

# Mid-Year Budget Report



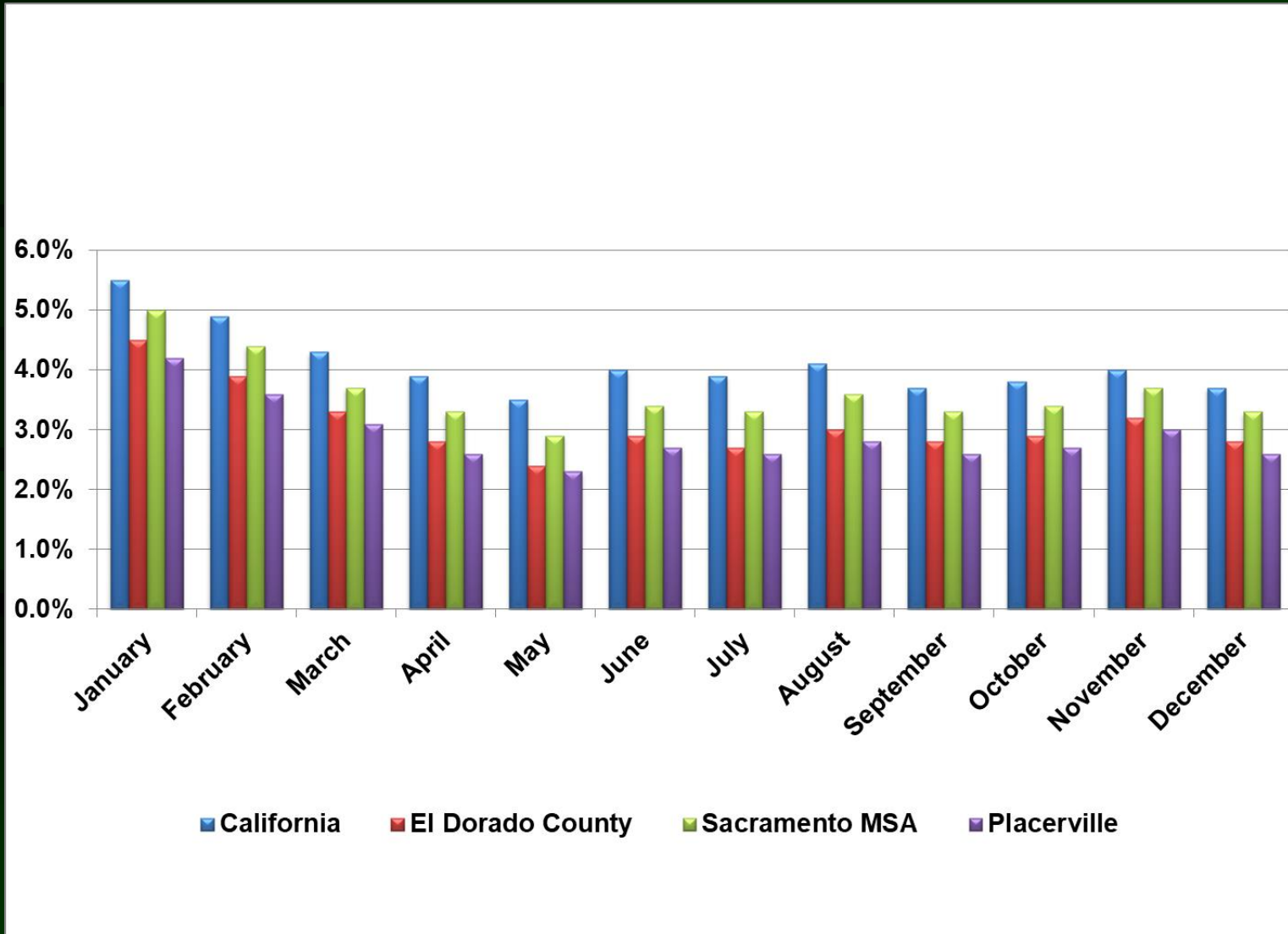
City of Placerville, California  
March 14, 2023

# Overview

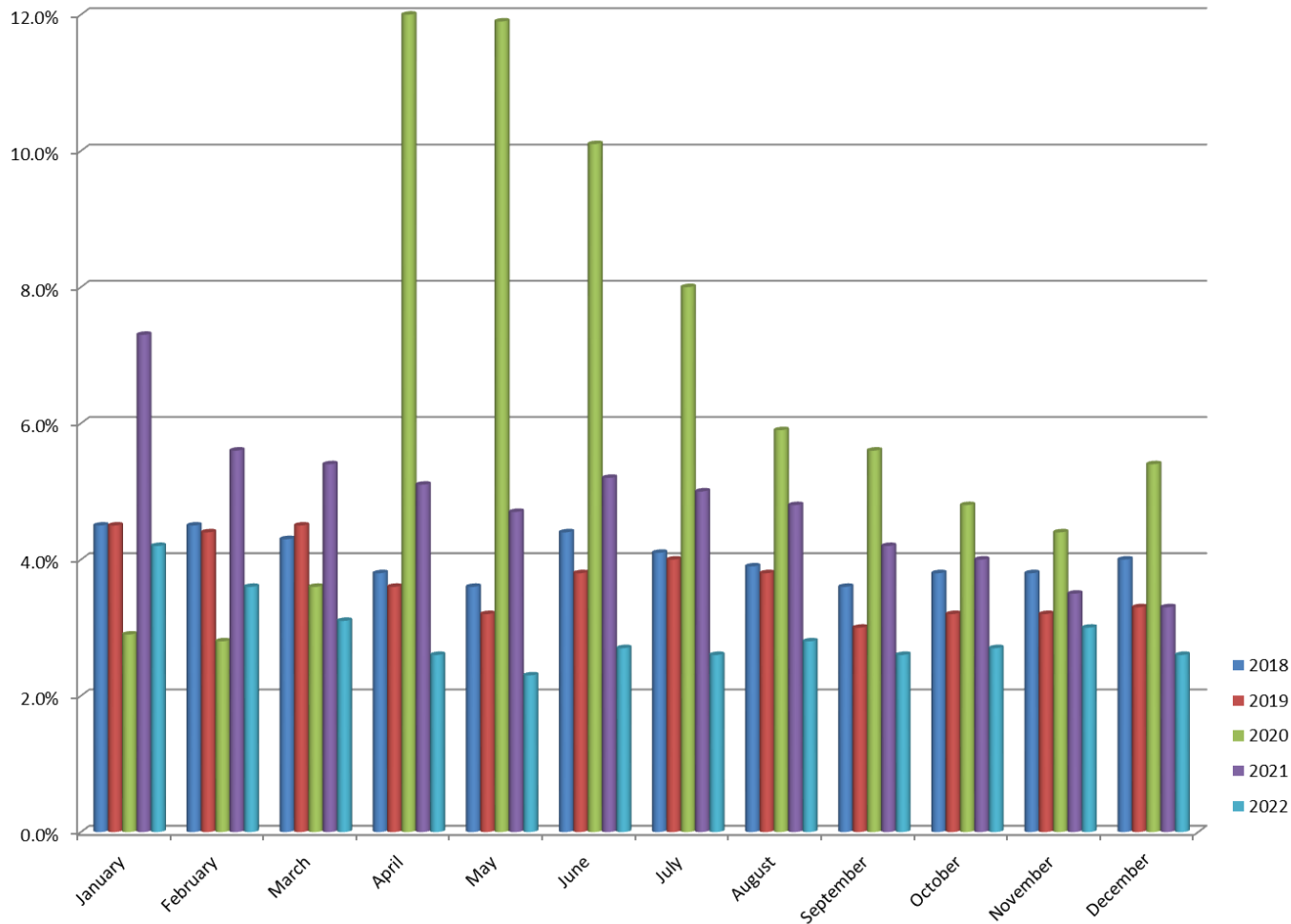
- How is the local economy doing?
  - Review local economic indicators
- Is the City living within its means?
  - Evaluate General Fund budget and all other operating funds



