

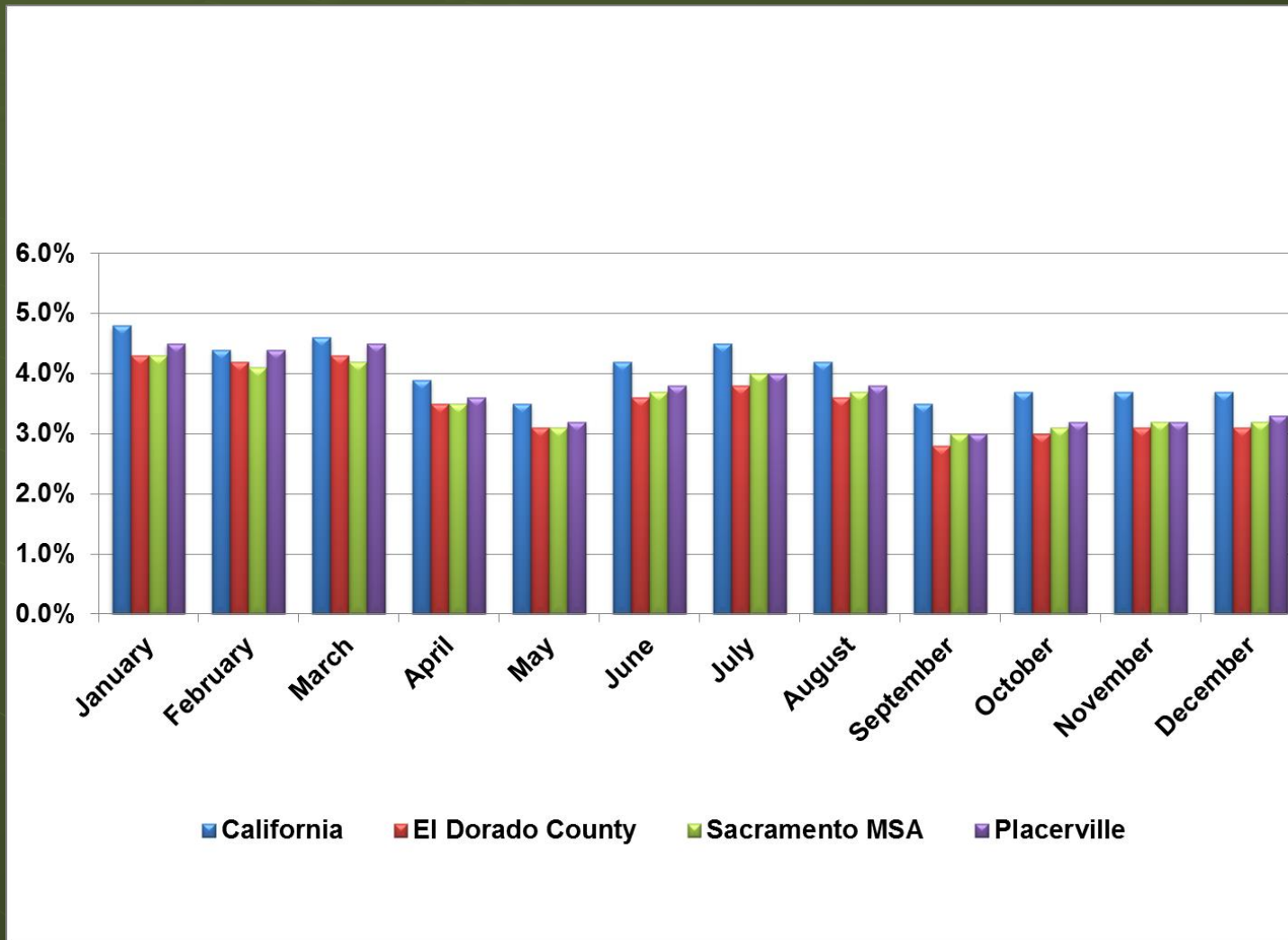
Mid-Year Budget Report

City of Placerville, California
March 10, 2020

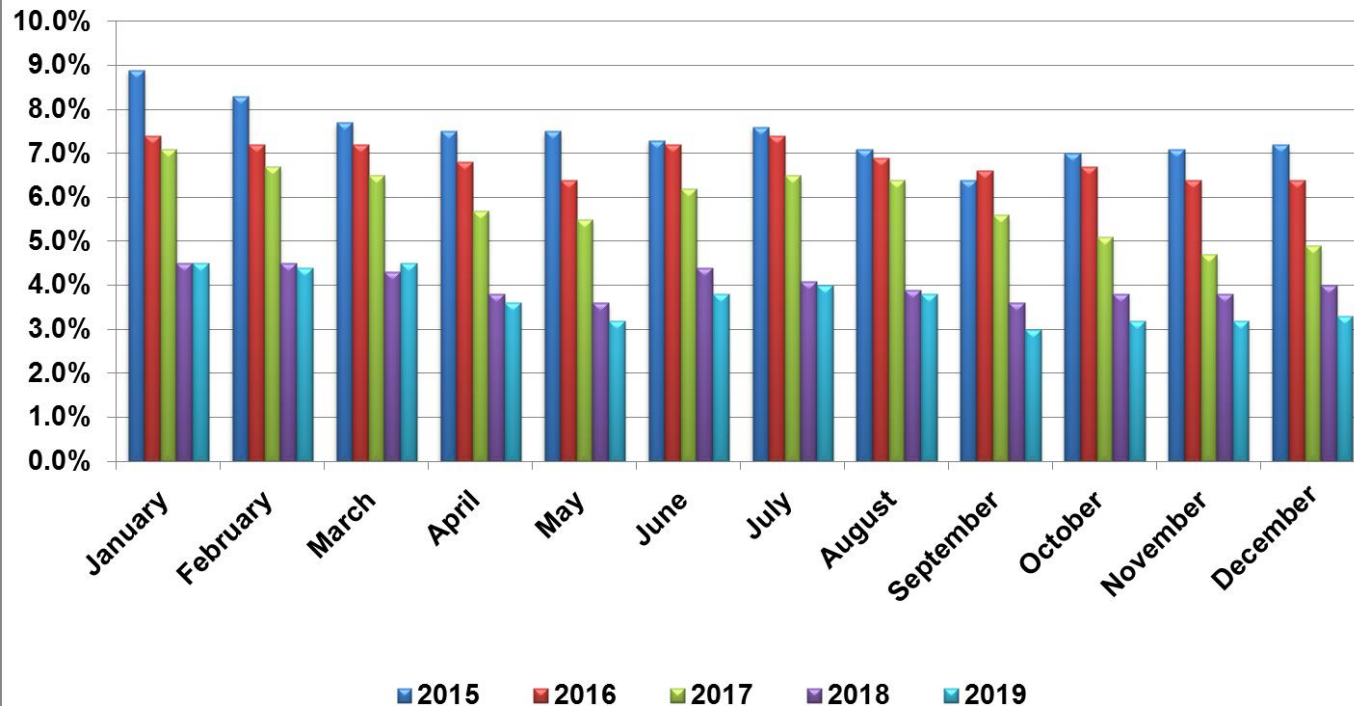
Overview

- How is the local economy doing?
 - Review local economic climate
- Is the City living within its means?
 - Focus on the General Fund
 - Update on all other operating funds

