



Operating and Capital Improvement Program Budget Proposals Fiscal Year 2024/2025

City of Placerville, California

June 11, 2024

Overview

- Sales Tax Trends
- General Fund Budget
- Other City Fund Budgets
- Capital Improvement Program (CIP) Budget

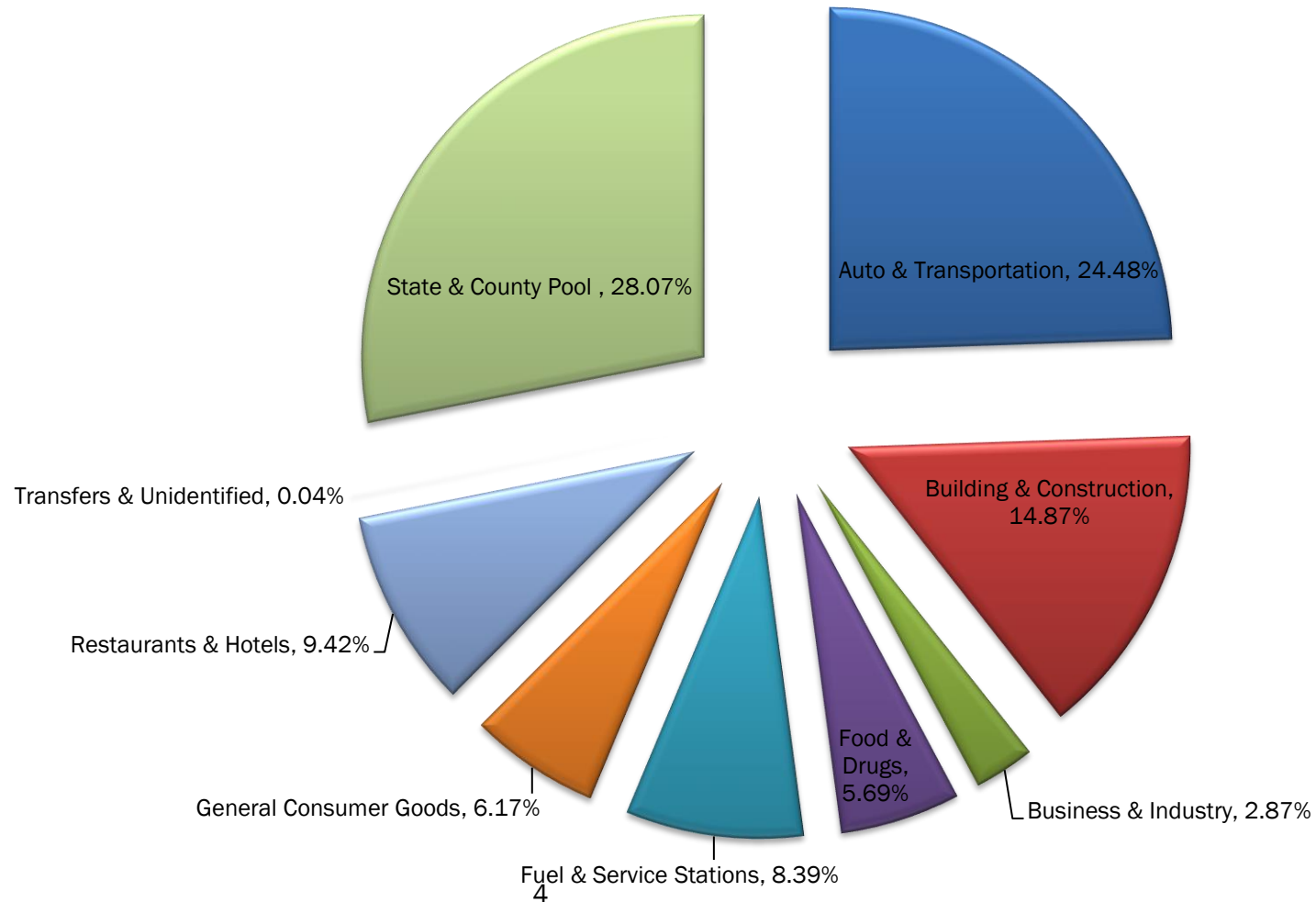


Sales Tax Trends

- Bradley Burns Sales Tax (1.00 of 8.25%)
 - Most significant local economic indicator
 - 57.35% of total General Fund revenue
 - Strong per capita sales tax (\$604 in 2023)
 - Placerville ranked #37 out of 539 agencies (2023)
 - Quarter ended December 2023-Receipts down by \$51,911 or 3.0% in Placerville (cash basis)
 - Quarter ended December 2023-Receipts down by \$52,353 or 3.0% in Placerville (without prior period adjustments)
 - Statewide, 4th quarter receipts down by 2.5%