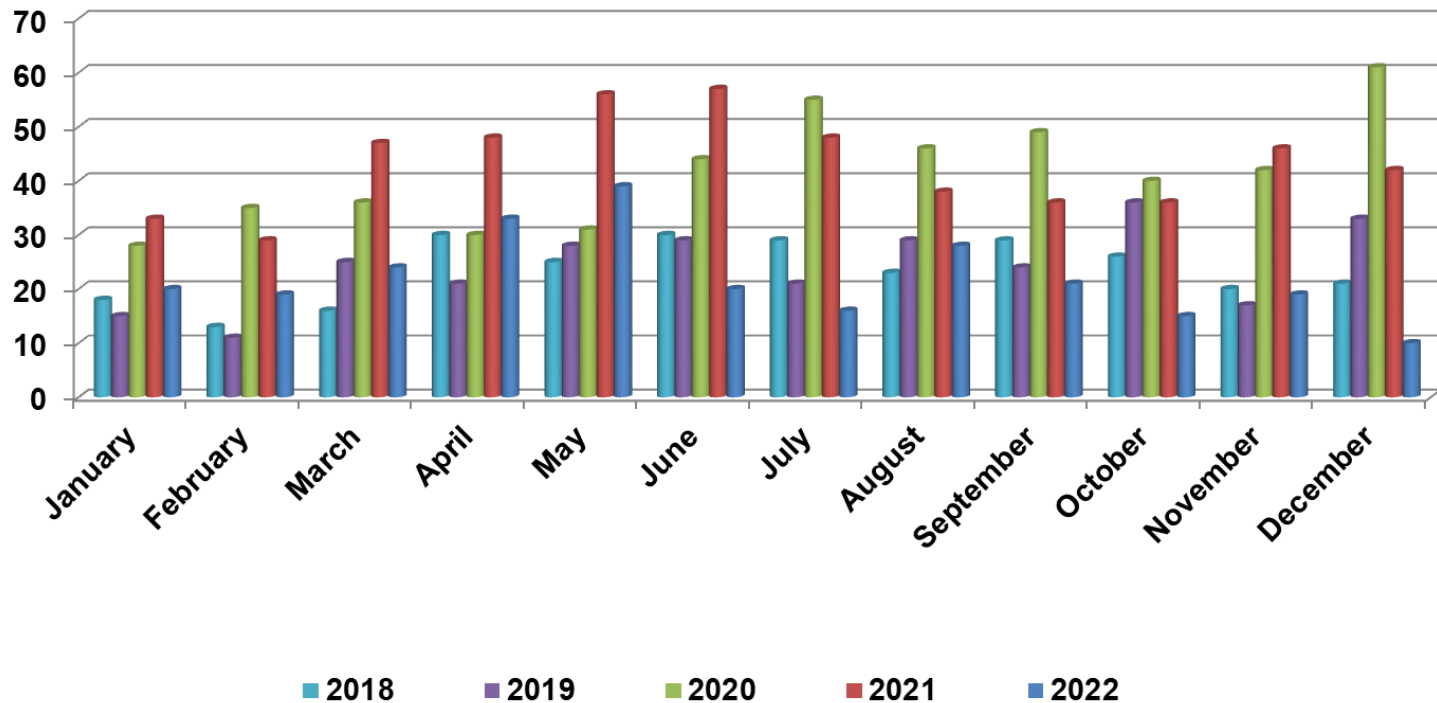
# 2022 Regional Unemployment Rates



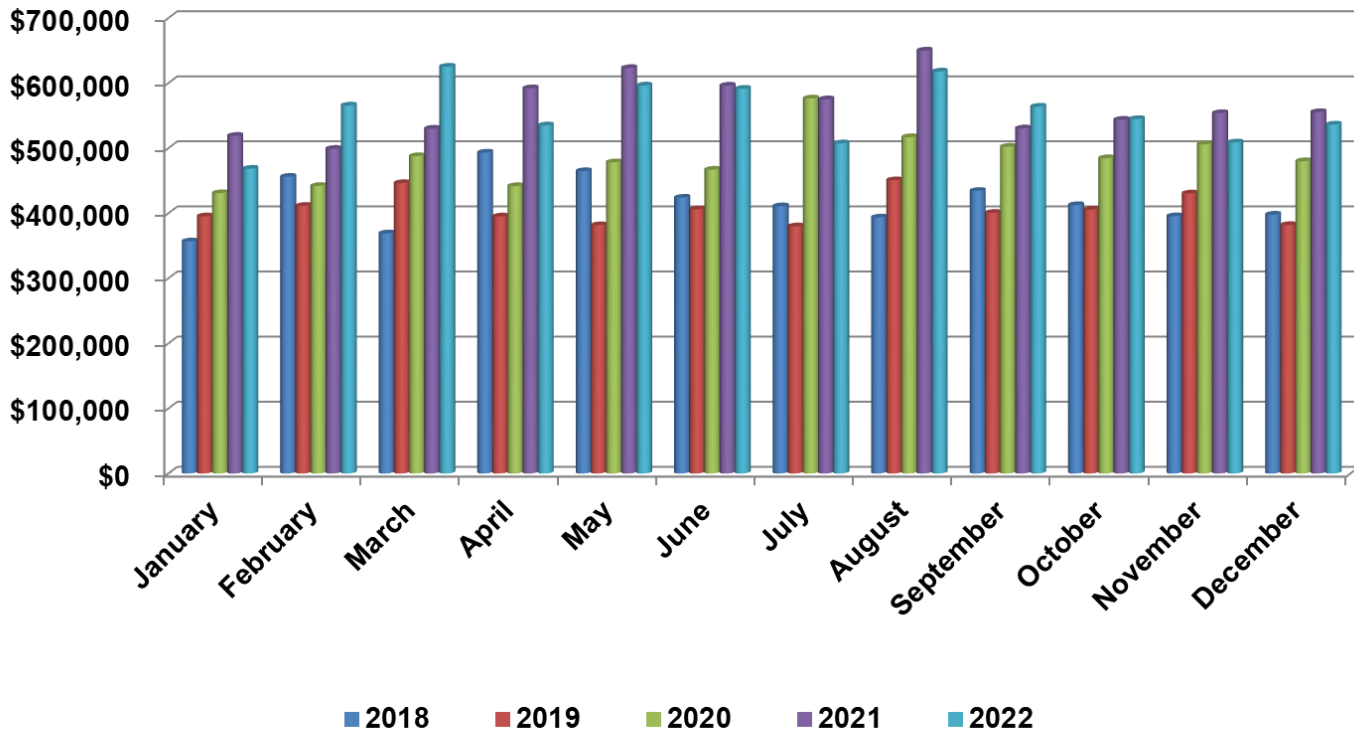
# Placerville's Historical Unemployment Rates



# Residential Real Estate Sales in the Greater Placerville Area



# Average Price of Residential Real Estate Sales in the Greater Placerville Area



# Recreation Program Attendance

<b>Program</b>	<b>July to Dec. 2021</b>	<b>July to Dec. 2022</b>	<b>Increase/ -Decrease</b>
<b><i>Gold Bug Park</i></b>			
Gold Bug Daily Tours	5,162	14,036	8,874
Gold Bug Group Tours	0	10	10
<b>Total</b>	<b>5,162</b>	<b>14,046</b>	<b>8,884</b>
<b><i>Aquatics</i></b>			
Lap Swim	490	231	-259
Wading Pool	192	300	108
Public Swim	4,211	5,431	1,220
Water Exercise	0	0	0
Swim Lessons	360	531	171
Jr. Lifeguard Camp	0	0	0
Pool Rentals	5	4	-1
<b>Total</b>	<b>5,258</b>	<b>6,497</b>	<b>1,239</b>
<b><i>Special Interest Classes &amp; Camps</i></b>			
Youth Camps	62	16	-46
Adult Special Interest	106	58	-48
Youth Special Interest	23	55	32
<b>Total</b>	<b>191</b>	<b>129</b>	<b>-62</b>

# Recreation Program Attendance (Cont.)

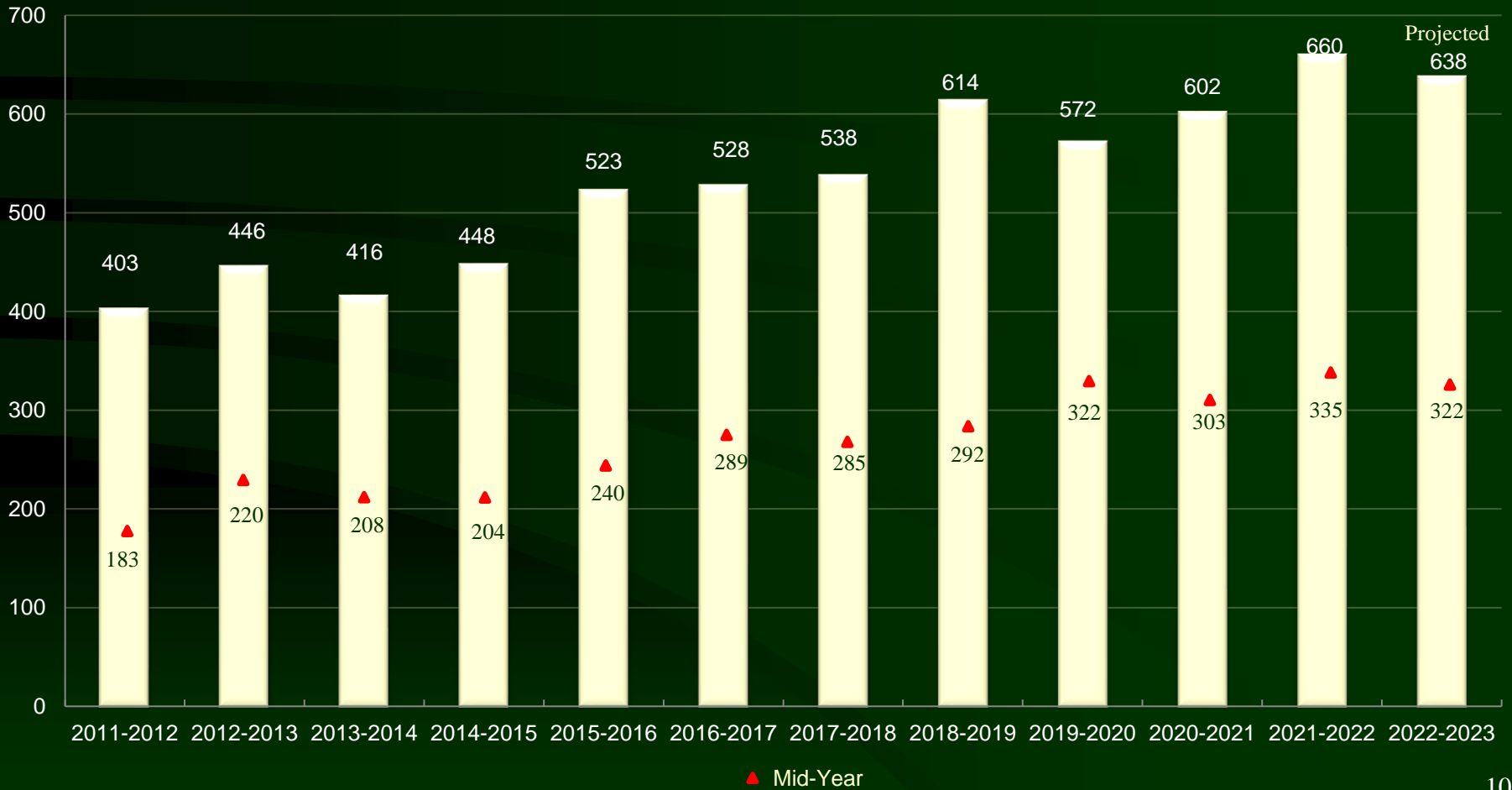
Program	July to Dec. 2021	July to Dec. 2022	Increase/ -Decrease
<b><i>Adult Sports</i></b>			
Basketball Teams (3 on 3)	0	0	0
Basketball Teams (5 on 5)	0	0	0
Softball Teams	73	84	11
Volleyball Teams	0	0	0
<b>Total</b>	<b>73</b>	<b>84</b>	<b>11</b>
<b><i>Youth Basketball<sup>^</sup></i></b>			
Basketball Teams	0	586	586
<b>Total</b>	<b>0</b>	<b>586</b>	<b>586</b>
<b><i>Banner Over Main</i></b>			
Banner Reservations	9	19	10
<b>Total</b>	<b>9</b>	<b>19</b>	<b>10</b>
<sup>^</sup> Youth Basketball season runs from mid-January through mid-March each year.			