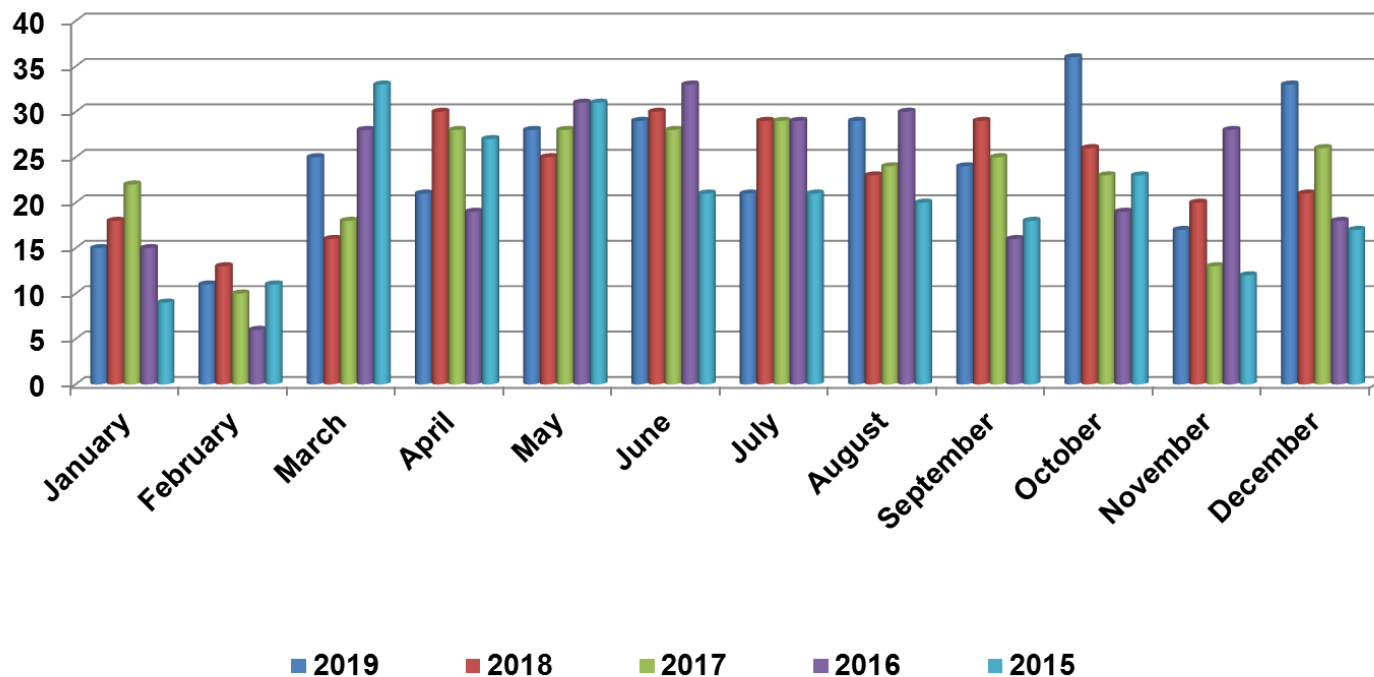
2019 Regional Unemployment Rates



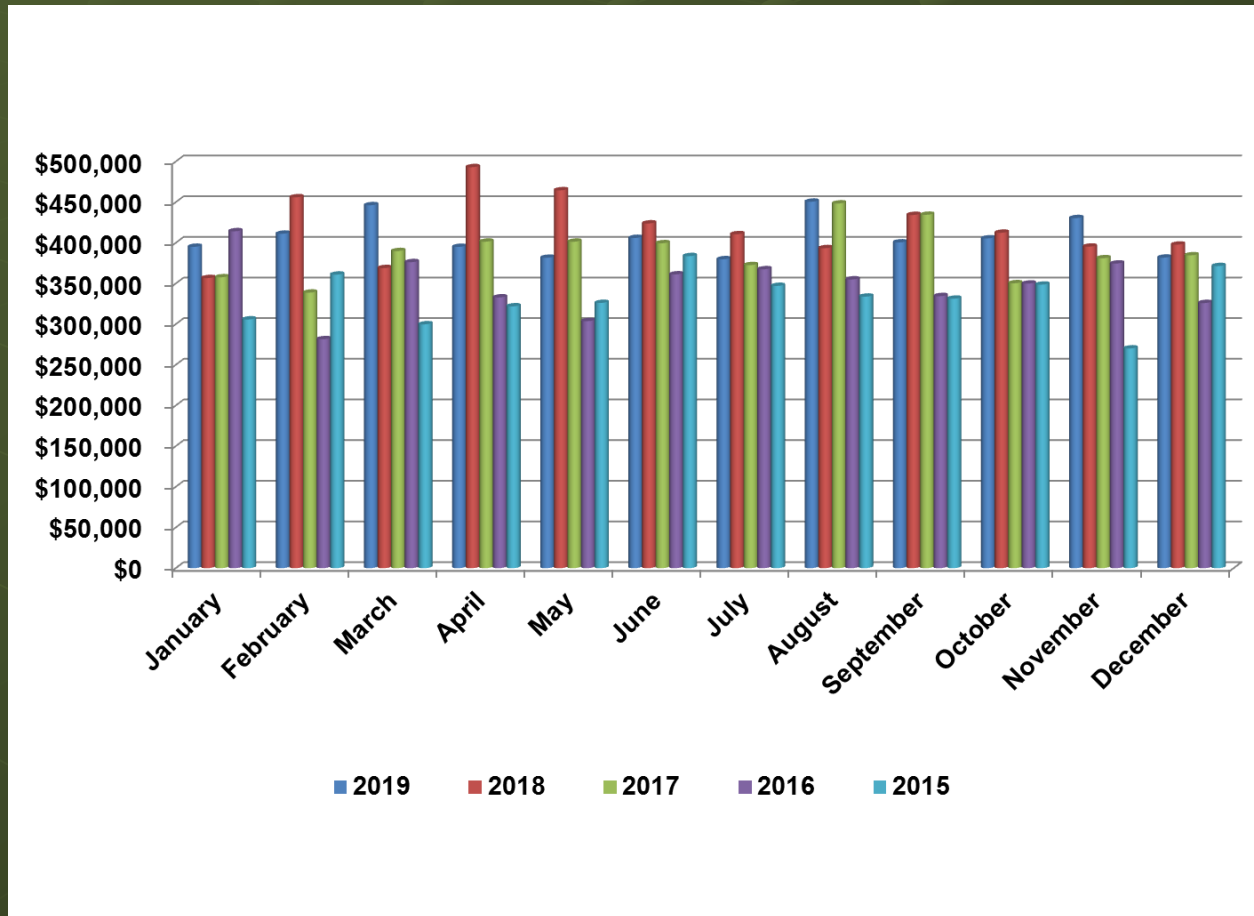
Placerville's Historical Unemployment Rates



Residential Real Estate Sales in the Greater Placerville Area



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



Building Division Activity

Fee	Actual 2015/2016	Actual 2016/2017	Actual 2017/2018	Actual 2018/2019	2019/2020 7/1/19-12/31/19	Forecasted 2019/2020
Construction Permits	\$194,881	\$205,804	\$138,726	\$237,768	\$71,396	\$146,140 1,2,3
Plan Check Fees	\$56,503	\$66,387	\$91,243	\$83,503	\$36,847	\$83,329 3