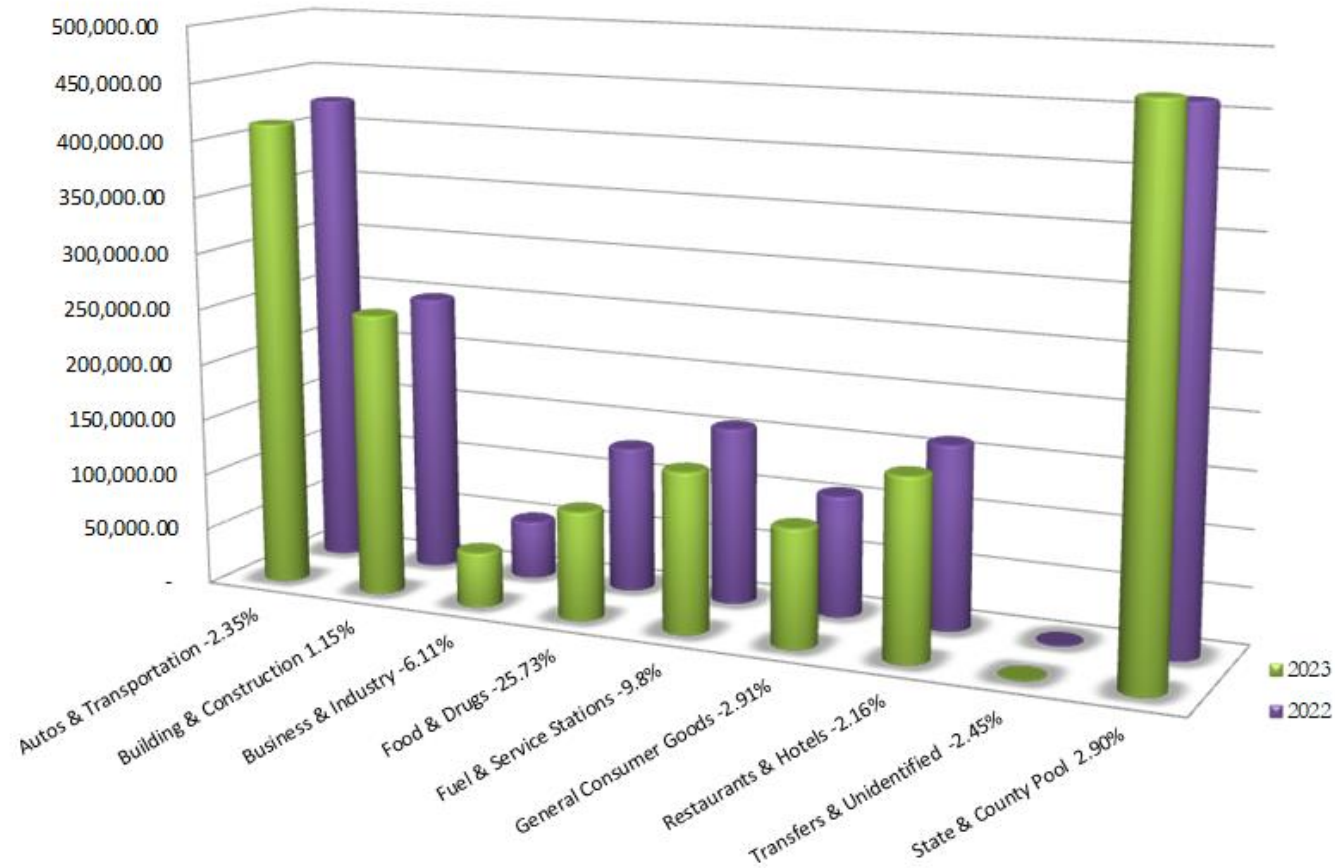
Sales Tax Trends (Continued)