# Building Division Activity

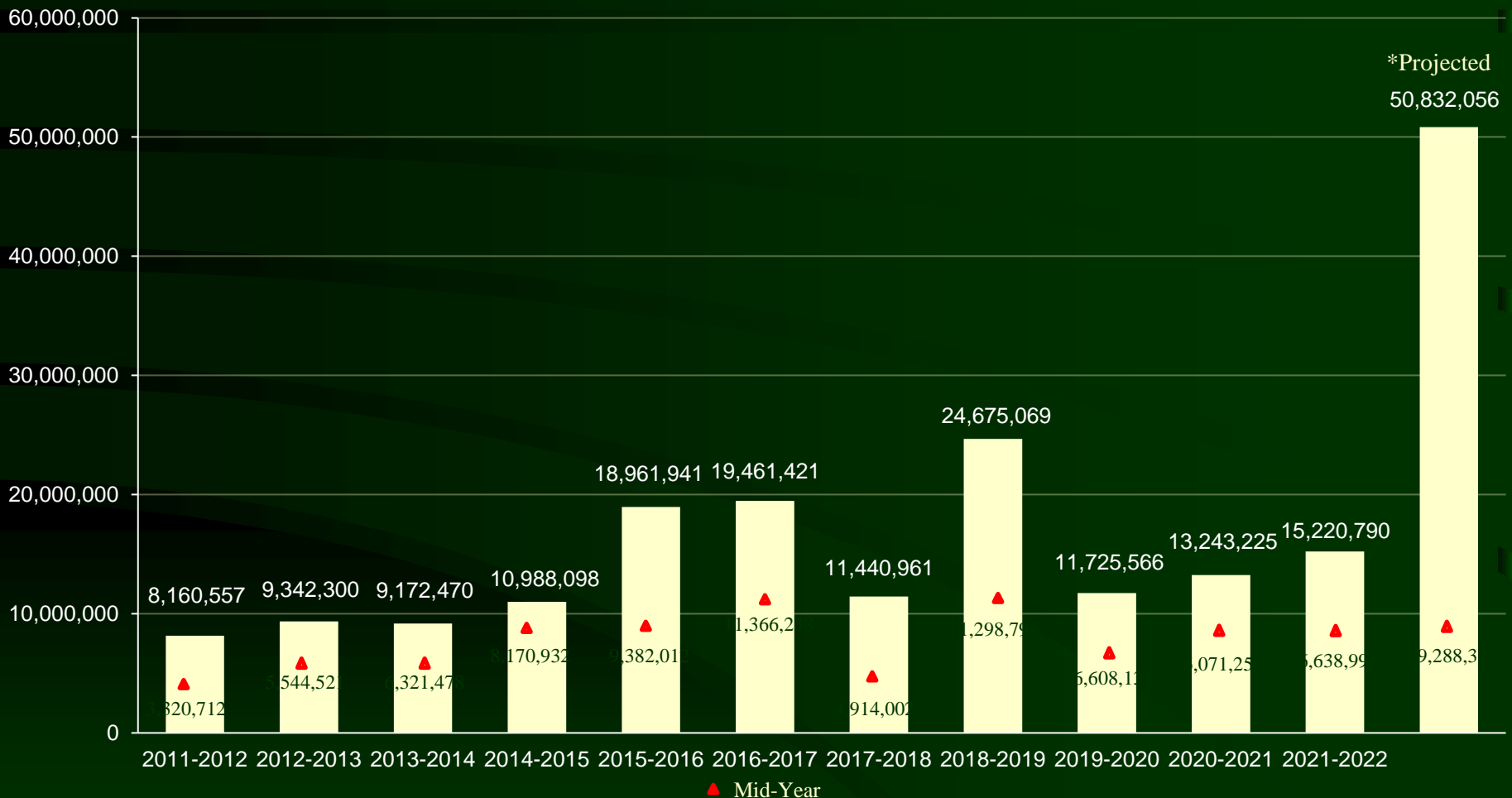
Fee	Actual 2014/2015	Actual 2015/2016	Actual 2016/1017	Actual 2017/2018	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Actual 2021/2022	Mid Year 2022	Forecasted 2022/2023
Construction Permits	\$114,590	\$194,881	\$205,804	\$134,518	\$231,967	\$141,076	\$176,407	\$194,191	\$103,835	\$558,531*
Plan Check Fees	\$39,883	\$56,503	\$66,387	\$88,517	\$84,676	\$53,309	\$80,929	\$79,807	\$88,426	\$221,847*

*\*Construction Permits and Plan Check fee projections include Mallard and Middletown Apartments.*