1 Does not include new commercial building and apartments in projection.

2 Includes roof Mount PV solar for Cottonwood Apartments and Office.

3 Includes new ground mount PV solar/ parking structure for Cottonwood Senior Apartments.

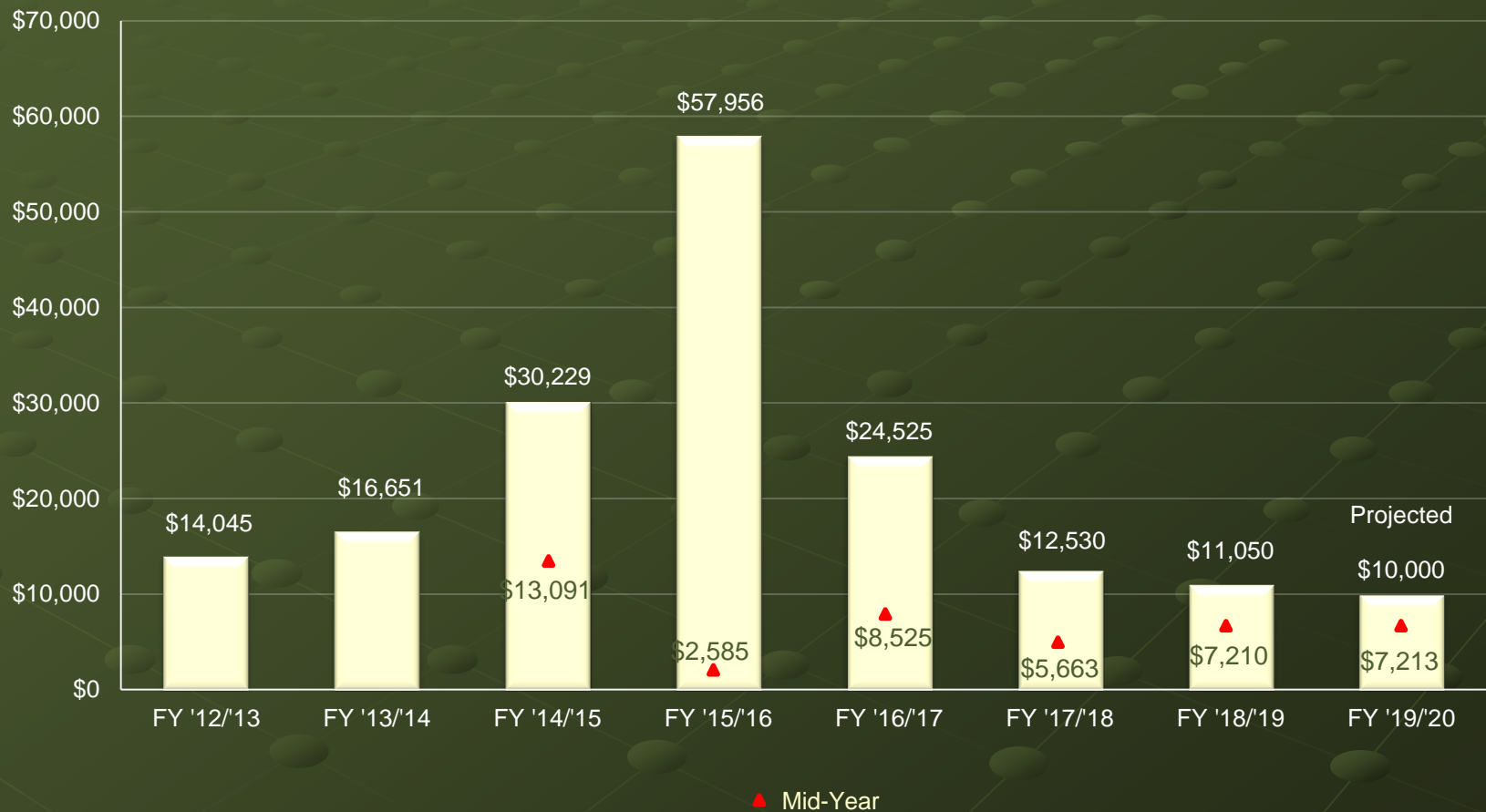
Issued Building Permits



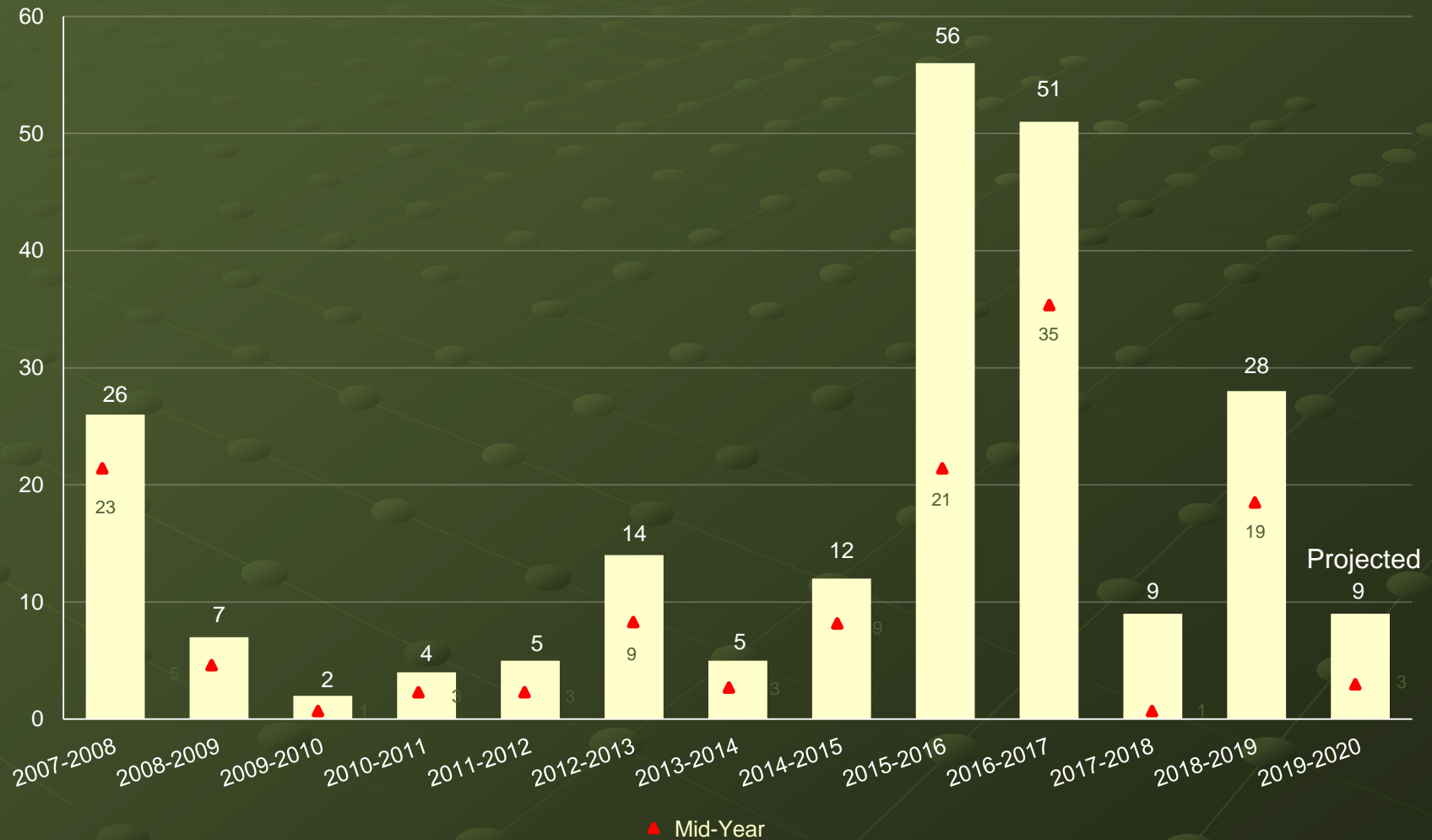
Building Valuations



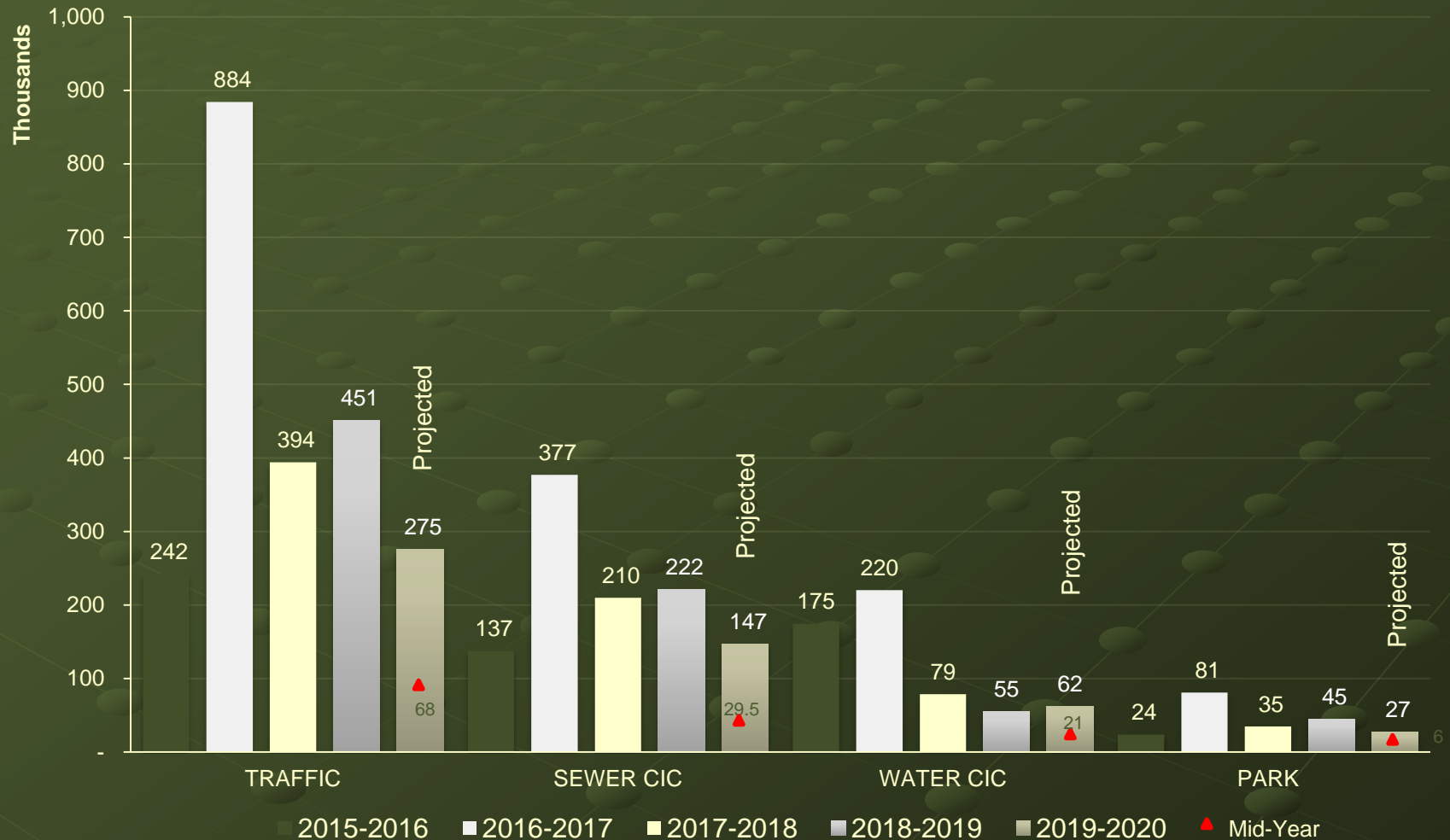
Planning & Zoning Revenues



Single-Family Dwellings



Impact Fees



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

** Commercial Building – projected water and sewer impact fees included in above totals.

Engineering Fees

Fee Type	Actual 07/01/19 to 12/31/19	Projected 01/01/20 to 06/30/20	Total
Misc. Engineering Fees	\$ 1,920	\$ 2,000	\$ 3,920
SFIA Agreement Fees	400	1,050	1,450
Encroachment Permits	7,250	30,375	37,625
Transportation Permits	858	500	1,358
T&M Deposits	7,300	3,000	10,300
Engineering Plan Check	850	850	1,700
Grading Plan Check	7,000	3,000	10,000
Grading Permit	2,000	1,800	3,800

Engineering Fees (Continued)

Fee Type	Actual 07/01/19 to 12/31/19	Projected 01/01/20 to 06/30/20	Total