Bradley Burns Sales Tax Sources Quarter Ended December 31, 2023

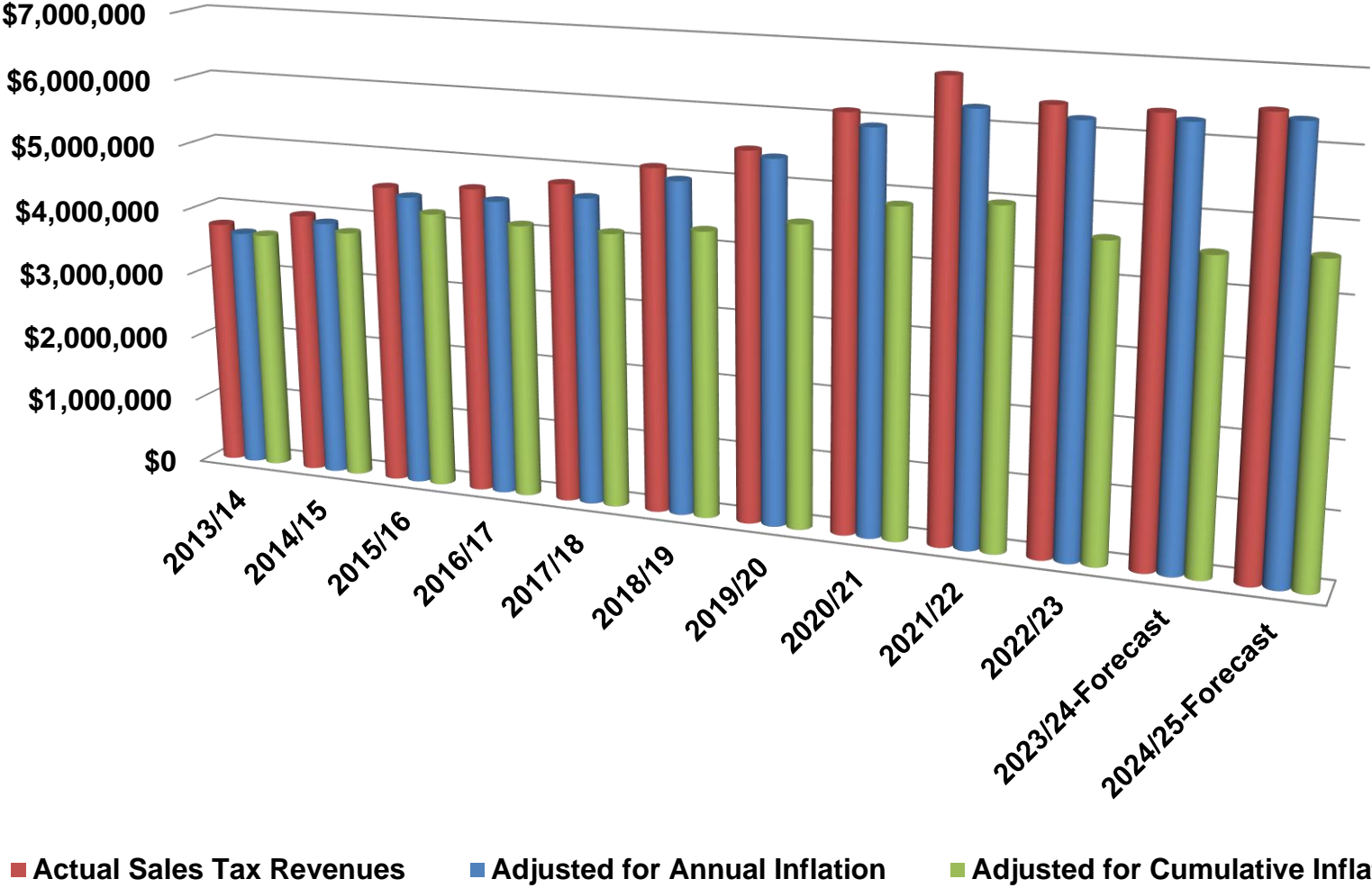


Sales Tax Trends (Continued)

Year Over Year Bradley Burns Sales Tax Comparison
Quarter Ended December 31st



Sales Tax Trends (Continued)



- Forecast Fiscal Year 2023/2024 sales tax to be \$6,372,567
- Forecast Fiscal Year 2024/2025 sales tax to be \$6,475,817

General Fund Budget

- Only true source of discretionary dollars
- Pays for most major City services including public safety, street maintenance, parks, and recreation
- Maintains existing program delivery to the greatest extent possible
- Includes foreseeable projected economic impacts
- 10% Estimated increase in medical insurance
- 25.3% Increase in worker's compensation insurance premium

General Fund Budget Assumptions

- 14.81% Increase in general liability insurance premium
- 20% Estimated increase in property insurance premium
- 16.50% Pension UAL employer contributions
- 17% Increase in electricity costs
- Existing employee commitments
- \$0 Contingency for unforeseen expenditures
- \$27,154 Conference, training, & travel net of P.O.S.T.
- \$19,000 Department Head Recruitment Costs
- \$4,356 Computer equipment

General Fund Budget Assumptions (Continued)