# Issued Building Permits

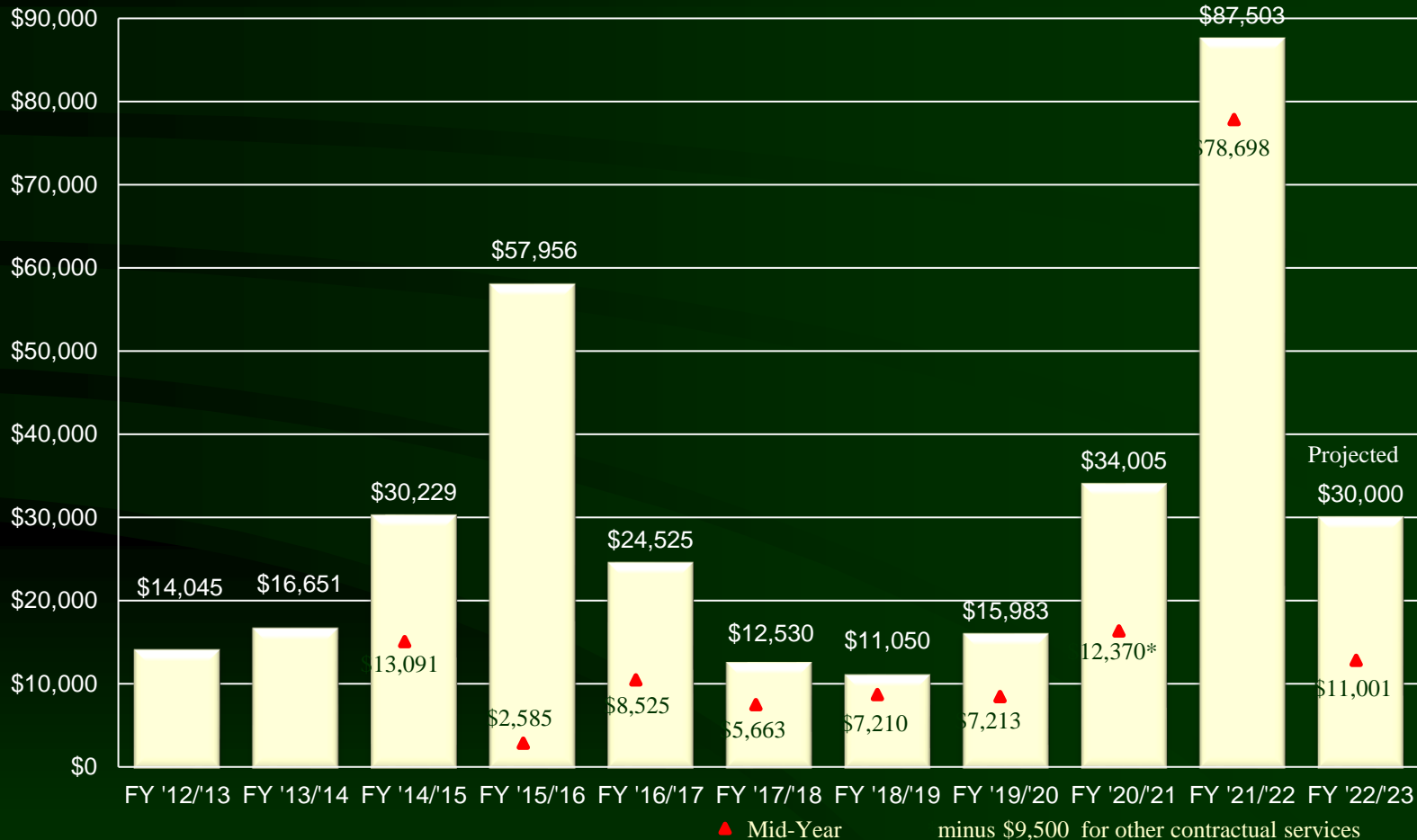


# Building Valuations



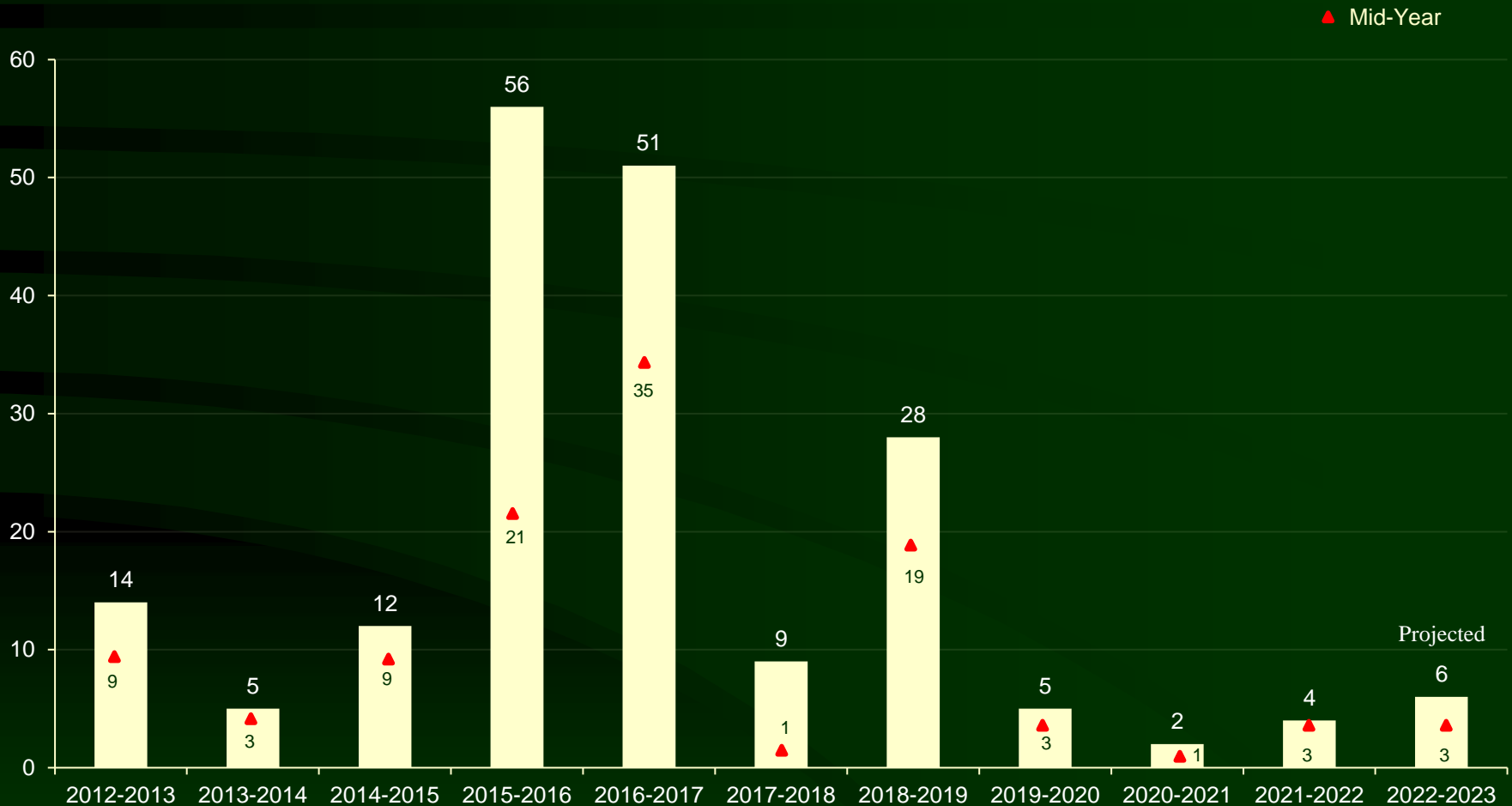
\*Valuation projection includes Mallard and Middletown Apartments, totaling more than \$32 million.

# Planning & Zoning Revenue



\*2021/2022 – The hotel accounted for \$75,838 of total fees collected that year.

# Single Family Dwellings

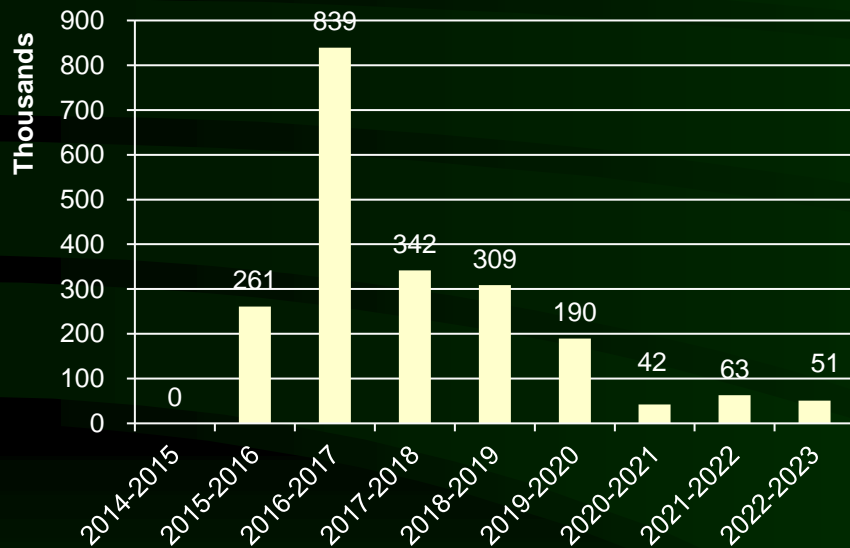


\*2015-2017 – Eskaton development includes 66 units.

\*2018/2019 – Winesap development.

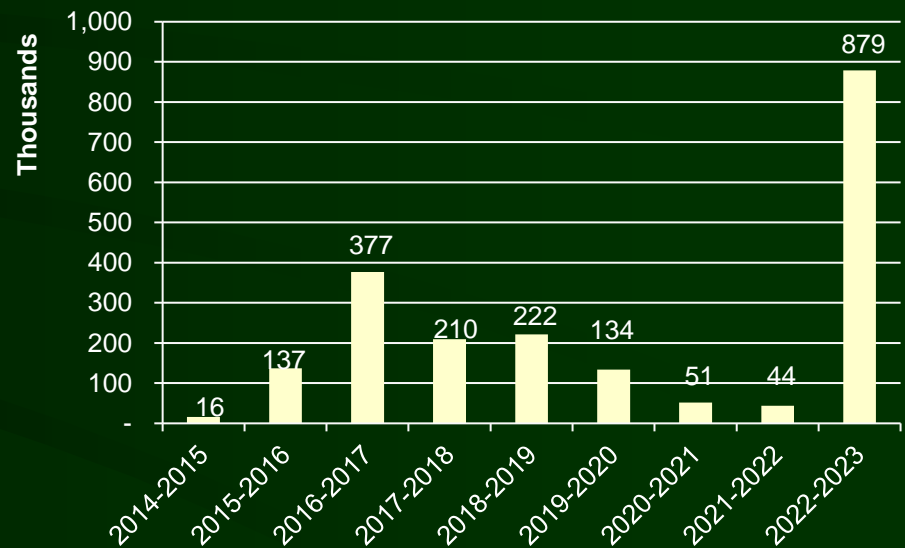
# Impact Fees

## WATER CIC



Water CIC (2022-2023) – Mid-Year \$44,049

## SEWER CIC



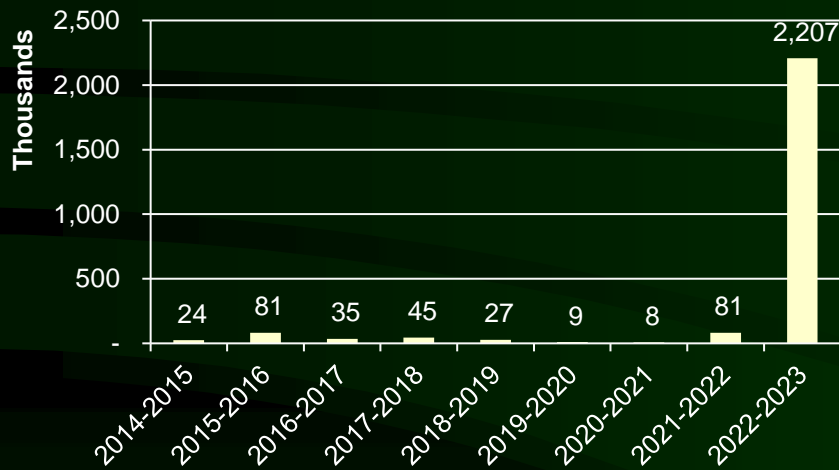
Sewer CIC (2022-2023) – Mid-Year \$11,850

\*Deferred fee payments are collected at time of Certificate of Occupancy, not at permit issuance.

\*2022-2023 Projections include Mallard and Middletown apartments.