Water CIC Fees	13,734	41,202	54,936
Water Applications	225	225	450
Water Meters	3,261	2,000	5,261
Sewer CIC Fees	22,050	117,600	139,650
Sewer Applications	29,400	10,000	39,400
TIM Fees	71,559	207,712	279,271
Park Development Fees	6,151	21,120	27,271
Fines	-	2,500	2,500
Total	\$ 173,958	\$ 444,934	\$ 618,892

Recreation Program Attendance

Program	July to Dec. 2018	July to Dec. 2019	Increase/- Decrease	% Increase/- Decrease
<i>Gold Bug Park</i>				
Gold Bug Daily Tours	8,838	7,650	-1,188	-13.44%
Gold Bug Group Tours	606	688	82	13.53%
Total	9,444	8,338	-1,106	-11.71%
<i>Aquatics</i>				
Lap Swim	495	596	101	20.40%
Wading Pool	887	640	-247	-27.85%
Public Swim	8,687	8,488	-199	-2.29%
Water Exercise	625	435	-190	-30.40%
Swim Lessons	773	661	-112	-14.49%
Jr. Lifeguard Camp	18	12	-6	-33.33%
Pool Rentals	20	20	0	0.00%
Total	11,505	10,852	-653	-5.68%
<i>Special Interest Classes & Camps</i>				
Youth Camps	93	15	-78	-83.87%
Adult Special Interest	293	278	-15	-5.12%
Youth Special Interest	95	98	3	3.16%
Total	481	391	-90	-18.71%

Recreation Program Attendance (Cont.)

