information Technician II	$ 150,000	$ -	General Fund (010)	Recurring	New-Request
Library	True-Up Utility and Public Internet	$ 19,219	$ 19,219	General Fund (010)	Recurring	True-up
Library	Restore Monday Open Hours	$ 51,493	$ -	General Fund (010)	Recurring	New-Request
Library	Youth, Teen, and Adult Materials	$ 40,000	$ -	General Fund (010)	Recurring	New-Request
Non-Departmental	Replace City Christmas Decorations	$ 50,000	$ -	General Fund (010)	One-Time	New-Request
Parks and Recreation	Landscape Maintenance Cost	$ 400,000	$ 400,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Recreation Programing True Up	$ 240,770	$ 240,770	General Fund (010)	Recurring	True-up
Parks and Recreation	Temp Wages	$ 210,000	$ 210,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Utilities True Up	$ 154,000	$ 154,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Open Space Maintenance True Up	$ 111,310	$ 111,310	General Fund (010)	Recurring	True-up
Parks and Recreation	Instructors	$ 85,500	$ 85,500	General Fund (010)	Recurring	True-up
Parks and Recreation	Vehicle and Equipment Maintenance	$ 78,500	$ 78,500	General Fund (010)	Recurring	True-up
Parks and Recreation	Contracts True Up	$ 60,000	$ 60,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Temp Wages	$ 55,000	$ 55,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Rodeo True Up	$ 50,000	$ 50,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Temp Wages	$ 25,000	$ 25,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Fuel True Up	$ 22,000	$ 22,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Park Lighting	$ 22,000	$ 22,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Rents	$ 18,500	$ 18,500	General Fund (010)	Recurring	True-up
Parks and Recreation	Concessions	$ 15,000	$ 15,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Safety and Chemical	$ 12,000	$ 12,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Rents	$ 10,000	$ 10,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Instructors	$ 10,000	$ 10,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Temp Wages	$ 8,400	$ 8,400	General Fund (010)	Recurring	True-up
Parks and Recreation	Instructors	$ 5,000	$ 5,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Telephone	$ 4,500	$ 4,500	General Fund (010)	Recurring	True-up
Parks and Recreation	Rents	$ 3,500	$ 3,500	General Fund (010)	Recurring	True-up
Parks and Recreation	Cellular	$ 3,500	$ 3,500	General Fund (010)	Recurring	True-up
Parks and Recreation	Rents	$ 3,000	$ 3,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Taxes and Permits	$ 2,500	$ 2,500	General Fund (010)	Recurring	True-up
Parks and Recreation	Pre-employment	$ 2,260	$ 2,260	General Fund (010)	Recurring	True-up
Parks and Recreation	Postage	$ 2,150	$ 2,150	General Fund (010)	Recurring	True-up
Parks and Recreation	Safety and Chemical	$ 2,000	$ 2,000	General Fund (010)	Recurring	True-up
Parks and Recreation	Cellular	$ 1,600	$ 1,600	General Fund (010)	Recurring	True-up
Parks and Recreation	Master Plan Update	$ 150,000	$ -	und (010)	One-Time	New-Request

