

# MID-YEAR BUDGET REPORT



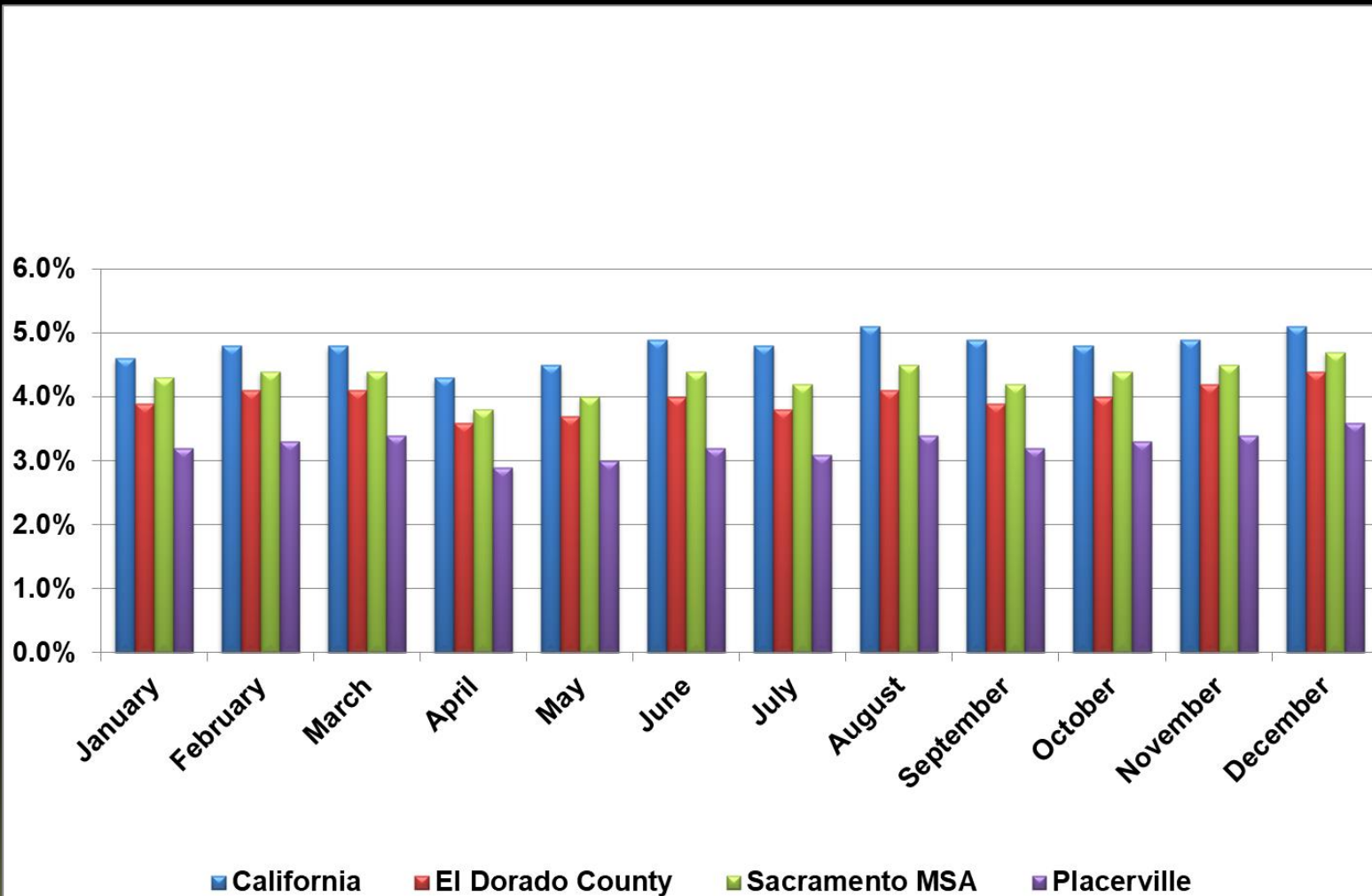
City of Placerville, California  
March 12, 2024

# Overview

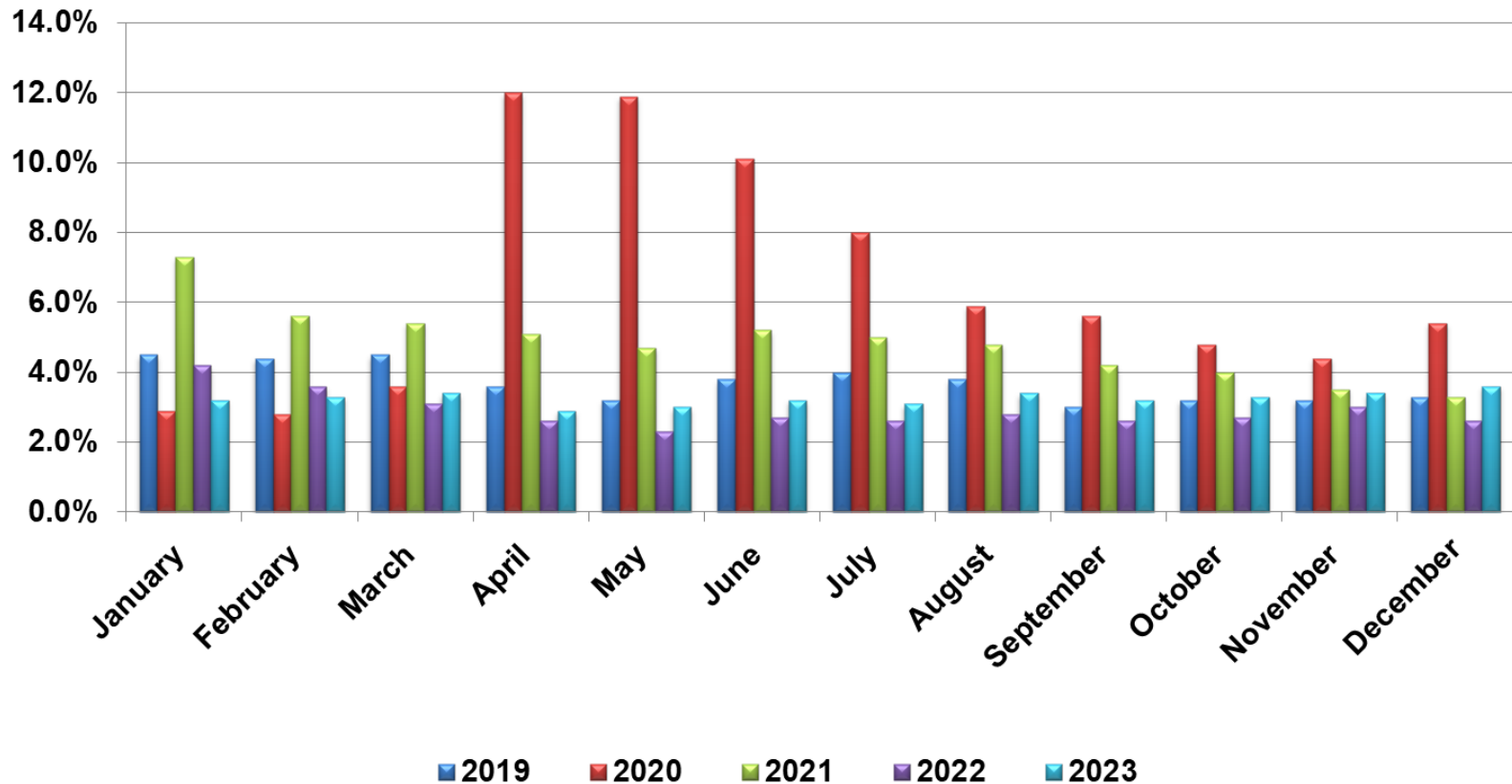
- How is the local economy doing?
  - Review local economic indicators
- Is the City living within its means?
  - Evaluate General Fund budget and all other operating funds