- \$0 for CIP projects
- \$0 Pre-payment of pension UAL
- Retiree medical insurance costs on the pay-as-you-go basis (no GASB 75 pre-funding included)
- Began with status quo budget with a \$1,060,283 or 9.45% deficit before adjustments
- Includes \$1,087,279 in Citywide adjustments
- Adjustments include 5 frozen positions

Frozen/Unfunded Positions

Position Title	Department	Total Cost	General Fund	Downtown Parking Fund	Sewer Enterprise Fund
Police Officer	Police Department	\$ 167,970	\$ 167,970	\$ -	\$ -
Development Technician	Development Services Department	121,059	121,059	-	-
Senior Civil Engineer^	Engineering Department	49,530	49,530	-	-
Maintenance Worker I	Community Services Department	102,857	65,921	23,503	13,433
Recreation Coordinator	Community Services Department	111,562	111,562	-	-
Total		\$ 552,978	\$ 516,042	\$ 23,503	\$ 13,433

^Cost for Senior Civil Engineer assumes \$160,927 in CIP related cost recovery.

Annual Debt Service

Issue	Principal Payment	Interest Payment	Total Payment	General Fund	Downtown Parking Fund	Water Enterprise Fund	Sewer Enterprise Fund
2006 SRF Loan	\$ 1,528,631	\$ -	\$ 1,528,631	\$ -	\$ -	\$ -	\$ 1,528,631
2019 CEC Loan	49,378	5,589	54,968	39,764	1,440	-	13,764
2015 Equipment Lease	62,090	1,378	63,468	37,725	-	11,646	14,096
2022 Wastewater Revenue Bonds	711,700	411,270	1,122,970	-	-	-	1,122,970
2023 Master Equipment Lease	62,336	28,731	91,067	54,185	-	18,441	18,441
Total	\$ 2,414,135	\$ 446,968	\$ 2,861,104	\$ 131,674	\$ 1,440	\$ 30,087	\$ 2,697,902

General Fund Transfers

	2023/2024 Revised Budget	2024/2025 Proposed Budget	\$ Increase/ (Decrease)	% Increase/ -Decrease
Gas Tax Fund to General Fund	\$ 336,951	\$ 325,862	\$ (11,089)	-3.29%
General CIP Fund to General Fund	78,132	78,522	390	0.50%
Cannabis Community Benefit Fund to General Fund	63,362	-	(63,362)	-
General Fund to Parking District Fund	(8,656)	(8,656)	-	0.00%
General Fund to Measure J Fund	(417,919)	(703,880)	(285,961)	68.42%
General Fund to General CIP Fund	(319,775)	-	319,775	-100.00%
General Fund to General Liability	(204,355)	(251,782)	(47,427)	23.21%
Net transfers out	<u><u>\$(472,260)</u></u>	<u><u>\$(559,934)</u></u>	<u><u>\$ (87,674)</u></u>	18.56%

General Fund Budget

	2023/2024 Revised Budget	2024/2025 Proposed Budget
Revenues	\$ 11,492,613	\$ 11,225,178
Operating Expenditures	12,181,144	11,725,527
Net transfers out	(472,260)	(559,934)
Total expenditures & net transfers out	<u>12,653,404</u>	<u>12,285,461</u>
Surplus/(deficit) before other budget requests	<u>(1,160,791)</u>	<u>(1,060,283)</u>
Other Budget Adjustments	-	(1,087,279)
ASL Requests	-	19,000
Computer Equipment	-	4,356
CIP Requests	-	-
Conference, Training, & Travel Requests	-	27,154
Subtotal other budget requests	<u>-</u>	<u>(1,036,769)</u>
Surplus/(deficit) after other budget requests	<u>\$ (1,160,791)</u>	<u>\$ (23,514)</u>
From/(To) Fund Balance	<u>1,160,791</u>	<u>23,514</u>
Surplus/(deficit) after other budget requests & reserves	<u>\$ -</u>	<u>\$ -</u>

General Fund Revenues by Source

	2023/2024 <u>Revised Budget</u>	2024/2025 <u>Proposed Budget</u>	\$ Increase/ (Decrease)	% Increase/ -Decrease
Sales Tax	\$ 6,685,984	\$ 6,475,817	\$ (210,167)	-3.14%
All Other Taxes	1,601,285	1,635,401	34,116	2.13%
Construction Permits	286,000	180,000	(106,000)	-37.06%
Intergovernmental Revenue	1,135,735	1,189,308	53,573	4.72%
Charges for Service	1,081,580	1,085,625	4,045	0.37%
Fines & Forfeitures	82,000	82,050	50	0.06%
Use of Money & Property	40,090	75,860	35,770	89.22%
Other Financing Sources	579,939	567,491	(12,448)	-2.15%
Total revenues	<u>\$11,492,613</u>	<u>\$ 11,291,552</u>	<u>\$ (201,061)</u>	<u>-1.75%</u>