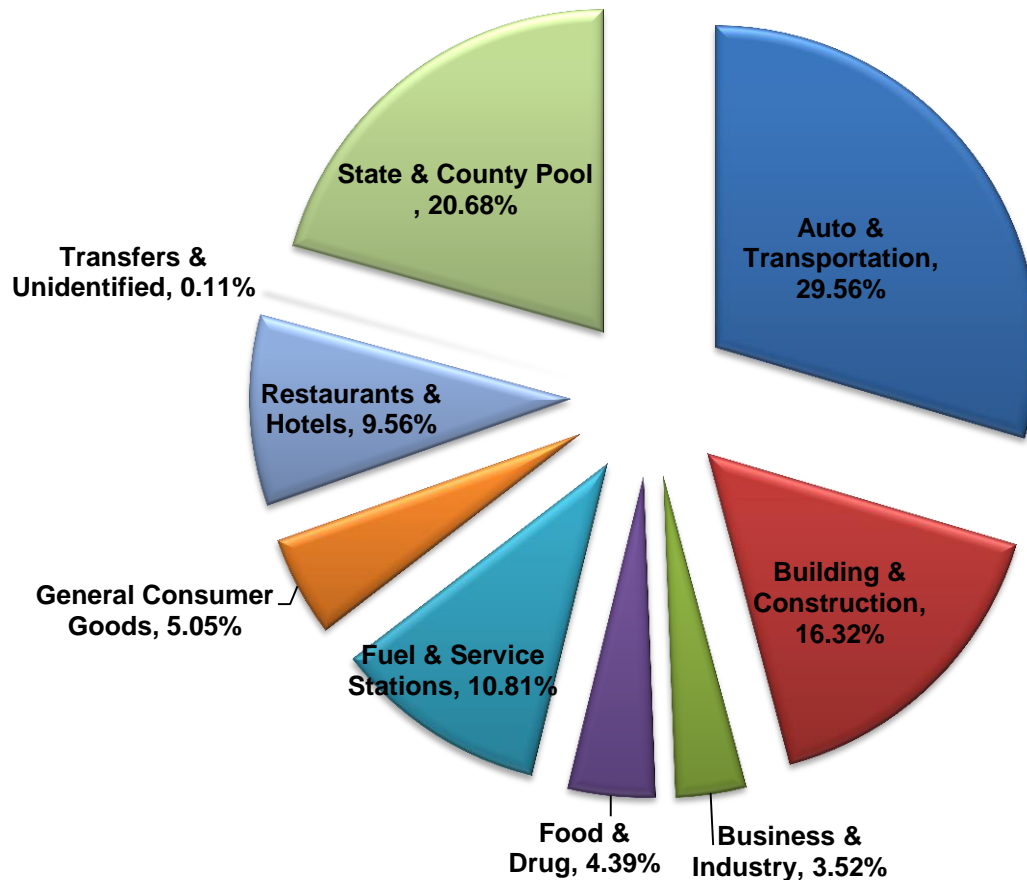
Program	July to Dec. 2018	July to Dec. 2019	Increase/- Decrease	% Increase/- Decrease
Adult Sports				
Basketball Teams (3 on 3)	26	20	-6	-23.08%
Basketball Teams (5 on 5)	4	4	0	0.00%
Softball Teams	109	98	-11	-10.09%
Volleyball Teams	11	12	1	9.09%
Total	150	134	-16	-10.67%
Youth Basketball[^]				
Basketball Teams	84	84	0	0.00%
Total	84	84	0	0.00%
Banner Over Main				
Banner Reservations	23	23	0	0.00%
Total	23	23	0	0.00%

[^] Youth Basketball season runs from mid-January through mid-March each year.

Bradley Burns Sales Tax

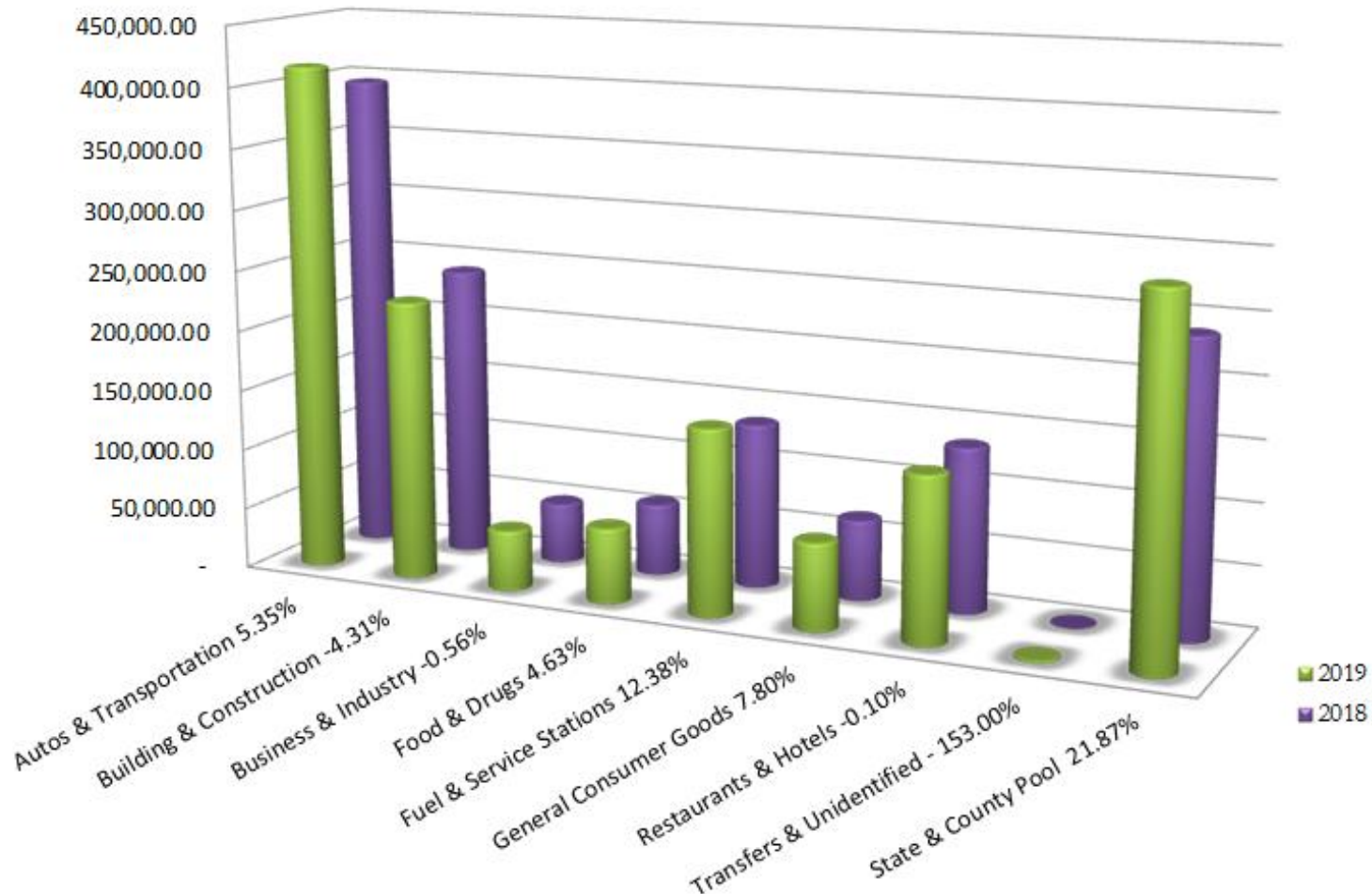
- 1.00 of 8.25%
- Most significant local economic indicator
- 57.63% of total General Fund revenue
- Strong per capita sales tax (\$471 in 2018)
- Placerville ranked #34 out of 539 agencies (2018)
- Quarter ended September 2019-Receipts reported down by -3.3% or \$(50,373) in Placerville
- 6.7% or \$88,218 excluding adjustments
- Statewide, 3rd quarter receipts up by 1.9%

Bradley Burns Sales Tax Sources Quarter Ended 09/30/19



Allocation aberrations have been adjusted to reflect sales activity.