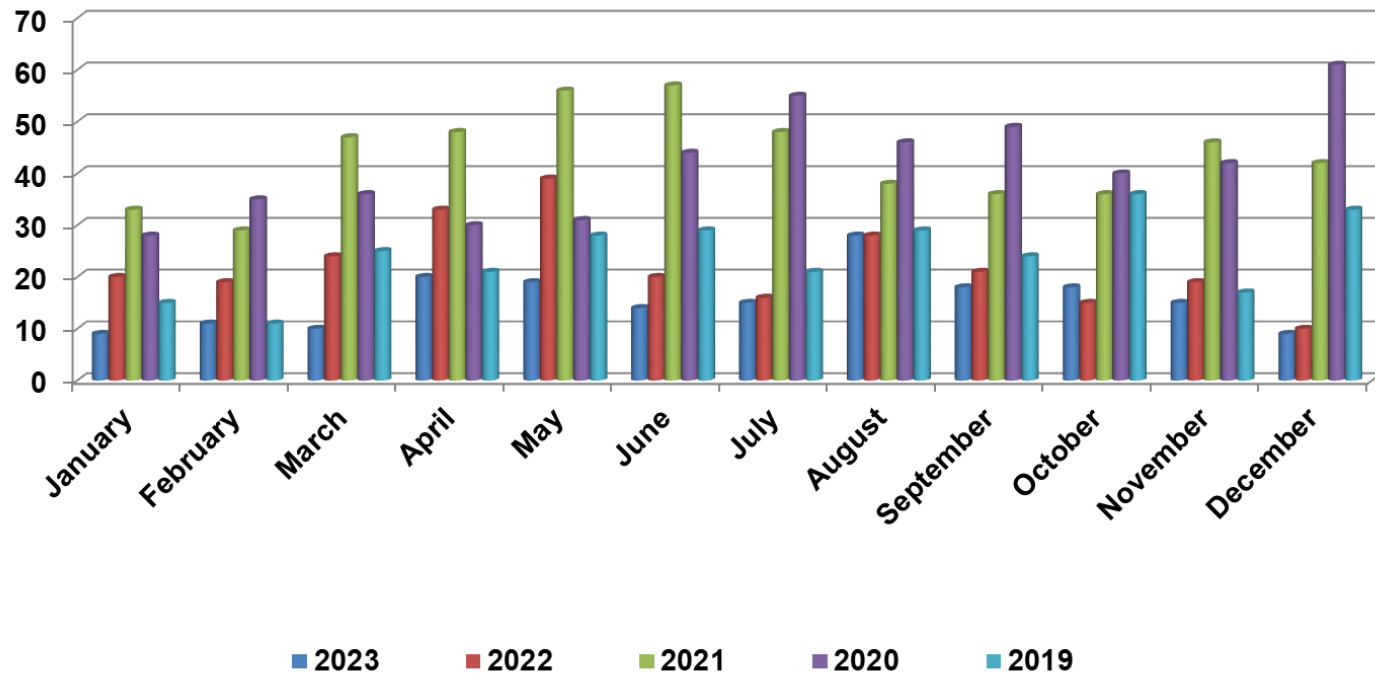
# 2023 Regional Unemployment Rates



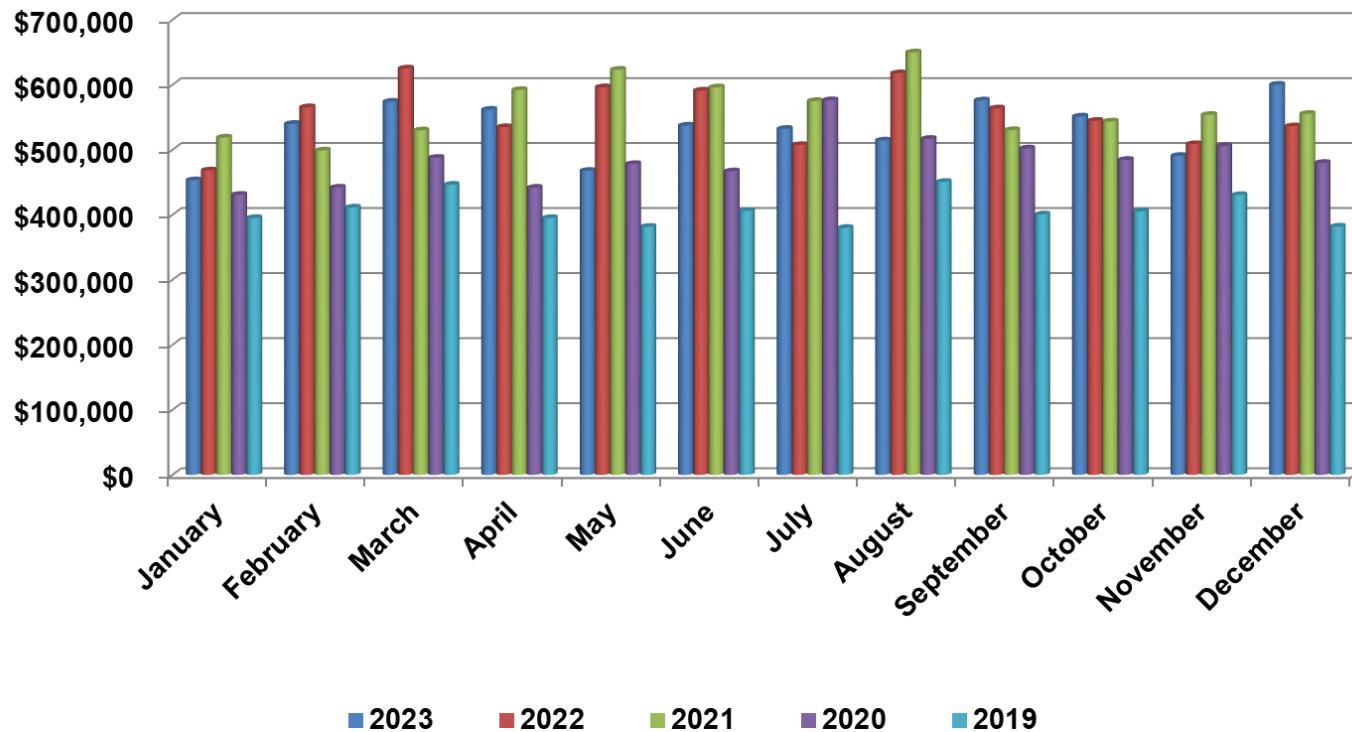