Department	Budget Request Proposal Description	Requested Amount	Amount Included in Proposed Budget	Funding Source	Frequency: (One-Time/Recurring)	up/New-Request)
Parks and Recreation	Maintenance Worker I/II Parks Maint.	$ 173,648	$ -	General Fund (010)	Recurring	New-Request
Parks and Recreation	Maintenance Worker I/II MLS	$ 186,048	$ -	General Fund (010)	Recurring	New-Request
Parks and Recreation	Trail Hazard Mitigation	$ 250,000	$ -	General Fund (010)	Recurring	New-Request
Parks and Recreation	Hazard Tree Work & Mitigation	$ 100,000	$ -	General Fund (010)	Recurring	New-Request
Parks and Recreation	Landscape Maintenance Contract	$ 400,000	$ -	General Fund (010)	Recurring	New-Request
Parks and Recreation	Management Analyst-MLS/Admin	$ 166,467	$ -	General Fund (010)	Recurring	New-Request
Parks and Recreation	Park Renovation Funding	$ 376,982	$ -	General Fund (010)	One-Time	New-Request
Parks and Recreation	Recreation & Rental Supervisor	$ 172,725	$ -	General Fund (010)	Recurring	New-Request
Parks and Recreation	Senior Building Trades Worker	$ 204,409	$ -	General Fund (010)	Recurring	New-Request
Parks and Recreation	Senior Maintenance Worker - Parks Mnt	$ 195,080	$ -	General Fund (010)	Recurring	New-Request
Parks and Recreation	Livermore Splash Pad Renovation	$ 150,000	$ -	General Fund (010)	One-Time	New-Request
Parks and Recreation	Police, Comm Center, City Hall Paint	$ 340,000	$ -	General Fund (010)	One-Time	New-Request
Parks and Recreation	Lembi Comm Park Revitalization Plan	$ 75,000	$ -	General Fund (010)	One-Time	New-Request
Parks and Recreation	Historic District Pressure Washing	$ 49,100	$ -	General Fund (010)	Recurring	New-Request
Police Department	Vehicle Maintenance	$ 120,000	$ 120,000	General Fund (010)	Recurring	True-up
Police Department	Contracts	$ 90,000	$ 90,000	General Fund (010)	Recurring	True-up
Police Department	Petrol	$ 40,000	$ 40,000	General Fund (010)	Recurring	True-up
Police Department	Cellular	$ 30,000	$ 30,000	General Fund (010)	Recurring	True-up
Police Department	Software License & Maint	$ 30,000	$ 30,000	General Fund (010)	Recurring	True-up
Police Department	Rents	$ 28,000	$ 28,000	General Fund (010)	Recurring	True-up
Police Department	Utilities	$ 21,000	$ 21,000	General Fund (010)	Recurring	True-up
Police Department	Radios	$ 21,000	$ 21,000	General Fund (010)	Recurring	True-up
Police Department	Building Maintenance	$ 20,000	$ 20,000	General Fund (010)	Recurring	True-up
Police Department	Equipment Maintenance	$ 20,000	$ 20,000	General Fund (010)	Recurring	True-up
Police Department	Pre-employment	$ 7,000	$ 7,000	General Fund (010)	Recurring	True-up
Police Department	Dispatch Staffing Increase	$ 144,032	$ -	General Fund (010)	Recurring	New-Request
Police Department	Records Technician	$ 44,412	$ -	General Fund (010)	Recurring	New-Request
Police Department	Fleet	$ 1,000,000	$ -	General Fund (010)	One-Time	New-Request
Police Department	Public Information Officer (Civilian)	$ 123,000	$ -	General Fund (010)	Recurring	New-Request
Police Department	Drone (DFR) program	$ 305,000	$ -	General Fund (010)	Recurring	New-Request
Police Department	Facility One Time Maintenance Expenses	$ 100,000	$ -	General Fund (010)	One-Time	New-Request
Police Department	Faro Scene Scanner	$ 55,544	$ -	General Fund (010)	One-Time	New-Request
Police Department	SWAT Equipment Vehicle	$ 250,000	$ -	General Fund (010)	One-Time	New-Request
Police Department	Computer Replacements	$ 52,200	$ -	General Fund (010)	One-Time	New-Request
Police Department	ALPR Cameras	$ 64,253	$ -	General Fund (010)	One-Time	New-Request
Police Department	Dispatch Monitor Replacement	$ 9,800	$ -	General Fund (010)	One-Time	New-Request
Police Department	Patrol Rifles	$ 46,796	$ -	General Fund (010)	One-Time	New-Request
Police Department	Range Equipment	$ 8,500	$ -	General Fund (010)	One-Time	New-Request
Police Department	EOC Room Audio Video Upgrade	$ 24,464	$ -	General Fund (010)	One-Time	New-Request
Public Works	Admin-Engineering Storm Drain Fee Study	$ 250,000	$ -	General Fund (023)	One-Time	New-Request
	Total General Fund	$ 18,544,131	$ 2,975,095			