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



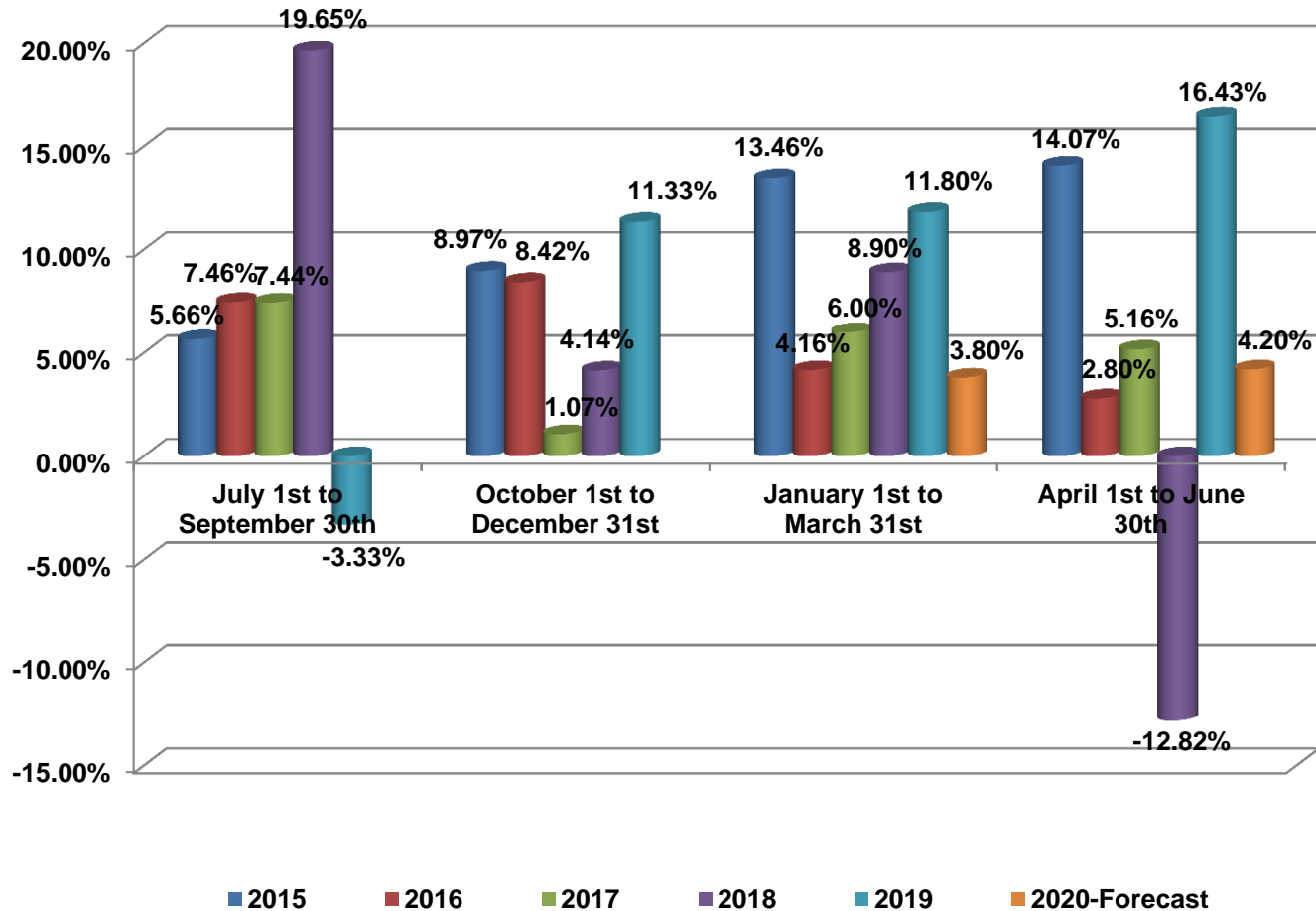
Allocation aberrations have been adjusted to reflect sales activity.

Top 25 Sales Tax Producers

Quarter Ended September 30, 2019

Big 5	Rancho Convenience Center
Big Lots	Rite Aid
C&H Motor Parts	Save Mart
Diamond Pacific	Shell
Ferguson Enterprises	Sierra Fuel
Grocery Outlet	Thompsons Buick & GMC
Home Depot	Thompsons Chrysler, Dodge, Jeep, Ram
In N Out Burger	Thompsons Toyota
Les Schwab Tire Center	Tractor Supply
McDonalds	Verizon Wireless
Placerville Shell	W N Hunt & Sons Distributors
Placerville Valero	Western Refining Retail
Raley's	

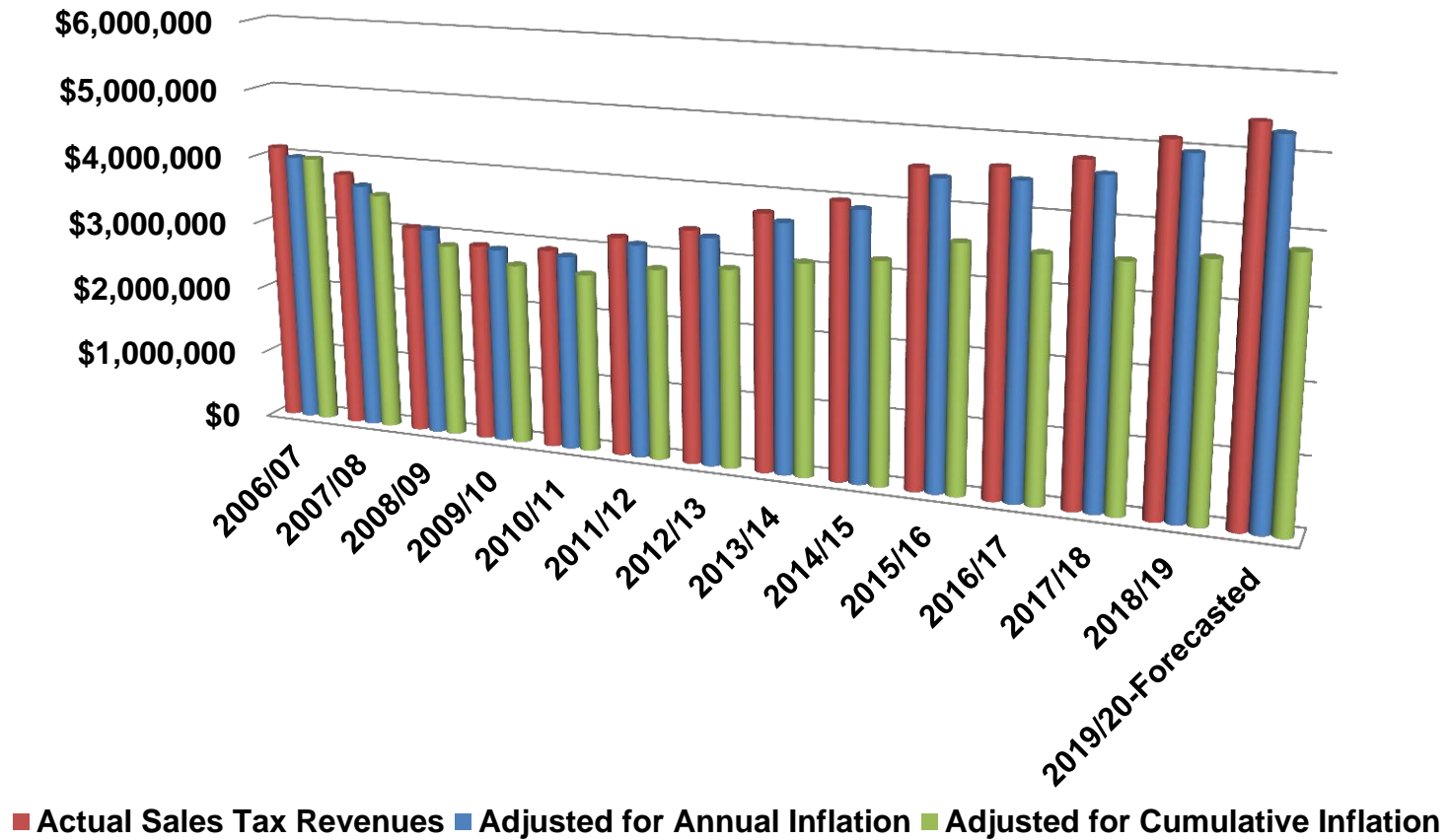
Bradley Burns Sales Tax Growth



Bradley Burns Sales Tax Growth (Cont.)