# Placerville's Historical Unemployment Rates



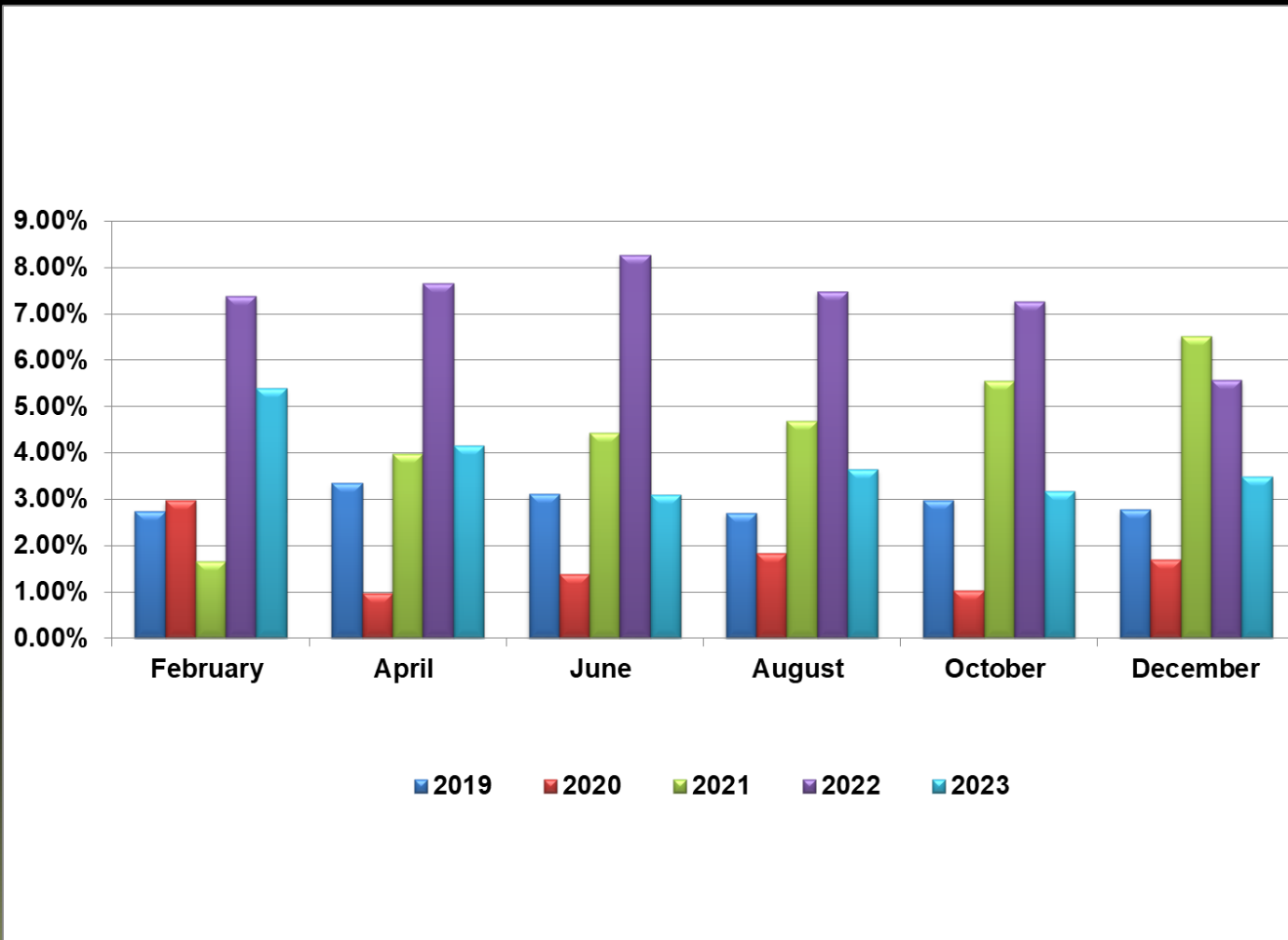
# Residential Real Estate Sales in the Greater Placerville Area