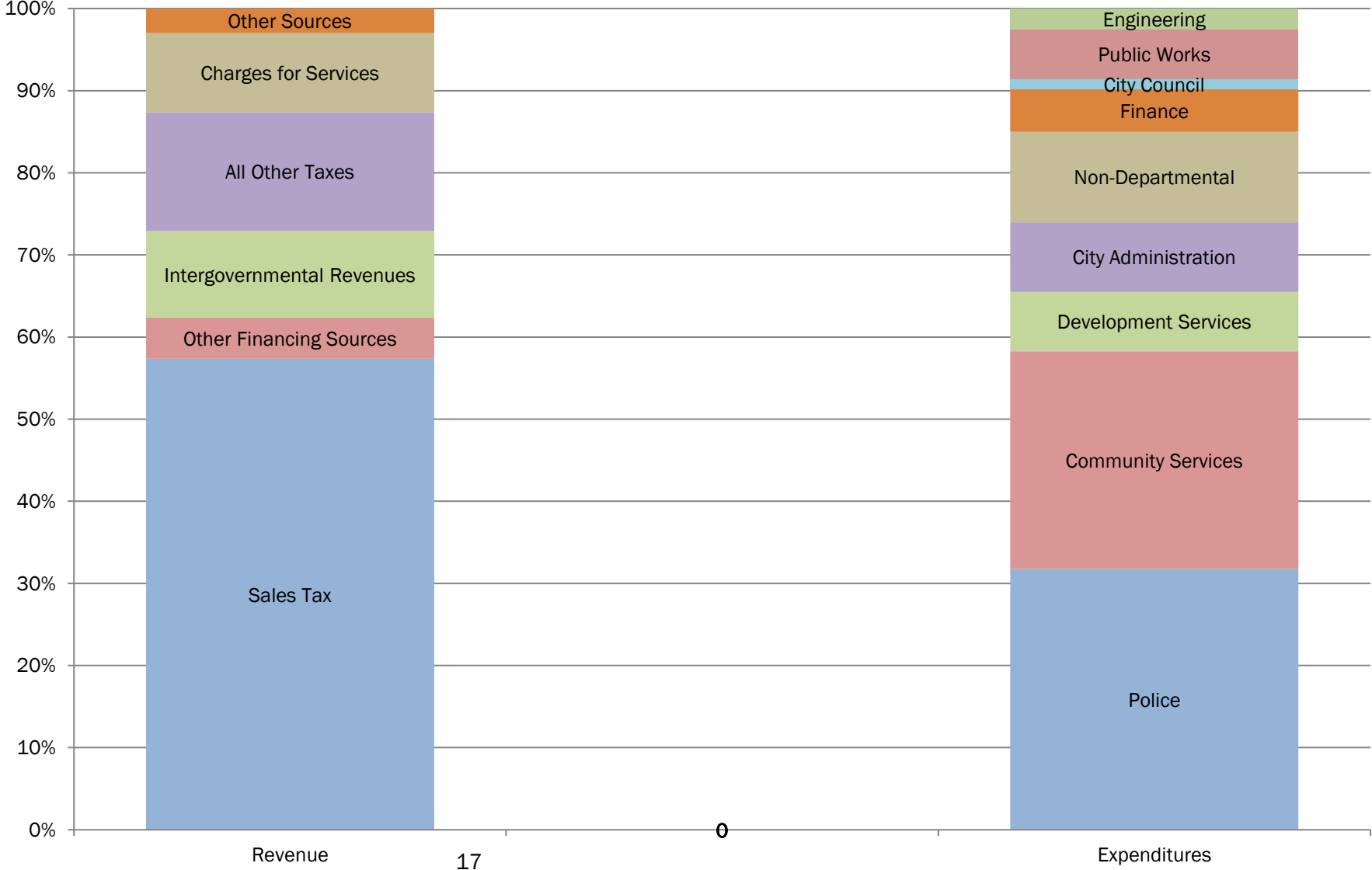
General Fund Expenditures & Net Transfers Out