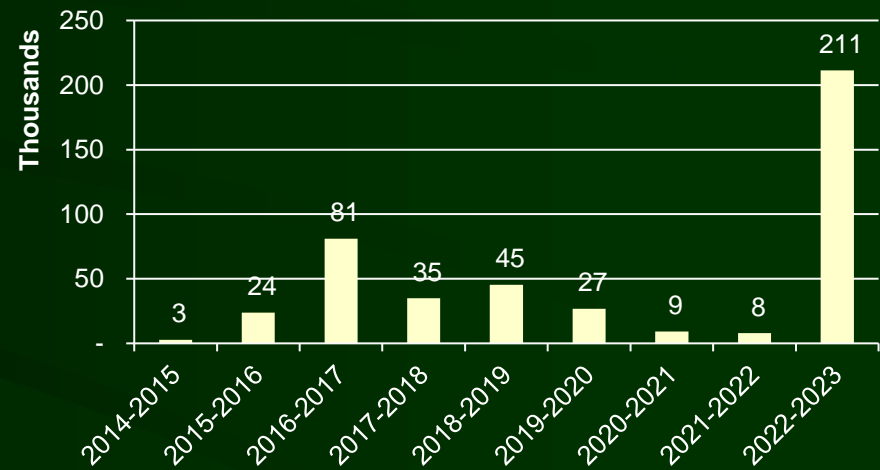
# Impact Fees (Continued)

## TRAFFIC



Traffic (2022-2023) – Mid-Year \$56,548

## PARK

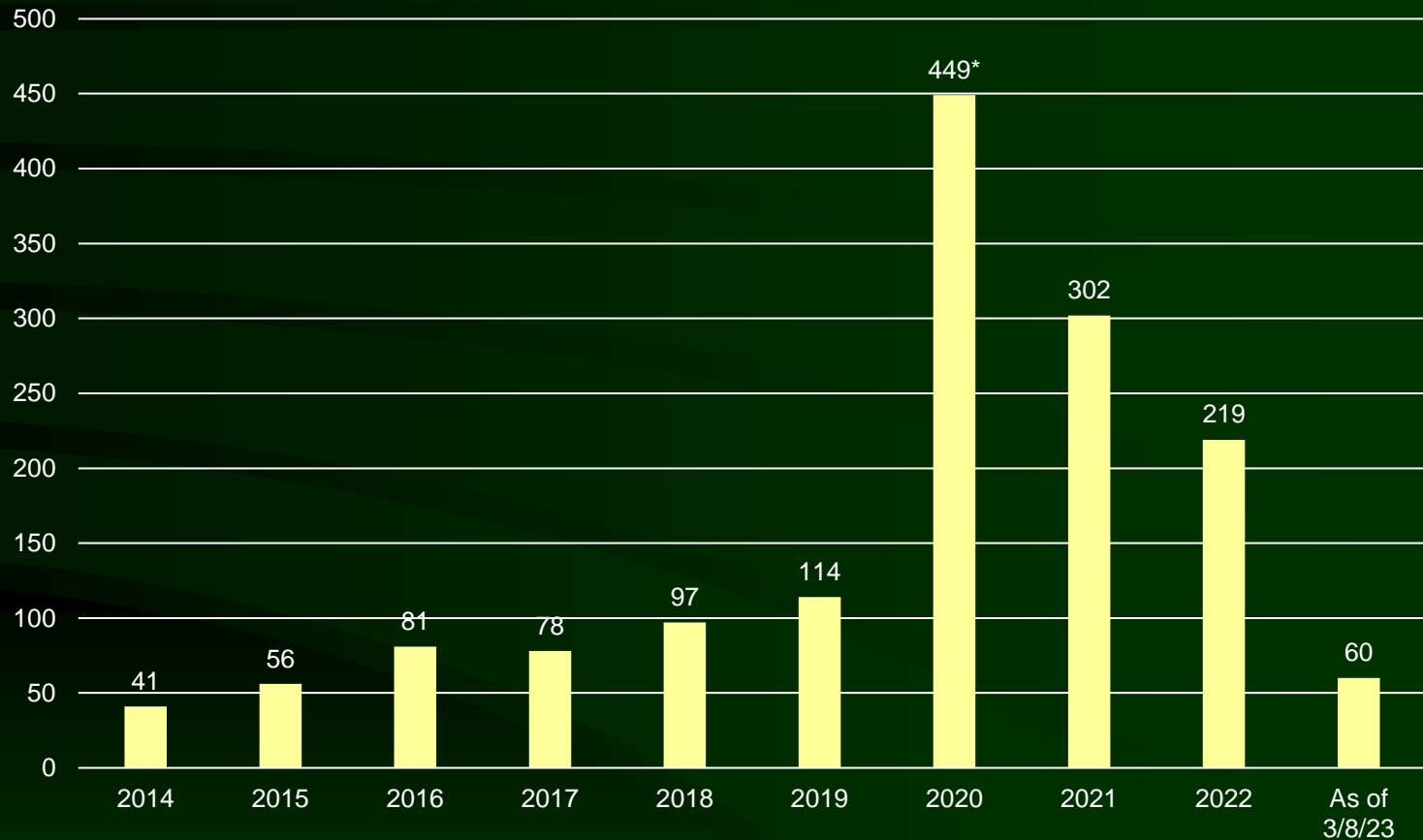


Park (2022-2023) – Mid-Year \$4,097

\*Deferred fee payments are collected at time of Certificate of Occupancy, not at permit issuance.

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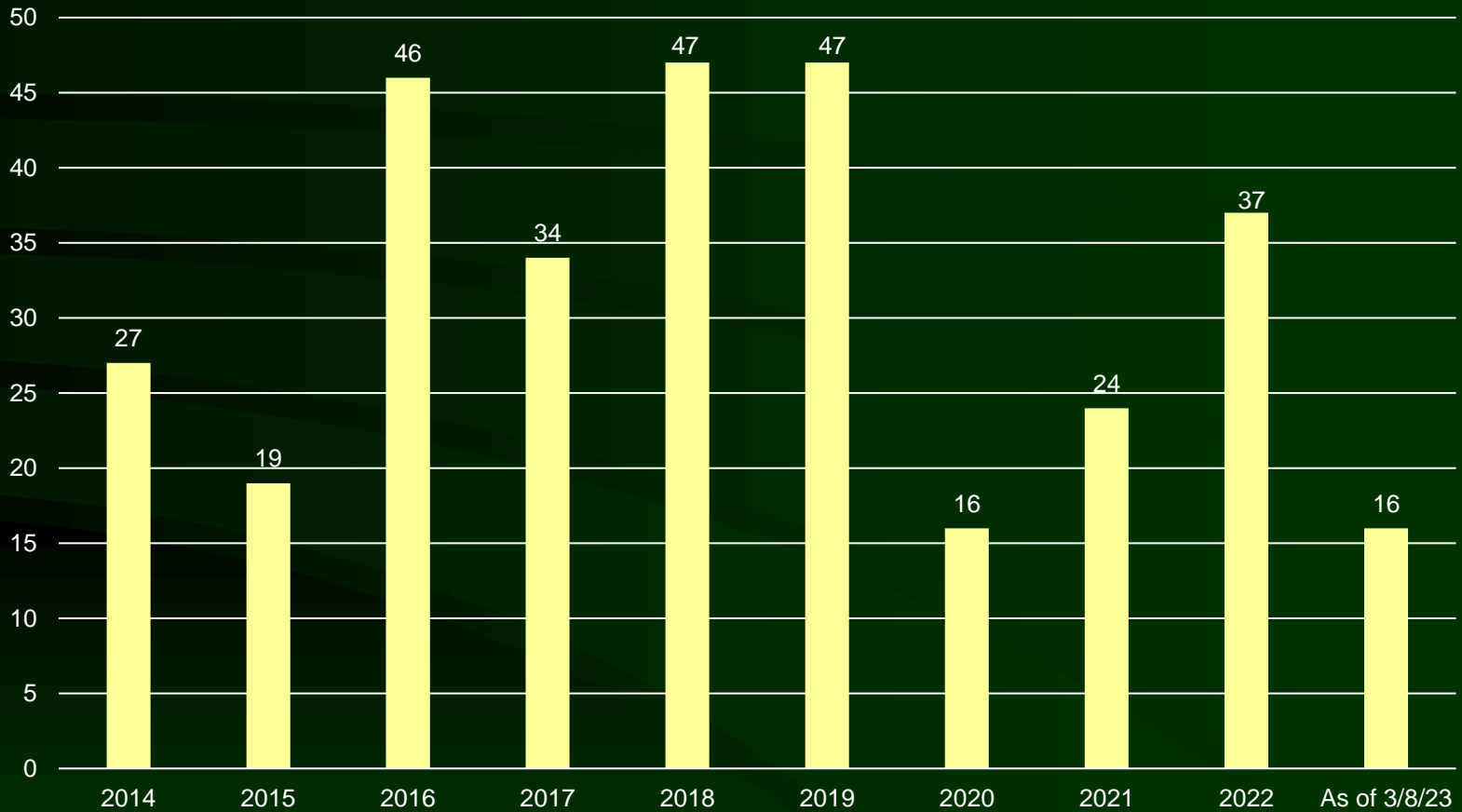
# Encroachment Permit Fees



\*2020 Permits include on-street dining permits during COVID 19 Pandemic.