Department	Budget Request Proposal Description	Requested Amount	Amount Included in Proposed Budget	Funding Source	Frequency: (One-Time/Recurring)	up/New-Request)
Community Development	Arborist (Contract)	$ 140,316	$ -	Tree Mitigation (226)	Recurring	New-Request
Environmental Water Resources	Senior Civil Engineer	$ 256,865	$ 256,865	Water/Sewer (520/530)	Recurring	New-Request
Environmental Water Resources	2025 Urban Water Management Plan	$ 250,000	$ 250,000	Water (520)	One-Time	New-Request
Environmental Water Resources	Water Master Plan	$ 250,000	$ 250,000	Water (520)	One-Time	New-Request
Environmental Water Resources	WTP HVAC Upgrades & Roof Replace	$ 200,000	$ 200,000	Water (520)	One-Time	New-Request
Environmental Water Resources	Water Forum Funding	$ 72,000	$ 72,000	Water (520)	One-Time	True-up
Environmental Water Resources	Vehicle Maintenance and Petroleum	$ 50,050	$ 50,050	Sewer (530)	Recurring	New-Request
Environmental Water Resources	WTP Landscape Services	$ 28,000	$ 28,000	Water (520)	Recurring	New-Request
Facilities	Library HVAC	$ 1,800,000	$ 1,800,000	Capital Facilities Fund (602)	One-Time	New-Request
Facilities	Library Roof	$ 1,300,000	$ 1,300,000	Capital Facilities Fund (602)	One-Time	New-Request
Facilities	City Hall Low Slope Roof Replacement	$ 240,000	$ 240,000	Capital Facilities Fund (602)	One-Time	New-Request
Fire Department	Electrocardiogram (ECG) Monitors	$ 1,030,350	$ 756,000	Fire Equip/Capital Fund (608)	One-Time	New-Request
Fleet	Small Vehicle Repair Shop Roof	$ 300,000	$ 300,000	Capital Facilities Fund (602)	One-Time	New-Request
Fleet	Fuel Station Replacement	$ 3,000,000	$ -	FPASP Capital (472)	One-Time	New-Request
Parks and Recreation	Zoo Needs (zoo trust)	$ 111,000	$ 111,000	Zoo Fund (753)	One-Time	New-Request
Parks and Recreation	Park Planner II (Contract)	$ 147,019	$ -	FPASP Capital (472)	Recurring	New-Request
Police Department	Building purchase (expansion)	$ 3,500,000	$ -	FPASP Capital (472)	One-Time	New-Request
Solid Waste	Collection Vehicles	$ 4,215,313	$ 4,215,313	Solid Waste (540)	One-Time	True-up
Solid Waste	Six Refuse Drivers	$ 540,706	$ 540,706	Solid Waste (540)	Recurring	New-Request
Solid Waste	Recycling Division Contracts	$ 212,561	$ 212,561	Solid Waste (540)	Recurring	True-up
Solid Waste	Vehicle Maintenance	$ 169,000	$ 169,000	Solid Waste (540)	Recurring	True-up
Solid Waste	One Senior Office Assistant	$ 81,790	$ 81,790	Solid Waste (540)	Recurring	New-Request
Solid Waste	Consulting Services for Rate Study	$ 80,000	$ 80,000	Solid Waste (540)	One-Time	New-Request
Solid Waste	Consulting Services for C&D Program	$ 50,000	$ 50,000	Solid Waste (540)	One-Time	New-Request
Solid Waste	Commercial Bins for Organics Prorgram	$ 46,000	$ 46,000	Solid Waste (540)	One-Time	New-Request
Solid Waste	Corporation Yard Cameras	$ 41,550	$ 41,550	Solid Waste (540)	One-Time	New-Request
Solid Waste	Collections Division Contracts	$ 39,150	$ 39,150	Solid Waste (540)	Recurring	True-up
Solid Waste	Route Smart Training	$ 25,000	$ 25,000	Solid Waste (540)	One-Time	New-Request
	Total All Other Funds	$ 18,176,670	$ 11,114,985			

Attachment 2

Folsom City Council
Staff Report

MEETING DATE:	6/10/2025
AGENDA SECTION:	Public Hearing
SUBJECT:	Resolution No. 11401– A Resolution Adopting the Fiscal Year 2025-26 Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority (Revised)
FROM:	City Manager's Office

Revised

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends that the City Council conduct a public hearing and consider adopting Resolution No. 11401 – A Resolution Adopting the Fiscal Year 2025-26 Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority.

BACKGROUND / ISSUE

City staff recommends that the City Council conduct multiple budget reviews during the fiscal year to ensure that expenditures and revenues are tracking as anticipated. If expenditures or revenues are not following the original budgetary projections, this process provides the opportunity to make necessary course corrections.

It is proposed that the City will follow the following annual budget process:

1) The Preliminary Budget for the Fiscal year starting July 1st is developed and approved by the City Council in May or June of each year.
2) The Final Budget is reviewed and approved by the City Council in October or November of each year.
3) The Mid-year Budget is reviewed and approved by the City Council in February or March of each year.

This report presents the Fiscal Year 2025-2026 proposed Preliminary Budget for the City of Folsom.