	2023/2024 <u>Revised Budget</u>	2024/2025 <u>Proposed Budget</u>	\$ Increase/ <u>(Decrease)</u>	% Increase/ <u>-Decrease</u>
Police	\$ 4,021,308	\$ 3,593,835	\$ (427,473)	-10.63%
Development	876,598	819,587	(57,011)	-6.50%
Engineering	337,059	287,916	(49,143)	-14.58%
Community Services	3,185,696	2,998,555	(187,141)	-5.87%
Public Works	744,897	680,887	(64,010)	-8.59%
City Council	146,996	143,321	(3,675)	-2.50%
City Administration	932,452	959,933	27,481	2.95%
Finance	567,080	586,510	19,430	3.43%
Non-Departmental	1,841,318	1,244,522	(596,796)	-32.41%
Total	<u>\$ 12,653,404</u>	<u>\$ 11,315,066</u>	<u>\$(1,338,338)</u>	<u>-10.58%</u>

General Fund Expenditures & Net Transfers Out (Continued)

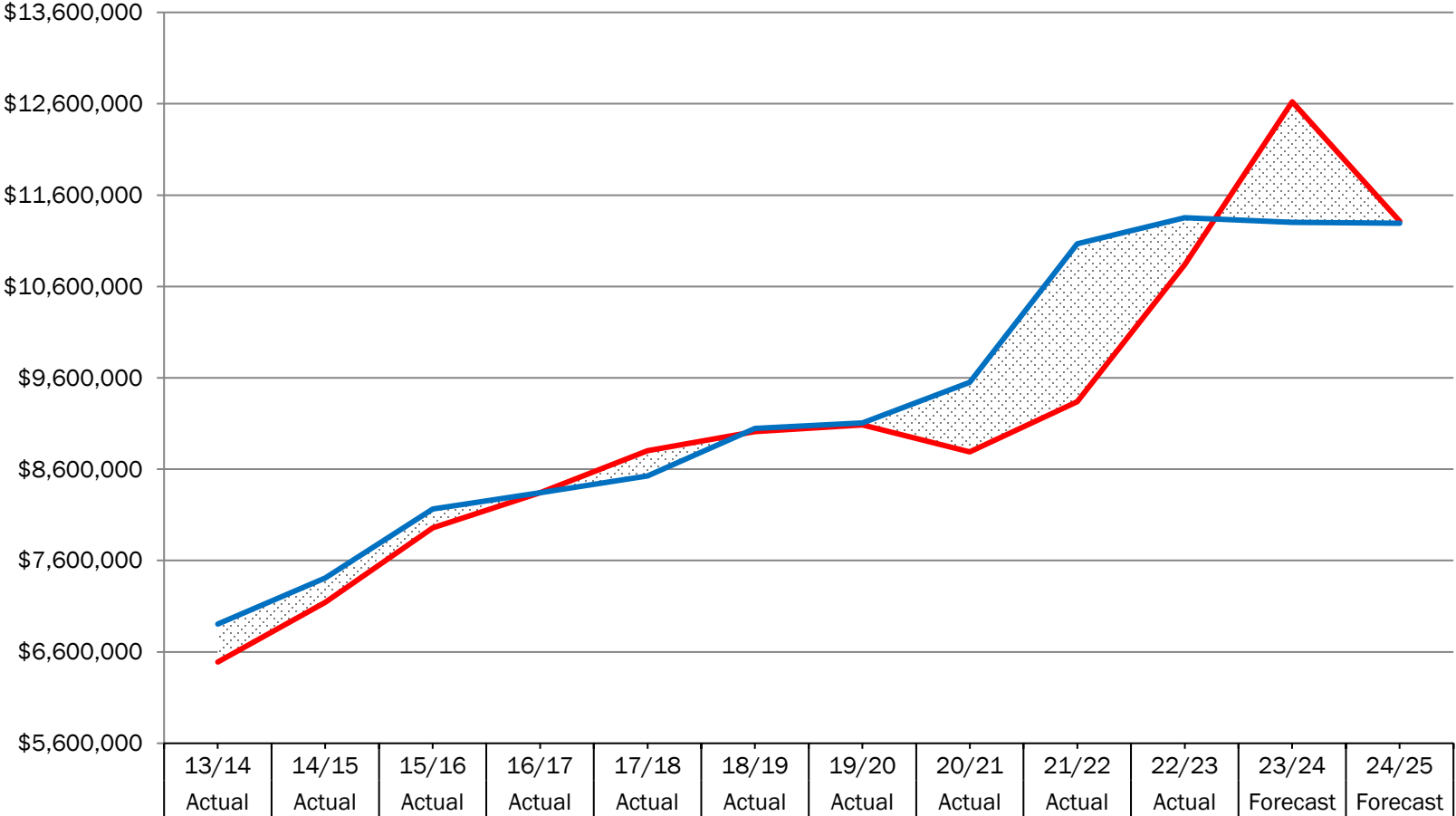


General Fund Budget



General Fund Budget Trend

Revenues vs. Expenditures



Water Enterprise Fund Budget

	2023/2024 <u>Revised Budget</u>	2024/2025 <u>Proposed Budget</u>
Revenues	\$ 3,350,369	\$ 2,644,262
Proposed Operating Expenditures	2,329,159	2,446,035
Net transfers out	(204,355)	(251,783)
Total expenditures & net transfers out	<u>2,533,514</u>	<u>2,697,818</u>
Surplus/(deficit) before other budget requests	<u>816,855</u>	<u>(53,556)</u>
Other Budget Adjustments	-	(138,157)
Capital Outlay	-	58,598
Conference, Training, &	-	2,658
Travel Requests	-	-
Subtotal other budget requests	<u>-</u>	<u>(76,901)</u>
Surplus/(deficit) after other budget requests	<u><u>\$ 816,855</u></u>	<u><u>\$ 23,345</u></u>

Sewer Enterprise Fund Budget

	2023/2024 Revised Budget	2024/2025 Proposed Budget
Revenues	\$ 7,520,666	\$ 7,353,612
Proposed Operating Expenditures	7,782,954	7,987,909
Net transfers in	1,267,645	1,154,252
Total expenditures & net transfers in	6,515,309	6,833,657
Surplus/(deficit) before other budget requests	1,005,357	519,955
Other Budget Adjustments	-	(510,492)
Capital Outlay	-	151,304
Conference, Training, & Travel Requests	-	-