Mid-year encroachment fees taken in: \$32,550

# Transportation Permit Fees

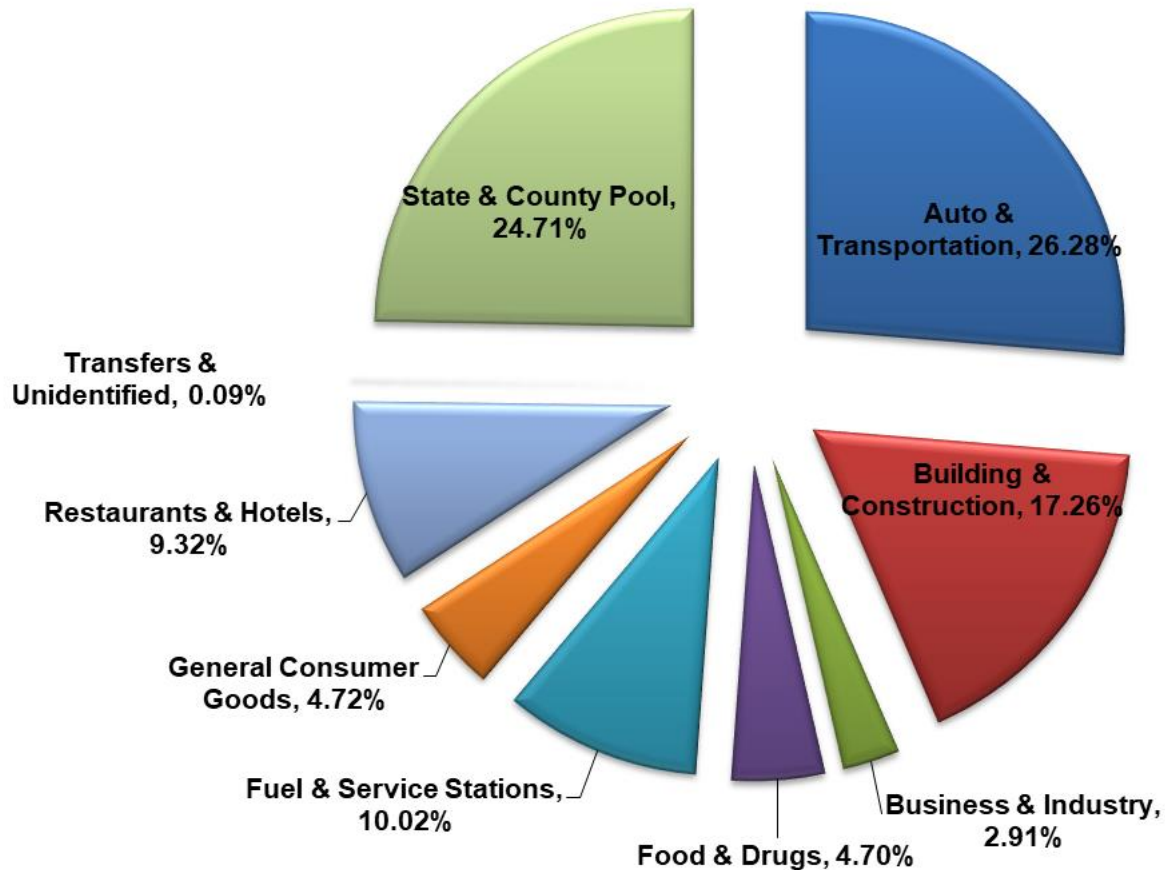


Mid-year Transportation Fees taken in: \$1,472.00

# Bradley Burns Sales Tax

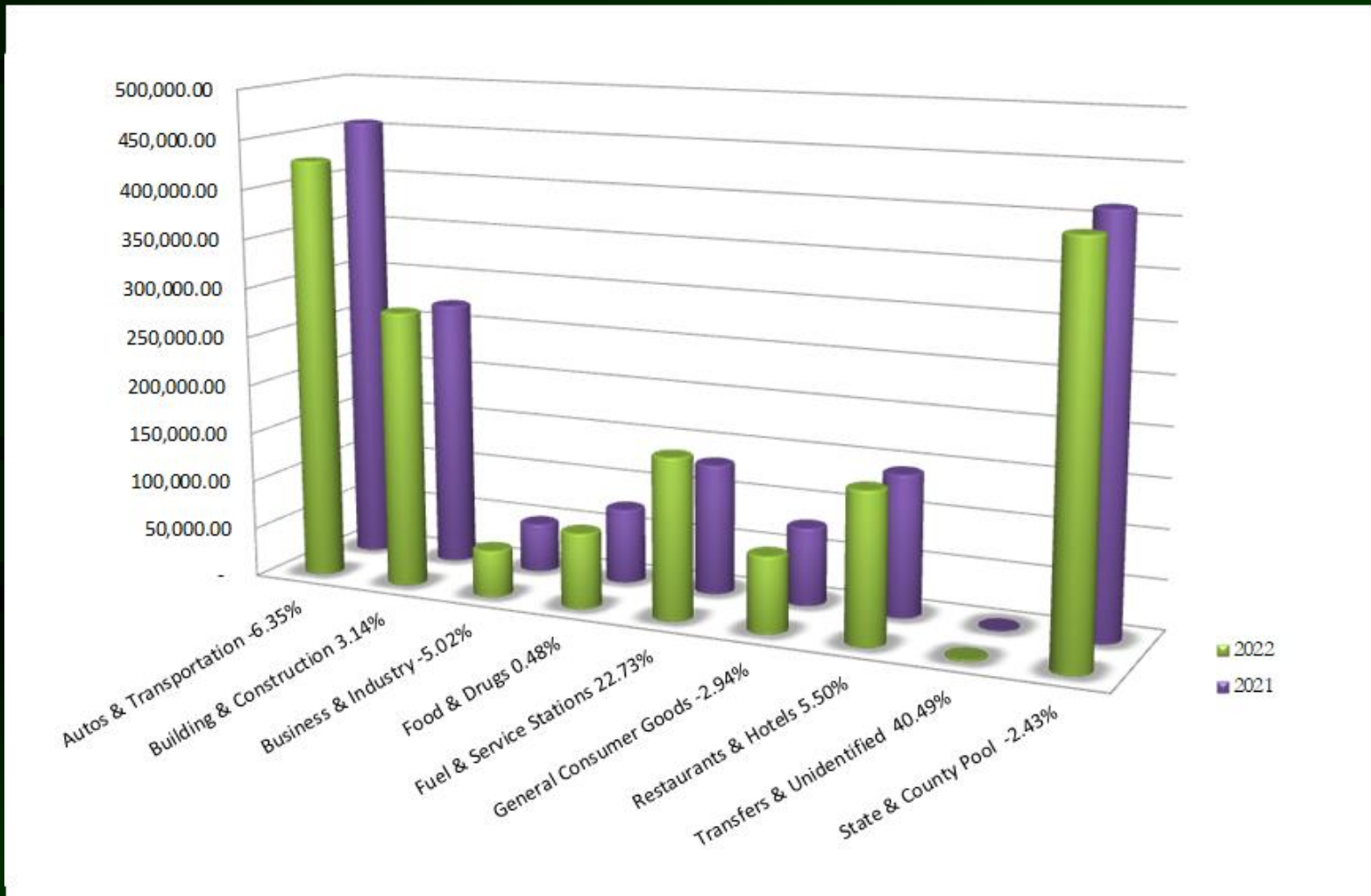
- 1.00 of 8.25%
- Most significant local economic indicator
- 60.18% of total General Fund revenue
- Strong per capita sales tax (\$605 in 2021)
- Placerville ranked #32 out of 539 agencies (2021)
- Quarter ended September 2022-Decreased by \$5,826 or 0.3% in Placerville (Cash)
- 0.2% or \$3,618 increase excluding adjustments
- Statewide, 3<sup>rd</sup> quarter receipts up by 8.0%

# Bradley Burns Sales Tax Sources Quarter Ended 09/30/22



Allocation aberrations have been adjusted to reflect sales activity.

# Year Over Year Bradley Burns Sales Tax Comparison Quarter Ended September 30th



Allocation aberrations have been adjusted to reflect sales activity.