The City Manager's Proposed Preliminary Budget for Fiscal Year 2025–26 was presented to the City Council on May 27, 2025, during a special budget workshop. During the workshop, the City Manager outlined key components of the proposed budget and responded to questions from both City Council members and community participants.

POLICY / RULE

Folsom Municipal Code, Section 3.02.030, Budget
"An Annual Budget shall be prepared by the City Manager, with the assistance of the Finance Director. . . . (G) The City Council shall adopt the annual budget by Resolution by fund and program by affirmative vote of at least three members, on or before the last working day of the last month of the current fiscal year. If the City Council fails to adopt the budget by the last working day of the current fiscal year, the budget as presented by the City Manager shall be deemed adopted."

ANALYSIS

Budget Structure and Overview:

The Operating Budget for the City of Folsom is a complex document that manages the revenues and expenditure of over 150 separate Fund Accounts. A summary of these accounts is found in Attachment 2. Many of these fund accounts have specific rules and requirements that dictate how these funds can be used.

For example, funds collected from the water bills that are paid for by residents each month can only be used to cover the costs associated with maintaining and operating the water system. These funds cannot be used to cover public safety or any other non-water related expenses.

The four largest and most familiar Fund Accounts in the budget are 1) General Fund; 2) Solid Waste Fund, 3) Sewer Fund; and 4) Water Fund.

1) ***General Fund (Fund 010)*** – This fund accounts for all general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in other funds.
2) ***Solid Waste (Fund 540)*** – This fund accounts for the revenues and expenses of the City's solid waste operations.
3) ***Sewer Fund (Fund 530)*** – This fund accounts for the revenues and expenses of the City's sewer operations.
4) **Water Fund (Fund 520)** – This fund accounts for the revenues and expenses of the City's water operations.

All City Funds Budget Analysis:

The City Manager's Fiscal Year 2025-26 Proposed Preliminary Budget as presented totaled $266,480,640. Below is a breakdown by Fund category

Fund Category	FY 2025-26 Proposed Amounts	
General Fund	$	121,877,171
Enterprise Funds		53,700,278
Special Revenue Funds		13,377,152
Debt Service Funds		16,761,774
Capital Projects Funds		10,624,850
Internal Service Funds		25,060,360
Fiduciary Funds		25,079,055
Total	$	266,480,640

The City Manager's proposed Fiscal Year 2025-26 Preliminary Budget also includes 513.5 full and permanent part-time positions across all funds. This proposed budget provides for 8 new positions all funded by Enterprise Funds. The added positions are listed below along with the department.

Department	Position
Environmental and Water Resources	Senior Civil Engineer
Solid Waste	Refuse Driver (6)
Solid Waste	Senior Office Assistant

The City Manager's Fiscal Year 2025-26 Proposed Preliminary Budget is available on the City's web site at https://www.folsom.ca.us/government/finance/city-budget/-folder-366#docfold_14_786_600_366.

General Fund Budget Analysis:

The proposed FY 2025-2026 General Fund budget anticipates revenues of $114,442,459 and Transfers In of $5,546,145 for a grand total in revenues of $119,988,604. The City projects expenses of $121,877,171 with Transfers Out of $1,601,982 for a grand total for expenses of $123,479,153. This budget intends to use $3,490,549 of unassigned General Fund Balance to maintain current services. Going forward, this is unsustainable.

Staff recommends that the City Council approve the FY 2025-2026 Preliminary Budget as proposed but that it also directs staff to start planning for necessary budget reductions for the FY 2026-2027 budget year.

Recommended Budget Approval Process

- June 10, 2025 – City Council holds budget public hearing and continues the public hearing to the June 24, 2025, City Council meeting. This will allow for more public dialogue.

- June 24, 2025 – City Council holds budget public hearing, receives public input and approves the FY 2025-2026 Preliminary Budget.

- July – September 2025 – City departments review their budgets and develop cost cutting proposals and that will be reviewed at the Review of the Final Budget in September/October 2025.

- FY 2025-2026 Review of Final Budget - September/October 2025:

    - At a City Council meeting in either September or October City staff will have another budget review with the City Council that will allow additional public input from the community. This budget review will allow the City to work with the actual ending fund balance numbers for FY 2024-2025. Possible FY 2026-2027 General Fund budget reductions discussions will take place.