Subtotal other budget requests	-	(335,630)
Surplus/(deficit) after other budget requests	\$ 1,005,357	\$ 855,585

Other Fund Budgets

Fund	Fiscal Year	Revenues	Expenditures	Under/(Over) Budget
Measure L Fund	23/24	\$ 3,017,000	\$ -	\$ 3,017,000
	24/25	2,912,069	-	2,912,069
Measure H Fund	23/24	1,487,000	1,472,000	15,000
	24/25	1,450,035	1,406,035	44,000
Measure J Fund	23/24	1,472,000	1,472,000	-
	24/25	1,407,035	1,407,035	-
Gas Tax Fund	23/24	600,819	376,585	224,234
	24/25	614,542	614,542	-
Downtown Parking Fund	23/24	283,692	258,454	25,238
	24/25	234,110	228,430	5,680
ARPA Fund	23/24	-	-	-
	24/25	-	201,993	(201,993)
COPS SLESF Fund	23/24	124,751	199,002	(74,251)
	24/25	129,684	125,908	3,776
Cottonwood Park CFD Fund	23/24	-	-	-
	24/25	104,707	48,556	56,151

Other Fund Budgets (Continued)

Fund	Fiscal Year	Revenues	Expenditures	Under/(Over) Budget
Cannabis Community Benefit Fund	23/24	85,566	122,412	(36,846)
	24/25	86,145	20,000	66,145
General CIP Fund	23/24	78,632	(241,643)	320,275
	24/25	80,022	78,522	1,500
OTS Selective Traffic Enforcement Program Grant Fund	23/24	65,000	65,000	-
	24/25	-	-	-
SRO Grant Fund	23/24	56,586	56,586	-
	24/25	63,020	63,020	-
Homeland Security Grant	23/24	50,000	50,000	-
	24/25	-	-	-
Ridge at Orchard Hill BAD-Zones 1 & 1A Fund	23/24	46,099	46,099	-
	24/25	51,037	46,099	4,938
Orchard Hill LLMD Fund	23/24	20,215	20,215	-
	24/25	20,215	20,215	-
Cottonwood Park LLMD Fund	23/24	14,302	14,302	-
	24/25	14,802	14,802	-
Reserve for Economic Uncertainties Fund	23/24	5	(8,395)	8,400
	24/25	300	(8,395)	8,695
General Liability Fund	23/24	100	-	100
	24/25	-	-	-

Total Operating Budget

	2023/2024 Revised Budget	2024/2025 Proposed Budget	Increase/(Decrease)	
Revenues	\$ 29,765,415	\$ 28,457,149	\$ (1,308,266)	-4.40%
Expenditures	25,604,844	24,700,772	(904,072)	-3.53%
Net Transfers Out	-	-	-	0.00%
Revenues over (under) Expenditures[^]	<u><u>\$4,160,571</u></u>	<u><u>\$3,756,377</u></u>		