# Top 25 Sales Tax Producers Quarter Ended September 30, 2022

Big 5 Sporting Goods

Bricks Restaurant

C&H Motor Parts

Chuck's Cannabis Collective

Diamond Pacific

Ferguson Enterprises

Home Depot

In N Out Burger

Kwik Serv

Les Schwab Tire Center

Marathon

McDonalds

Placerville Valero

Raley's

Rancho Convenience Center

Rite Aid

Save Mart

Shell

Sierra Nevada Tire & Wheel

Thompson's Buick & GMC

Thompson's Chrysler, Dodge, Jeep,

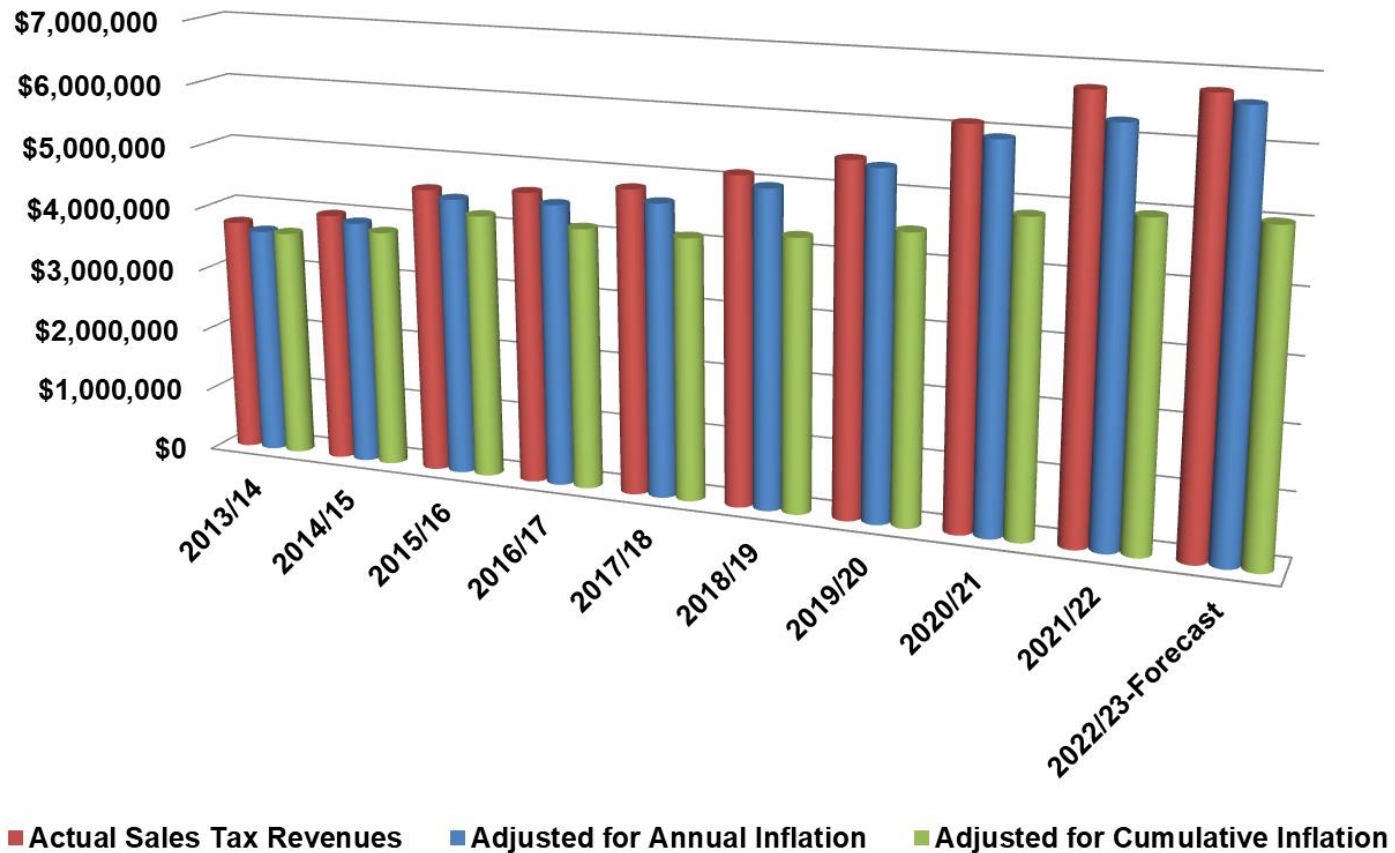
Thompson's Toyota

Tractor Supply

W N Hunt & Sons Distributors

Western Refining Retail

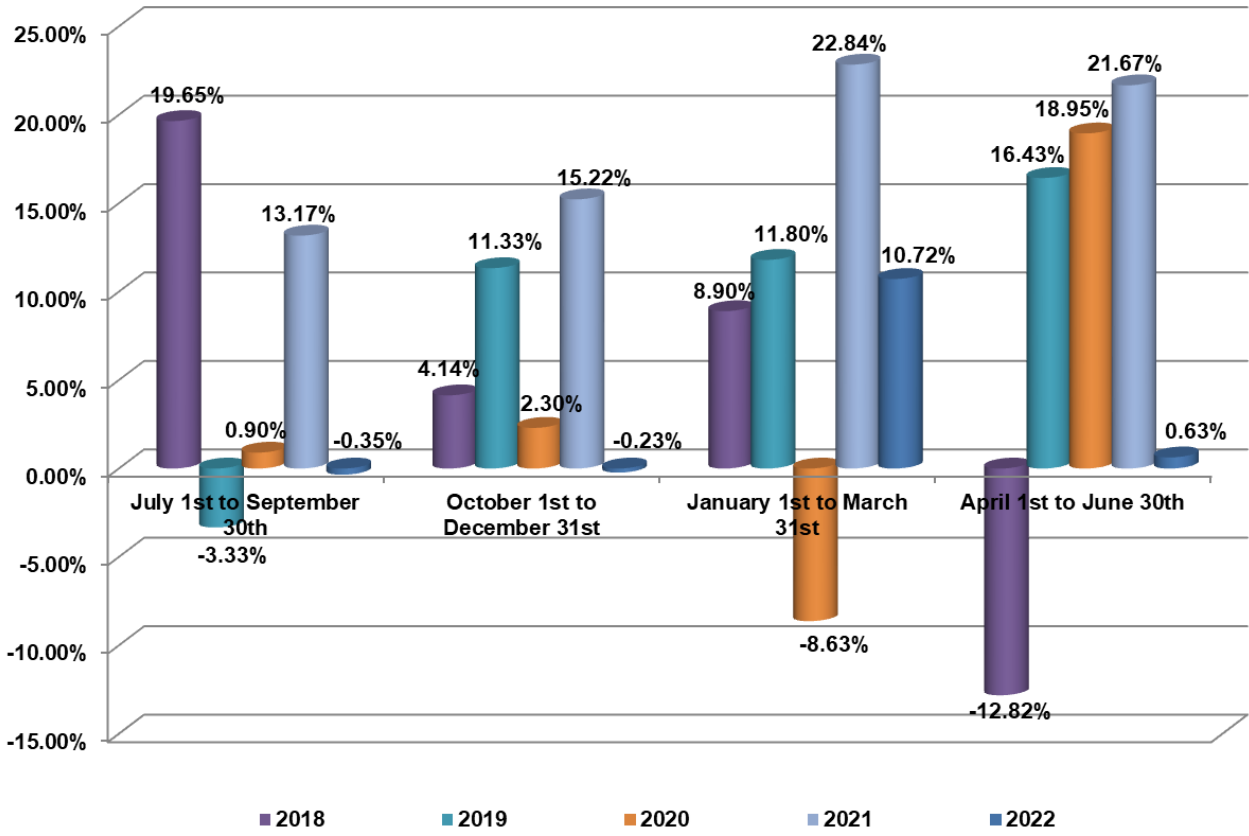
# Bradley Burns Sales Tax Growth



# Bradley Burns Sales Tax Growth (Cont.)

- Actual Fiscal Year 2021/2022 sales tax \$6,699,052
- Forecasted Fiscal Year 2022/2023 sales tax \$6,757,372
- Forecast \$58,320 or 0.87% in year over year increase

# Bradley Burns Sales Tax Trend



# Adopted Operating Budget

- Adopted budget in June 2022
- Totaled \$23,422,665
- General Fund budget
  - \$10,986,836 and balanced
  - Restoration of pre-Pandemic service levels
  - \$75,000 Contingency for unforeseen expenditures



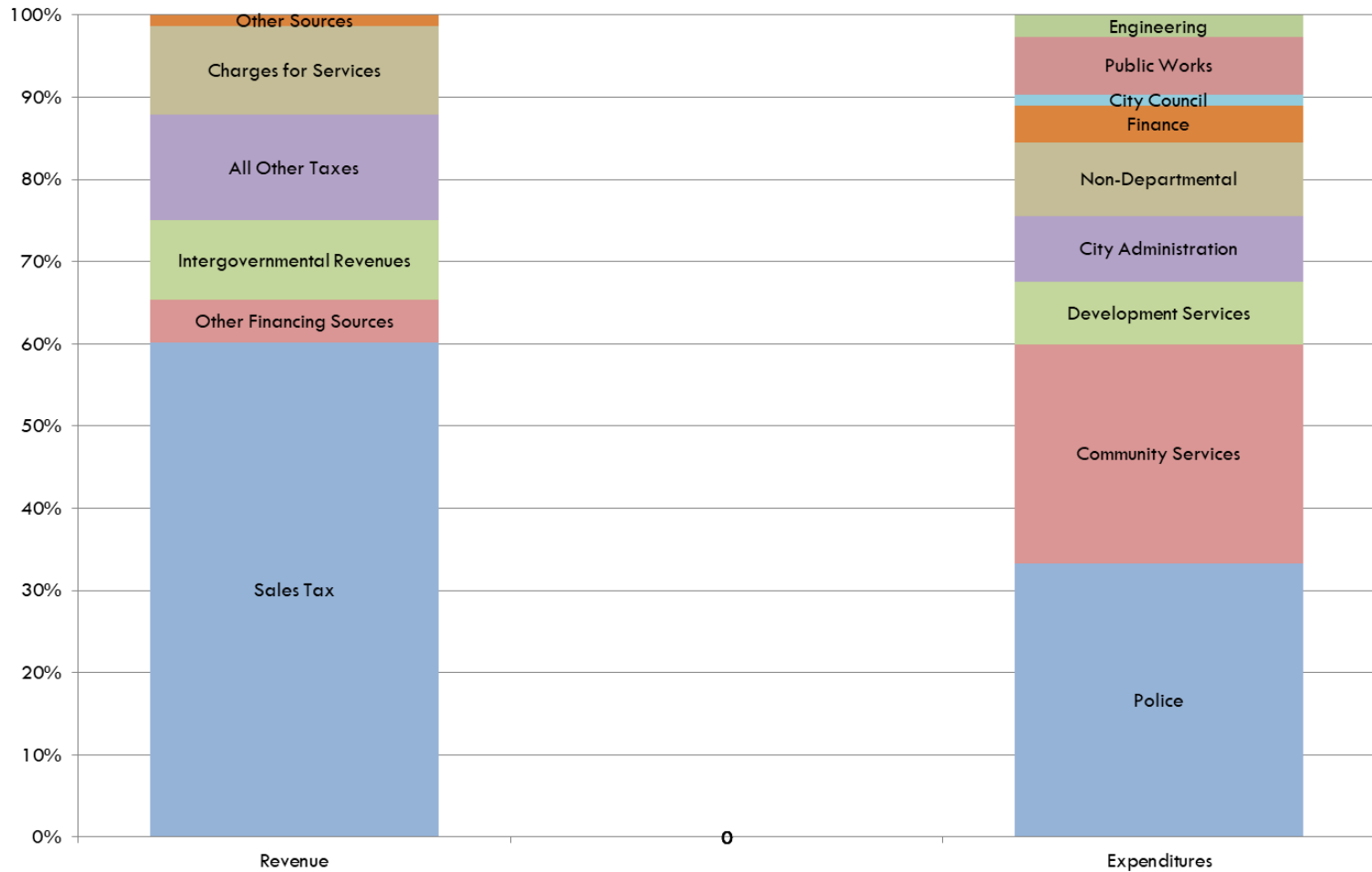
# General Fund Budget Revisions

- \$10,000 Decorative park trash receptacles
- \$5,037 Administrative Assistant position
- \$2,270 Town Hall Emergency Operations Center project (CIP #42242)
- \$4,174 Building Official position
- \$18,313 IRC 457 pre-retirement catch-up policy
- \$87,404 City Hall Backup Generator Installation project (CIP #42341)

# General Fund Budget (Cont.)



# General Fund Budget



# General Fund Budget

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/Over Budget</u>	
Revenues	\$ 11,007,857	\$ 12,149,753	\$1,141,896	10.37%
Expenditures	10,854,038	10,687,664	166,374	1.53%
Net Transfers In/(out)	(259,996)	(259,996)	-	0.00%
<b>expenditures before adjustments</b>	<b><u>(106,177)</u></b>	<b><u>1,202,093</u></b>		
<b>From/(to) Fund Balance</b>	<b><u>\$ 106,177</u></b>	<b><u>\$ (1,202,093)</u></b>		