- Actual Fiscal Year 2018/2019 sales tax \$5,134,151
- Forecasted Fiscal Year 2019/2020 sales tax \$5,423,611
- Forecast \$289,460 or 5.64% in year over year growth

Bradley Burns Sales Tax Trend



Adopted Operating Budget

- Adopted in June 2019
- Totaled \$20,649,281
- General Fund budget
 - \$9,272,741
 - \$75,000 Contingency for unforeseen expenditures
 - \$111,968 for equipment & projects (fund balance)

Revised General Fund Budget Expenditures



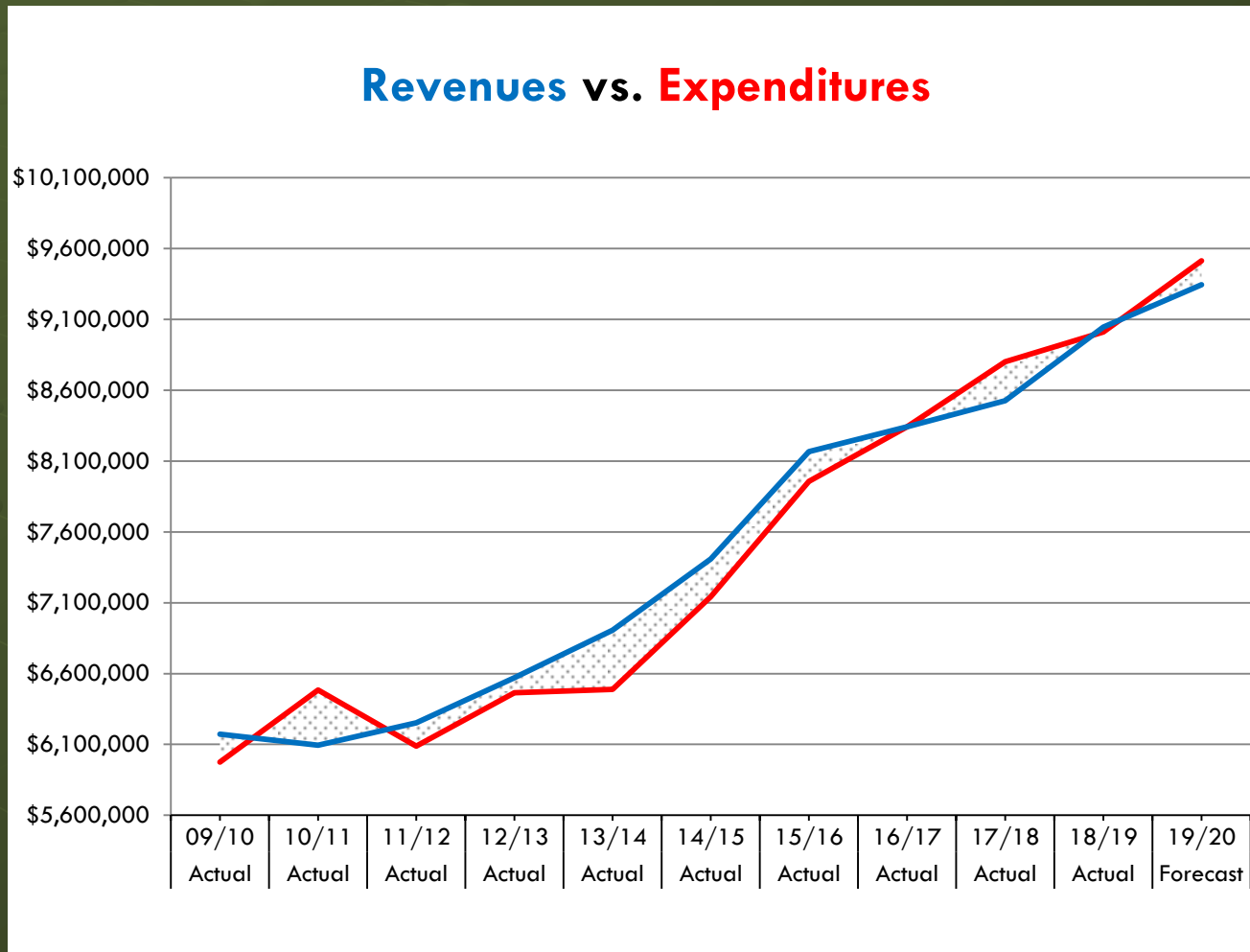
General Fund Budget Revisions

- Carryover \$30,104 Pickup Truck for Parks Division (fund balance)
- \$15,000 for safety facility needs assessment (fund balance)

General Fund Budget

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/Over Budget</u>	
Revenues	\$ 9,160,773	\$ 9,343,439	\$ 182,666	1.99%
Expenditures	9,135,781	9,275,515	(139,734)	-1.53%
Net Transfers In/(out)	<u>(182,064)</u>	<u>(236,497)</u>	(54,433)	-29.90%
Revenues under/(over)				
expenditures before adjustments	<u>(157,072)</u>	<u>(168,573)</u>		
From/(to) Fund Balance	<u>\$ 157,072</u>	<u>\$ 168,573</u>		

General Fund Budget (Cont.)



General Fund Revenues

Revenue Type	Revised Budget	Forecast	Under/Over Budget	
Sales Tax	\$ 5,279,200	\$ 5,423,611	\$ 144,411	2.74%
All Other Taxes	1,055,336	1,102,891	47,555	4.51%
Construction Permits	155,564	146,140	(9,424)	-6.06%
Intergovernmental Revenues	963,219	1,015,608	52,389	5.44%
Charges for Service	988,703	942,483	(46,220)	-4.67%
Fines & Forfeitures	52,120	67,765	15,645	30.02%
Use of Money & Property	99,140	77,450	(21,690)	-21.88%
Other Financing Sources	567,491	567,491	-	0.00%
Total revenues	\$ 9,160,773	\$ 9,343,439	\$ 182,666	1.99%

General Fund Expenditures

Department	Revised Budget	Forecast	Under/Over Budget	
Police	\$3,139,063	\$ 3,098,607	\$ 40,456	1.29%
Development Services	582,851	688,903	(106,052)	-18.20%
Engineering	310,531	313,895	(3,364)	-1.08%
Community Services	2,455,131	2,410,631	44,500	1.81%
Public Works	641,476	665,057	(23,581)	-3.68%
Elected Officials	125,726	120,570	5,156	4.10%
City Administration	675,177	708,402	(33,225)	-4.92%
Finance	426,807	432,053	(5,246)	-1.23%
Non-Departmental	961,083	1,073,894	(112,811)	-11.74%
Total expenditures	\$9,317,845	\$ 9,512,012	\$ (194,167)	-2.08%