[^]Before CIP expenditures

Completed CIP Projects

- Placerville Station II, Phase I (CIP #40708)
- Hangtown Creek Culvert Repair (CIP #42013)
- Modular Treatment Unit (MTU) No. 1 Servicing and Underdrain Replacement (CIP #42107)
- Broadband Feasibility Study (CIP #42113)
- Building Permit Software (CIP #42201)
- Secondary Scum Pumps Replacement (CIP #42232)
- Fuel Reduction Treatment for City Property (CIP #42241)
- Hocking Street Sewer Line Replacement (CIP #42245)

Completed CIP Projects (Continued)

- Local Roadway Safety Plan (CIP #42248)
- CAD/RMS Hardware and Software Conversion (CIP #42301)
- City Hall and Town Hall Phone System Replacement (CIP #42306)
- Water Reclamation Facility Driveway Paving (CIP #42333)
- Lions Park Pickleball & Tennis Court Improvements (CIP #42347)
- Cold Springs Road Sinkhole Repair (CIP #42420)
- 525 Main Street Roof Replacement (CIP #42421)
- Bee Street Storm Drain Repair (CIP #42424)

Proposed CIP Budget

Project	CMAQ	Local Transportation Climate Adaptation Program	STBGP Exchange	Urban STBGP	HBP	Measure L Fund	Cannabis Community Benefit Fund	Park Development Fund	Sewer Enterprise Fund	Measure H Fund	Total Projected Cost
Tunnel Street Maintenance - Phase 1 (New)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000
US 50 Trip to Green Congestion Management and Resiliency Strategy (New)	-	800,000	200,000	-	-	-	-	-	-	-	1,000,000
Primary Clarifier #1 Recoating (New)	-	-	-	-	-	-	-	-	200,000	-	200,000
Anaerobic Sludge Pump #5 Replacement (New)	-	-	-	-	-	-	-	-	30,000	-	30,000
Sewer Line Relocation-Clay Street to Locust Street (CIP #41202)	-	-	-	-	-	250,000	-	-	-	-	250,000
Placerville Drive Bridge Widening (CIP #41410)	-	-	-	-	177,060	22,940	-	-	-	-	200,000
Thompson Way Repaving (CIP #42206)	-	-	-	-	-	225,000	-	-	-	-	225,000
Sherman Street Repaving (CIP #42208)	-	-	-	-	-	25,000	-	-	-	-	25,000
Annual Storm Drain Compliance (CIP #42212)	-	-	-	-	-	20,000	-	-	-	-	20,000
Smith Flat Road Storm Drain and Paving (CIP #42213)	-	-	-	200,000	-	1,700,000	-	-	-	200,000	2,100,000

Proposed CIP Budget (Continued)

Project	CMAQ	Local Transportation Climate Adaptation Program	STBGP Exchange	Urban STBGP	HBP	Measure L Fund	Cannabis Community Benefit Fund	Park Development Fund	Sewer Enterprise Fund	Measure H Fund	Total Projected Cost
Storm Drain Replacement-Upper Broadway and Point View Drive (CIP #42320)	-	-	-	-	-	200,000	-	-	-	-	200,000
Sheridan Street Paving (CIP #42324)	-	-	-	-	-	40,000	-	-	-	-	40,000
Canal Street, Phase 1 - Combella Road to Cougar Lane (CIP #42402)	465,590	-	-	-	-	60,322	-	-	-	-	525,912
Canal Street, Phase 2 -Cougar Lane to US Highway 50 (CIP #42404)	-	-	-	390,000	-	66,000	-	-	-	-	456,000
Measure L Fund Construction Reserve	-	-	-	-	-	157,504	-	-	-	-	157,504
Measure H Fund Construction Reserve	-	-	-	-	-	-	-	-	-	1,090,437	1,090,437
Tot-Lot Replacement Project Orchard Hill Park (New)	-	-	-	-	-	-	-	61,200	-	-	61,200
Bell Tower Roof Replacement and Stone Repair (CIP #42304)	-	-	-	-	-	-	19,400	-	-	-	19,400
Lions Park Softball Field Irrigation System (CIP #42415)	-	-	-	-	-	-	50,000	-	-	-	50,000
Lead Water Service Replacement (New)	-	-	-	-	-	56,000	-	-	-	-	56,000
Total	\$465,590	\$800,000	\$200,000	\$590,000	\$177,060	\$2,847,766	\$ 69,400	\$ 61,200	\$230,000	\$ 1,290,437	\$ 6,731,453

Upcoming Budget Items

- Budget adoption June 25, 2024
- Complete Water and Wastewater Cost of Service Study
- Update Master Fees Schedule
- Review Mid-Year Budget Report and frozen positions in March 2025

Conclusion

- Questions?
- Comments?
- Thank you!



A LOOK
at the
BUDGET