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



# California Consumer Price Index-All Urban Consumers (Inflation Trends)



# Recreation Program Attendance

Program	July to Dec. 2022	July to Dec. 2023	Increase/ -Decrease	% Increase/- Decrease
<b><i>Gold Bug Park</i></b>				
Gold Bug Daily Tours	6,967	6,961	-6	-0.09%
Gold Bug Group Tours	10	9	-1	-10.00%
<b>Total</b>	<b>6,977</b>	<b>6,970</b>	<b>-7</b>	<b>-0.10%</b>
<b><i>Aquatics</i></b>				
Lap Swim	231	144	-87	-37.66%
Wading Pool	300	135	-165	-55.00%
Public Swim	3,194	3,218	24	0.75%
Swim Lessons	531	572	41	7.72%
Pool Rentals	4	11	7	175.00%
<b>Total</b>	<b>4,260</b>	<b>4,080</b>	<b>-180</b>	<b>-4.23%</b>
<b><i>Special Interest Classes &amp; Camps</i></b>				
Youth Camps	16	58	42	262.50%
Adult Special Interest	58	390	332	572.41%
Youth Special Interest	55	32	-23	-41.82%
<b>Total</b>	<b>129</b>	<b>480</b>	<b>351</b>	<b>272.09%</b>



# Recreation Program Attendance (Cont.)

Program	July to Dec. 2022	July to Dec. 2023	Increase/ -Decrease	% Increase/- Decrease
<b><i>Adult Sports</i></b>				
Basketball Teams (3 on 3)	0	12	12	0.00%
Softball Teams	84	70	-14	-16.67%
Volleyball Teams	0	4	4	0.00%
<b>Total</b>	<b>84</b>	<b>86</b>	<b>2</b>	<b>2.38%</b>
<b><i>Youth Basketball^</i></b>				
Basketball Teams	586	648	62	10.58%
<b>Total</b>	<b>586</b>	<b>648</b>	<b>62</b>	<b>10.58%</b>
<b><i>Banner Over Main</i></b>				
Banner Reservations	19	20	1	5.26%
<b>Total</b>	<b>19</b>	<b>20</b>	<b>1</b>	<b>5.26%</b>

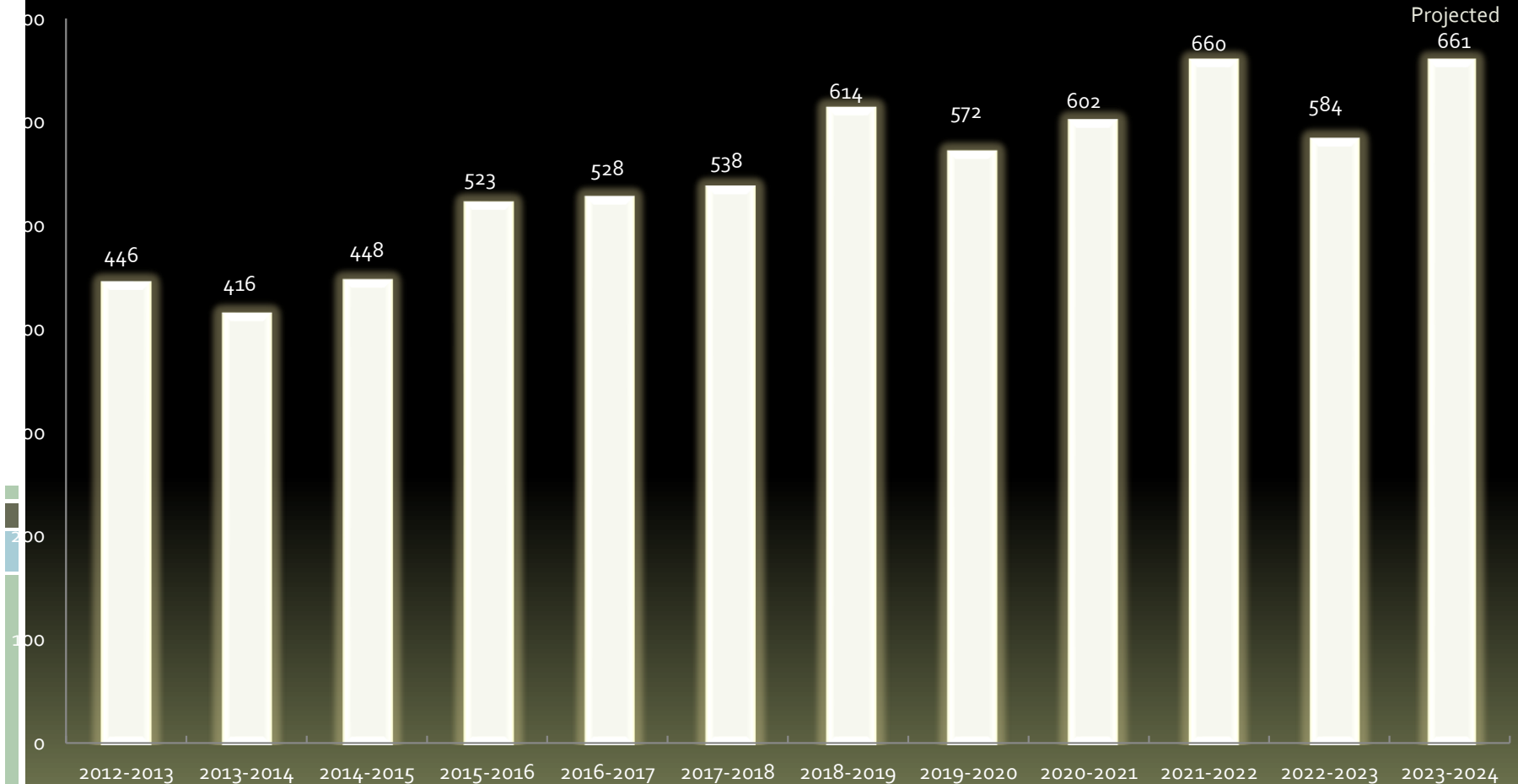
^ Youth Basketball season runs from mid-January through mid-March each year.