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
- \$168,573 Forecasted deficit primarily due to \$157,072 in planned deficit spending

Measure J Fund

	Revised Budget	Forecast	Under/Over Budget	
Revenues	\$ 1,111,470	\$ 1,131,853	\$ 20,383	1.83%
Expenditures	1,382,577	1,352,975	29,602	2.14%
Net Transfers Out	271,107	220,993	50,114	18.48%
Revenues over (under) Expenditures	\$ -	\$ (129)		
From Operating Reserve	\$ -	\$ 129		

Measure H Fund

	Revised Budget	Forecast	Under/Over Budget	
Revenues	\$ 1,123,970	\$ 1,162,346	\$ 38,376	3.41%
Expenditures	-	-	-	0.00%
Net Transfers Out	<u>(1,110,970)</u>	<u>(1,110,970)</u>	-	0.00%
Revenues over (under) Expenditures	<u>\$ 13,000</u>	<u>\$ 51,376</u>		
Additional Capital project set aside	<u>\$ 13,000</u>	<u>\$ 51,376</u>		

Measure L Fund

	Revised Budget	Forecast	Under/Over Budget	
Revenues	\$ 2,258,900	\$ 2,353,318	\$ 94,418	4.18%
Expenditures	-	-	-	0.00%
Net Transfers Out	-	-	-	0.00%
Revenues over (under) Expenditures	<u>\$ 2,258,900</u>	<u>\$ 2,353,318</u>		
Capital project set aside	<u>\$ 2,258,900</u>	<u>\$ 2,353,318</u>		

Water Enterprise Fund

	Revised Budget	Forecast	Under/Over Budget	
Revenues	\$ 2,276,380	\$ 2,262,412	\$ (13,968)	-0.61%
Expenditures	2,095,688	1,846,275	249,413	11.90%
Net Transfers Out	(150,183)	(150,183)	-	0.00%
Revenues over (under) Expenditures	\$ 30,509	\$ 265,954		
Water project set aside	\$ 30,509	\$ 265,954		

Sewer Enterprise Fund

	Revised Budget	Forecast	Under/Over Budget	
Revenues	\$ 6,433,719	\$ 6,483,551	\$ 49,832	0.77%
Expenditures	6,887,530	6,718,389	169,141	2.46%
Net Transfers In	960,787	923,664	37,123	3.86%
Revenues over (under) expenditures before adjustments	\$ 506,976	\$ 688,826		
Sewer project set aside	\$ 506,976	\$ 688,826		

Downtown Parking District Fund

	Revised Budget	Forecast	Under/Over Budget	
Revenues	\$ 344,809	\$ 308,719	\$ (36,090)	-10.47%
Expenditures	225,574	224,312	1,262	0.56%
Net Transfers In	261	261	-	0.00%
Revenues over (under) Expenditures	\$ 119,496	\$ 84,668		
Short-term capital project set aside	\$ 73,417	\$ 73,417		
Long-term capital project set aside	\$ 46,079	\$ 11,251		

Non-Major Funds

	Gas Tax Fund				SRO Grant Fund			
	Revised		Under/Over		Revised		Under/Over	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ 481,220	\$ 504,054	\$ 22,834	4.75%	\$ 75,648	\$ 80,116	\$ 4,468	5.91%
Expenditures	30,000	30,000	-	0.00%	75,648	80,116	(4,468)	-5.91%
Net Transfers	(291,573)	(291,573)	-	0.00%	-	-	-	0.00%
Revenues over/ (Over)								
Expenditures	\$ 159,647	\$ 182,481			\$ -	\$ -		
	COPS SLESF Grant Fund				OTS Grant Fund			
	Revised		Under/Over		Revised		Under/Over	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ 158,115	\$ 158,373	\$ 258	0.16%	\$ 10,148	\$ 11,008	\$ 860	8.47%
Expenditures	158,115	158,115	-	0.00%	10,148	11,008	(860)	-8.47%
Net Transfers	-	-	-	0.00%	-	-	-	0.00%
Revenues over/ (Over)								
Expenditures	\$ -	\$ 258			\$ -	\$ -		

Non-Major Funds (Continued)

	OJP BVP Grant Fund				2014 CHP Grant Fund			
	Revised		Under/Over		Revised		Under/Over	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ 1,080	\$ 1,080	\$ -	0.00%	\$ 35,000	\$ 35,000	\$ -	0.00%
Expenditures	1,080	1,080	-	0.00%	34,998	35,000	(2)	-0.01%
Net Transfers	-	-	-	0.00%	-	-	-	0.00%
Revenues over/ (Over)								
Expenditures	\$ -	\$ -			\$ 2	\$ -		
	State Tobacco Grant				General CIP Fund			
	Revised		Under/Over		Revised		Under/Over	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ 119,534	\$ 94,592	\$(24,942)	-20.87%	\$ -	\$ -	\$ -	0.00%
Expenditures	119,534	94,592	24,942	20.87%	-	-	-	0.00%
Net Transfers	-	-	-	0.00%	43,690	43,690	-	0.00%
Revenues over/ (Over)								
Expenditures	\$ -	\$ -			\$ 43,690	\$ 43,690		

Non-Major Funds (Continued)

	Orchard Hill LLMD Fund				Cottonwood LLMD Fund			
	Revised		Under/Over		Revised		Under/Over	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ 20,464	\$ 20,464	\$ -	0.00%	\$ 14,807	\$ 14,807	\$ -	0.00%
Expenditures	20,464	18,976	1,488	7.27%	14,807	14,377	430	2.90%
Net Transfers	-	-	-	0.00%	-	-	-	0.00%
Revenues over/ (Over)								
Expenditures	\$ -	\$ 1,488			\$ -	\$ 430		
	Ridge at Orchard Hill BAD-Zone 1A Fund				General Liability Fund			
	Revised		Under/Over		Revised		Under/Over	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ 36,891	\$ 37,138	\$ 247	0.67%	\$ 200	\$ 610	\$ 410	205.00%
Expenditures	36,891	27,226	9,665	26.20%	450,550	545,607	(95,057)	-21.10%
Net Transfers	-	-	-	0.00%	450,550	544,997	(94,447)	-20.96%
Revenues over/ (Over)								
Expenditures	\$ -	\$ 9,912			\$ 200	\$ -		

Non-Major Funds (Continued)

	Reserve for Economic Uncertainties Fund			
	Revised		Under/Over	
	Budget	Forecast	Budget	
Revenues	\$ 1,000	\$ 7,909	\$ 6,909	690.90%
Expenditures	-	-	-	0.00%
Net Transfers	8,395	8,395	-	0.00%
Revenues over/ (Over)				
Expenditures	\$ 9,395	\$ 16,304		

Total Operating Budget

	Revised Budget	Forecast	Under/Over Budget	
Revenues	\$ 23,664,128	\$ 24,010,789	\$ 346,661	1.46%
Expenditures	20,679,385	20,480,786	198,599	0.96%
Net Transfers Out	-	-	-	0.00%
 Revenues over (under) Expenditures	 <u>\$ 2,984,743</u>	 <u>\$ 3,530,003</u>		

Closing Comments

- Local economy has continued to improve overall
- 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 April 29th Budget Workshop

Conclusion

- Questions?
- Comments?
- Thank you!



A good budget is worth fighting for.