- FY 2025-2026 Mid-Year Budget Review – February/March 2026:

    - At a City Council meeting in either February or March City staff will conduct a Mid-Year Budget review with the City Council. Any adjustments needed for the current year will be approved by the City Council at that time. Staff will be seeking direction from the Council as to what cuts they would consider including in the FY 2026-2027 budget.

Why is the General Fund experiencing stress when property tax revenues continue to rise?

There are several things that contribute to the struggles of the General Fund.

- Flattening out of Sales Tax Revenues
- Pension Costs
- Retiree Health Care Costs
- Cost Increases Due to Inflation
    - Supplies and Contracts
    - Cost of employees

Brief History on the 3@50 (Public Safety) PERS Retirement Plan (ChatGPT was utilized to create this summary)

The 3% at 50 public employee retirement plan—commonly referred to as 3@50—originated in California in 1999, when Senate Bill 400 was signed into law by Governor Gray Davis. This legislation significantly enhanced pension benefits for California Highway Patrol (CHP) officers by allowing them to retire at age 50 with 3% of their highest annual salary multiplied by each year of service. The change was retroactive, meaning officers could retire immediately with much larger pensions.

The rationale for this enhancement was to improve recruitment and retention in public safety roles and to reward the hazardous nature of the work. The California Public Employees' Retirement System (CalPERS) supported the change, assuring lawmakers and local governments that the pension enhancements would be "cost-neutral" due to booming investment returns in the late 1990s. This led many to believe it was a free benefit, funded entirely by market gains.

After the state adopted 3@50, CalPERS encouraged cities and counties across California to adopt similar benefits for their own police and fire employees. Using actuarial models that assumed continued high returns, CalPERS told municipalities they could do so at no additional cost, or even with savings in the short term. Facing union pressure and the risk of losing qualified officers to other agencies offering better retirement packages, cities felt compelled to follow suit, leading to a widespread adoption of 3@50 across the state.

However, the dot-com bust, Great Recession, and ongoing market volatility revealed the flaw in those assumptions. Investment returns fell short, while pension obligations soared. Instead of being a no-cost perk, 3@50 created a massive long-term liability for local and state governments. Rising pension costs have since forced cities to cut services, raise taxes, or take on more debt, and several have even faced bankruptcy, citing unsustainable pension obligations as a major cause.

In summary, the 3@50 plan was sold as a cost-free enhancement during a time of financial optimism, but in reality, it established a deeply underfunded system that burdened cities across California with long-term financial obligations that continue to strain public budgets today.

Increasing PERS Costs:

Year	GF Expense
FY 21-22	$ 15,040,540
FY 22-23	16,194,561
FY 23-24	17,710,969
FY 24-25 (Estimated)	20,061,174
FY 25-26 (Proposed Budget)	22,431,140

The anticipated General Fund PERS costs in FY 2025-2026 are anticipated to be $7,390,600 higher than they were just a few years ago in FY 2021-2022 when they were $15,040,540. This represents a 50% cost increase.

Increasing Retiree Health Costs:

Year	Cost for GF Retirees
FY 21-22	$ 4,089,010
FY 22-23	4,242,976
FY 23-24	4,645,188
FY 24-25 (Estimated)	4,718,075
FY 25-26 (Proposed Budget)	5,141,151

The anticipated General Fund Retiree Health costs in FY 2025-2026 are anticipated to be $1,052,141 higher than they were just a few years ago in FY 202-/2022 when they were $4,089,010. This represents a 26% cost increase.

CONCLUSION:

The City of Folsom cannot continue to provide the General Fund services it presently provides to the community. There is a projected $3.5 million General Fund deficit for FY 2025-2026. To live within its means the City will need to reduce its expenditures which translates into reductions in services.

Staff proposes using General Fund Reserves to fund the FY 2025-2026 budget but aggressively pursue a strategy to reduce costs and services in preparation for the FY 2026-2027 budget period that begins on July 1, 2026.

Only the FY 2025-2026 Budget Summaries are included with the Council Packet. The full budget with the detail pages will be made available on Tuesday, June 10, 2025 prior to the City Council meeting.

ATTACHMENTS

1. Resolution No. 11401 – A Resolution Adopting the Fiscal Year 2025-26 Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority
    a. Exhibit A - Budget Summary by Fund – Projected Balance 2025-26 and Summary of General Fund Revenues and Expenditures
    b. Exhibit B – Staffing Detail 2025-2026
    c. Exhibit C – FY 2025-2026 Budget Request Proposal Detail Listing

Submitted,

_____
Bryan Whitemyer, City Manager