# Building Division Revenues

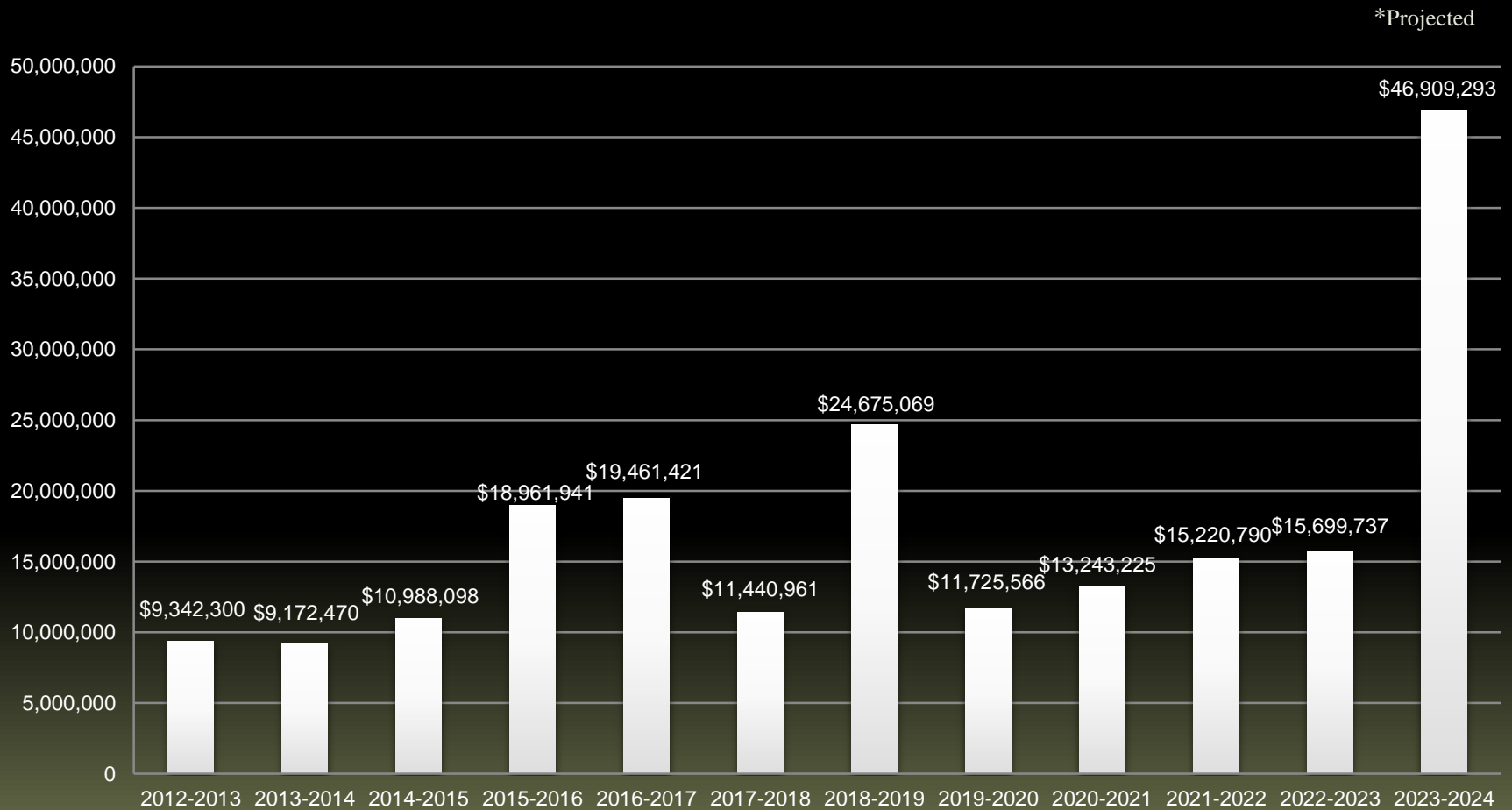
Fee	Actual 2015/2016	Actual 2016/1017	Actual 2017/2018	Actual 2018/2019	Actual 2019/2020	Actual 2020/2021	Actual 2021/2022	Actual 2022/2023	Mid Year 2023	*Projected 2023/2024
Construction Permits	\$194,881	\$205,804	\$134,518	\$231,967	\$141,076	\$176,407	\$194,191	\$172,596	\$140,431	\$367,431*
Plan Check Fees	\$56,503	\$66,387	\$88,517	\$84,676	\$53,309	\$80,929	\$79,807	\$193,018	\$58,116	\$100,716

*\*Construction Permit fee projection includes Mallard and Middletown Apartments, totaling \$167k.*