# General Fund Revenues

Revenue Type	Revised Budget	Forecast	Under/Over Budget	
Sales Tax	\$ 6,624,642	\$ 6,757,372	\$ 132,730	2.00%
All Other Taxes	1,402,644	1,568,619	165,975	11.83%
Construction Permits	141,000	558,531	417,531	296.12%
Intergovernmental Revenues	1,075,336	1,131,895	56,559	5.26%
Charges for Service	1,047,382	1,363,476	316,094	30.18%
Fines & Forfeitures	85,000	67,594	(17,406)	-20.48%
Use of Money & Property	64,362	134,775	70,413	109.40%
Other Financing Sources	567,491	567,491	-	0.00%
<b>Total revenues</b>	<b>\$11,007,857</b>	<b>\$12,149,753</b>	<b>\$1,141,896</b>	<b>10.37%</b>

# General Fund Expenditures

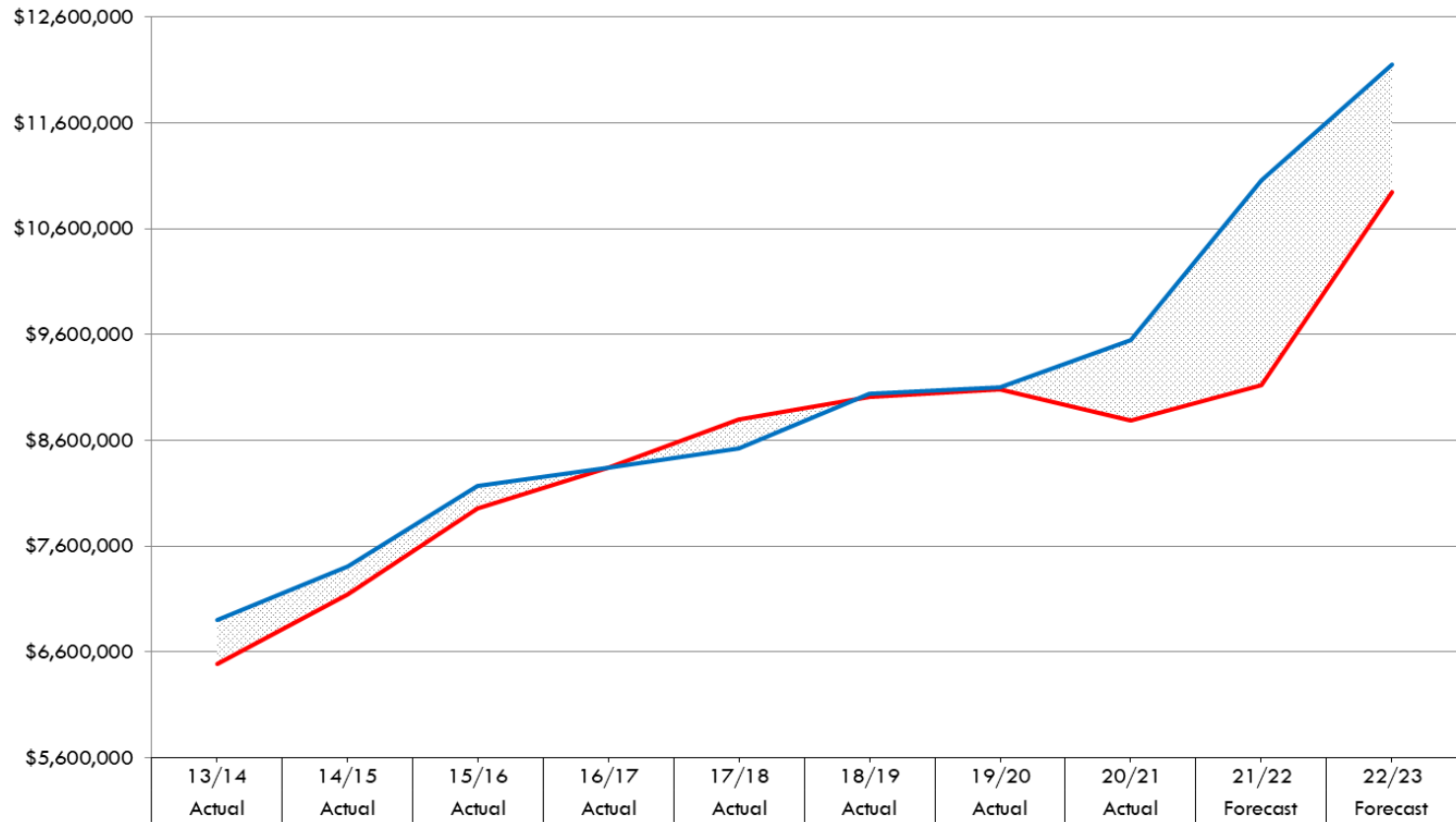
Department	Revised Budget	Forecast	Under/Over Budget	
Police	\$ 3,704,987	\$ 3,638,252	\$ 66,735	1.80%
Development Services	850,223	820,054	30,169	3.55%
Engineering	296,190	284,406	11,784	3.98%
Community Services	2,954,597	2,937,983	16,614	0.56%
Public Works	775,843	726,192	49,651	6.40%
City Council	151,070	138,607	12,463	8.25%
City Administration	889,202	837,097	52,105	5.86%
Finance	495,978	486,163	9,815	1.98%
Non-Departmental	995,944	1,078,906	(82,962)	-8.33%
<b>Total expenditures</b>	<b>\$11,114,034</b>	<b>\$10,947,660</b>	<b>\$166,374</b>	<b>1.50%</b>

# General Fund Budget

- Assumes pay-as-you go costs for GASB 75 Other Post Employment Benefits (OPEB)
  - No contribution for future retiree medical insurance costs
- Assumes expending entire \$75,000 contingency
- \$1,202,093 Forecasted surplus primarily due to \$755,431 in additional development fees and \$298,705 in additional taxes franchise fees

# General Fund Budget (Cont.)

## Revenues vs. Expenditures



# Water Enterprise Fund

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/Over Budget</u>	
Revenues	\$ 2,504,232	\$ 2,494,247	\$ (9,985)	-0.40%
Expenditures	2,300,270	2,225,318	74,952	3.26%
Net Transfers Out	<u>(203,962)</u>	<u>(203,962)</u>	-	0.00%
<b>Revenues over (under) Expenditures</b>	<b><u><u>\$ -</u></u></b>	<b><u><u>\$ 64,967</u></u></b>		
<b>Water project set aside</b>	<b><u><u>\$ -</u></u></b>	<b><u><u>\$ 64,967</u></u></b>		

# Sewer Enterprise Fund

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/Over Budget</u>	
Revenues	\$ 7,106,456	\$ 8,099,832	\$ 993,376	13.98%
Expenditures	7,469,156	7,233,012	236,144	3.16%
Net Transfers In	1,231,225	1,231,225	-	0.00%
<b>Revenues over (under) expenditures before adjustments</b>	<b><u>\$ 868,525</u></b>	<b><u>\$ 2,098,045</u></b>		
<b>Sewer project set aside</b>	<b><u>\$ 868,525</u></b>	<b><u>\$ 2,098,045</u></b>		

# Non-Major Funds

Fund	Fiscal Year	Revenues	Expenditures	Under/(Over) Budget
Measure L Fund	Budget	\$ 2,880,376	\$ -	\$ 2,880,376
	Forecast	2,936,703	-	2,936,703
Measure H Fund	Budget	1,440,188	1,435,188	5,000
	Forecast	1,468,352	1,435,188	33,164
Measure J Fund	Budget	1,435,188	1,496,781	(61,593)
	Forecast	1,463,351	1,491,724	(28,373)
Gas Tax Fund	Budget	592,386	342,298	250,088
	Forecast	540,822	304,450	236,372
Downtown Parking District Fund	Budget	309,802	236,270	73,532
	Forecast	283,691	239,063	44,628
ABC APPP Grant Fund	Budget	32,100	32,100	-
	Forecast	32,100	32,100	-
SRO Fund	Budget	102,356	102,356	-
	Forecast	38,270	38,270	-
SLESF COPS Fund	Budget	123,649	123,649	-
	Forecast	123,649	123,649	-
OTS STEP Grant Fund	Budget	50,000	50,000	-
	Forecast	50,000	50,000	-
American Rescue Plan Act Fund	Budget	-	68,738	(68,738)
	Forecast	-	68,738	(68,738)

# Non-Major Funds (Continued)

Fund	Fiscal Year	Revenues	Expenditures	Under/(Over) Budget
General CIP Fund	Budget	-	(184,067)	184,067
	Forecast	500	(184,067)	184,567
Orchard Hill LLMD Fund	Budget	20,215	20,215	-
	Forecast	20,215	20,510	(295)
Cottonwood Park LLMD Fund	Budget	14,302	14,302	-
	Forecast	14,302	15,486	(1,184)
Ridge at Orchard Hill BAD Funds	Budget	46,331	46,331	-
	Forecast	46,331	25,280	21,051
General Liability Fund	Budget	100	-	100
	Forecast	100	-	100
Reserve for Economic Uncertainties Fund	Budget	5	(8,395)	8,400
	Forecast	5	(8,395)	8,400

# Total Operating Budget

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/Over Budget</u>	
Revenues	\$ 27,665,543	\$ 29,762,223	\$ 2,096,680	7.58%
Expenditures	23,631,963	23,030,723	601,240	2.54%
Net Transfers Out	-	-	-	0.00%
<b>Revenues over (under) Expenditures</b>	<b><u><u>\$ 4,033,580</u></u></b>	<b><u><u>\$ 6,731,500</u></u></b>		

Before Capital Commitments

# Closing Comments

- Although the local economy shows signs of cooling, active development and CIP projects will help stimulate commerce over the next year
- City Council and management continue to operate the City in a prudent and responsible manner
- Anticipate year-end operating revenues to exceed operating expenditures for most funds
- Staff will provide another update to the City Council at its May 11th Budget Workshop

# Conclusion

- Questions?
- Comments?
- Thank you!



*A balanced budget is worth fighting for.*