# Issued Building Permits

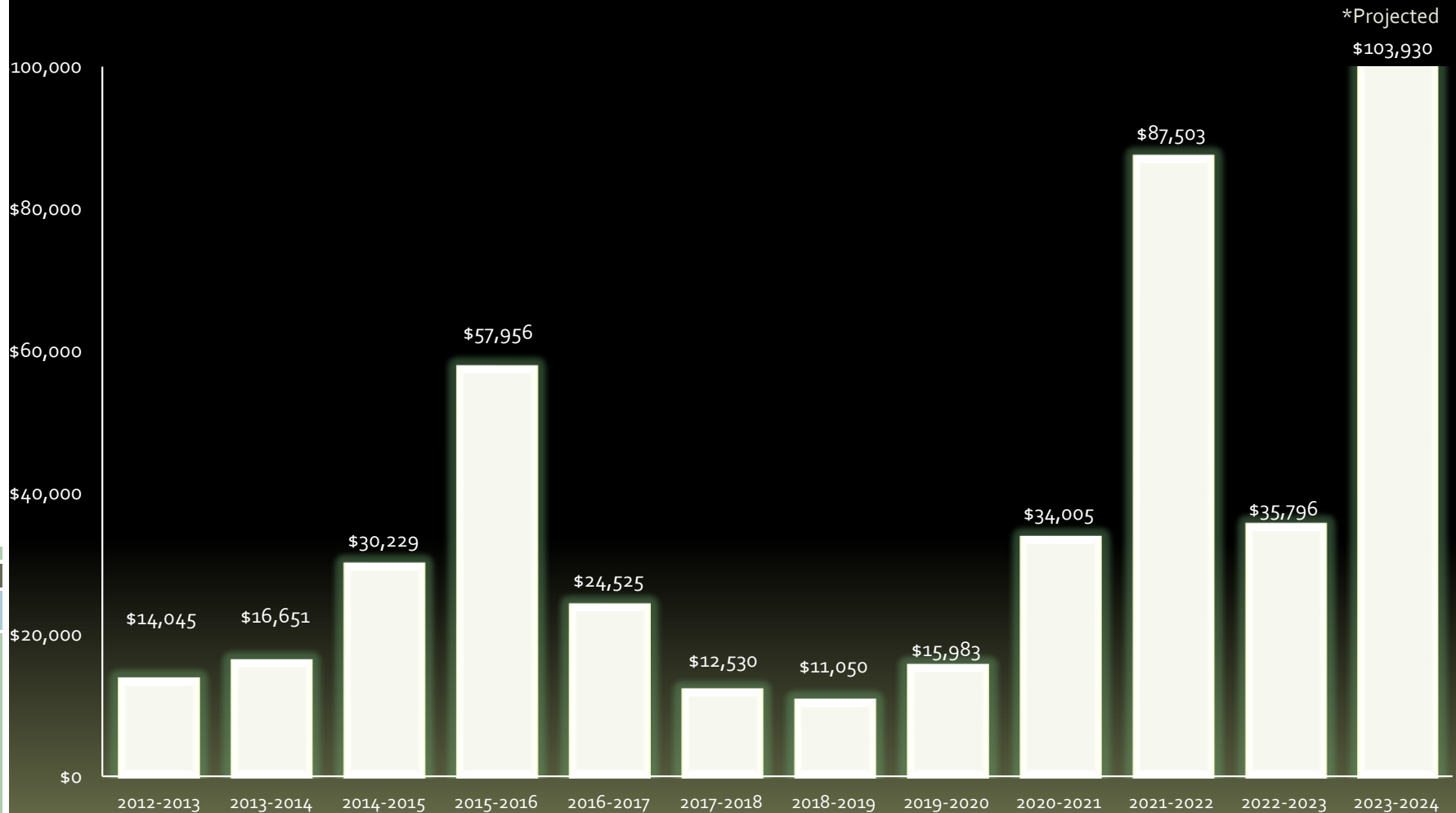


# Building Valuations



\*Building Valuation projection includes Mallard and Middletown Apartments, totaling more than \$23 million.

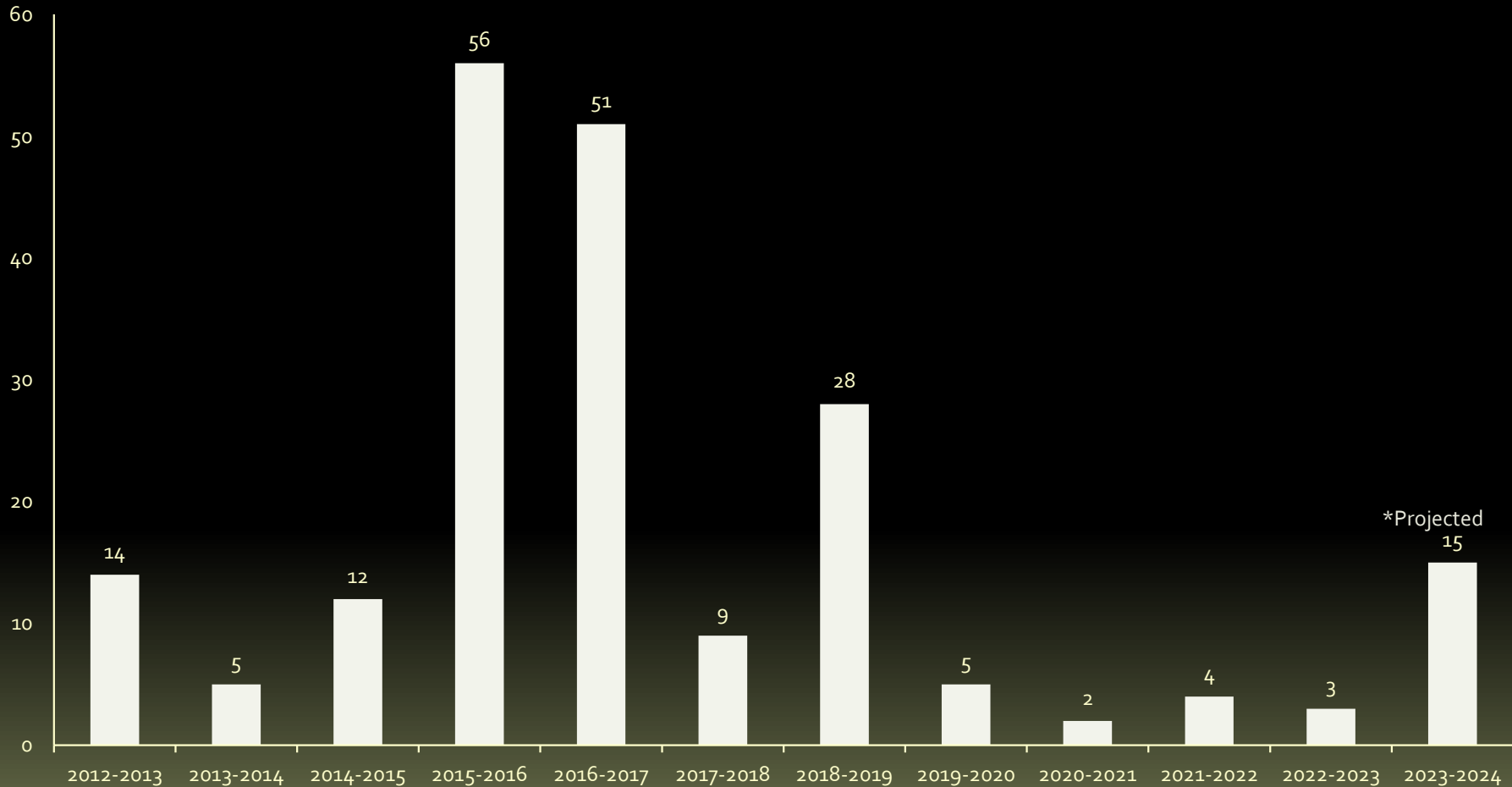
# Planning & Zoning Revenue



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

\*2023/2024 – Includes Ridge Orchard Hill and Oborn TSMs; The Pines Apartments and Apple Farm Place SPRs.

# Single Family Dwellings



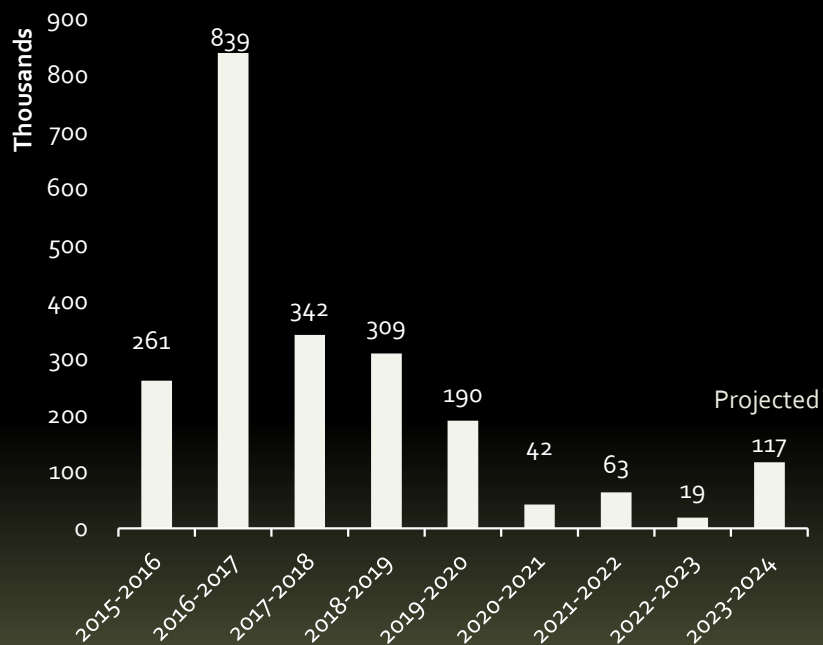
\*2015-2017 – Eskaton development includes 66 units.

\*2018/2019 – Winesap development.

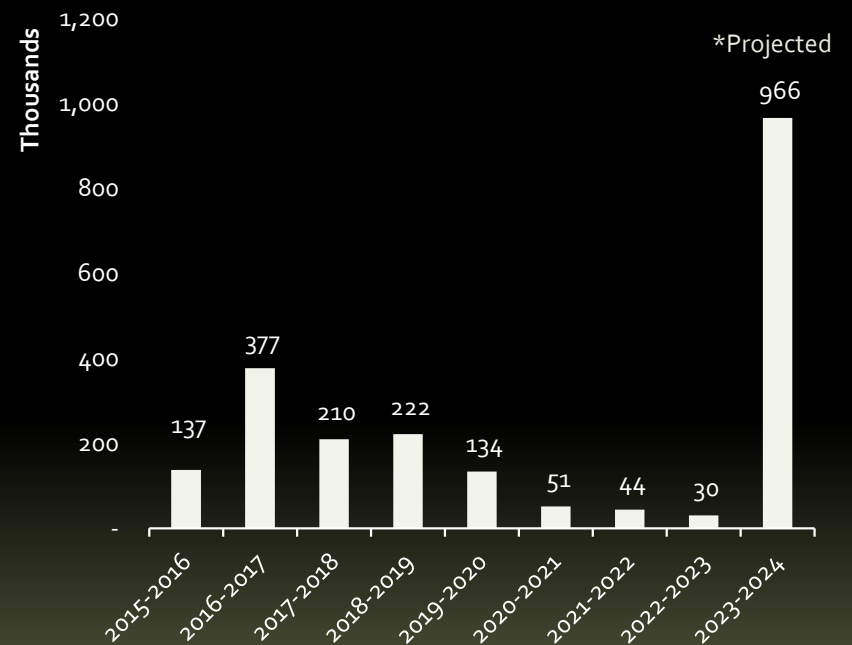
\*2023/2024 – Includes 12 new homes from the Cottonwood development.

# Impact Fees

## WATER CIC



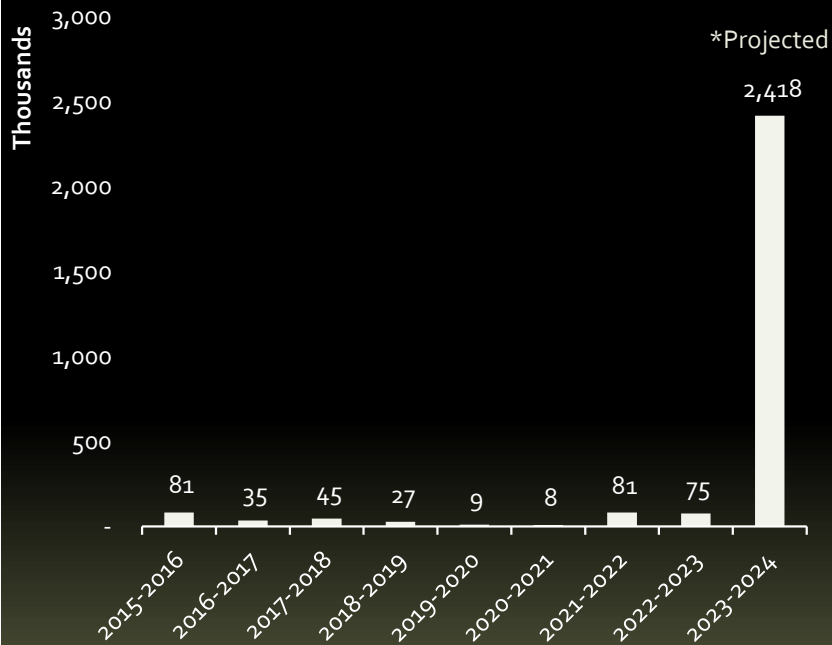
## SEWER CIC



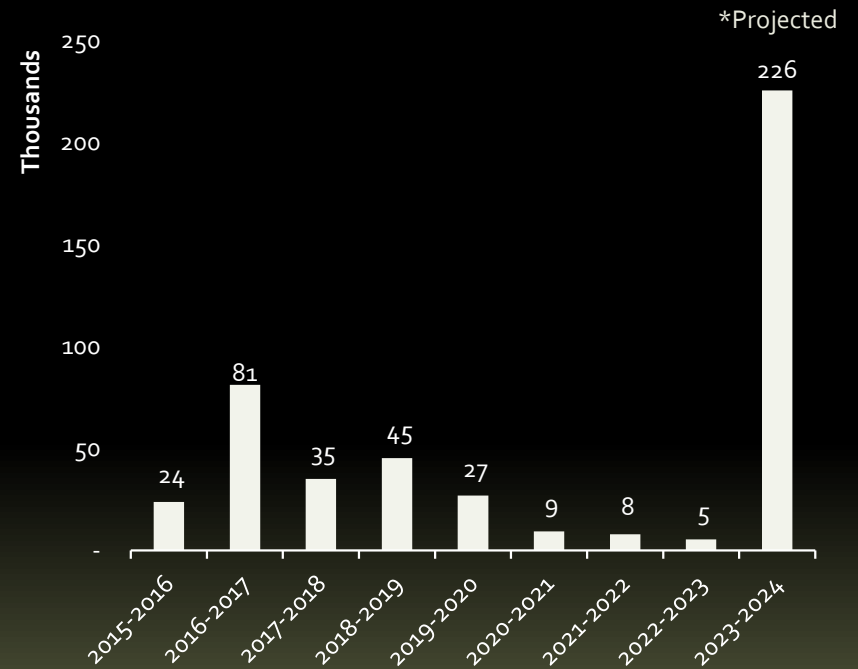
\*2023-2024 Projections include Mallard and Middletown apartments.

# Impact Fees (Cont.)

## TRAFFIC



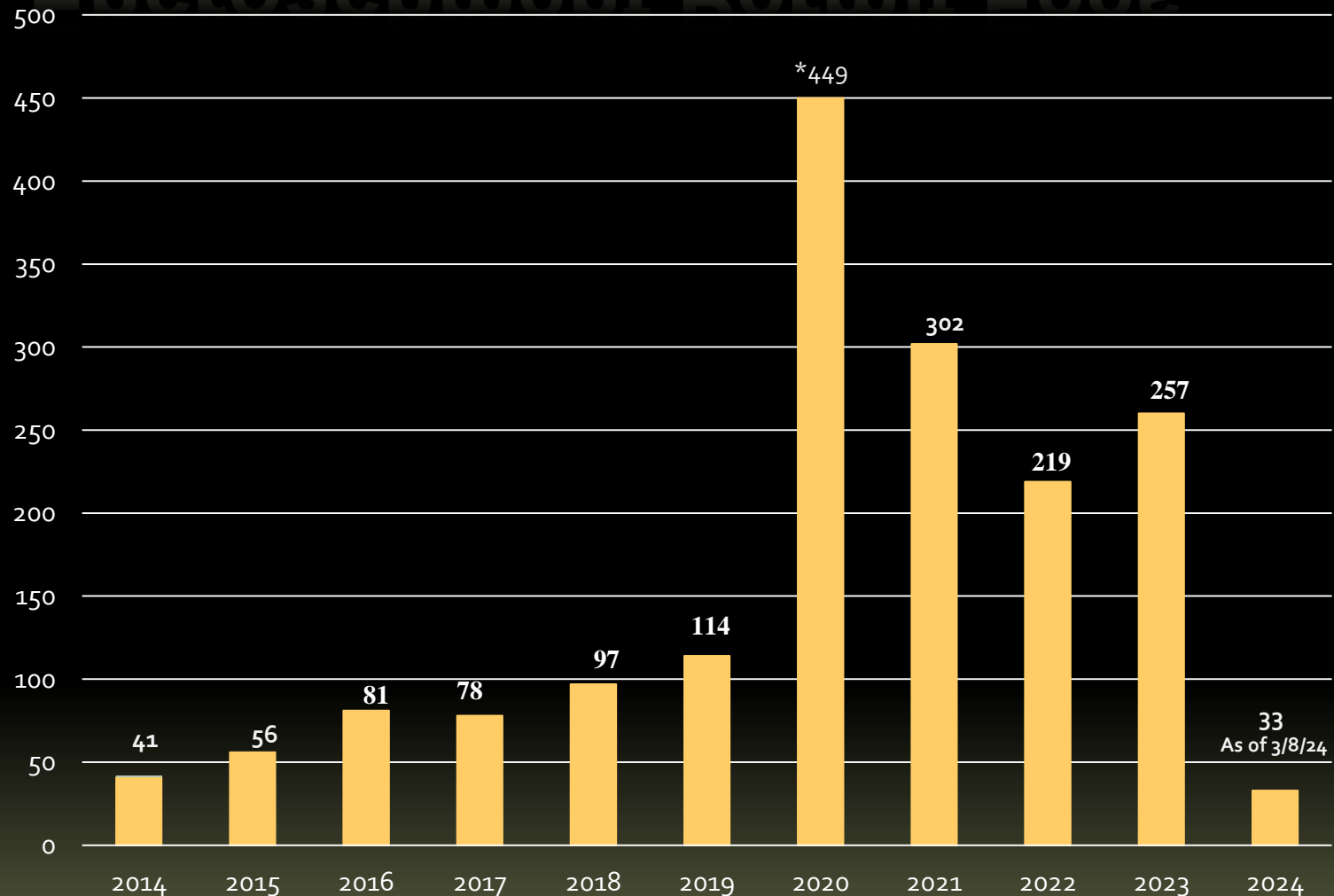
## PARK



*\*2023-2024 Projections include Mallard and Middletown apartments.*



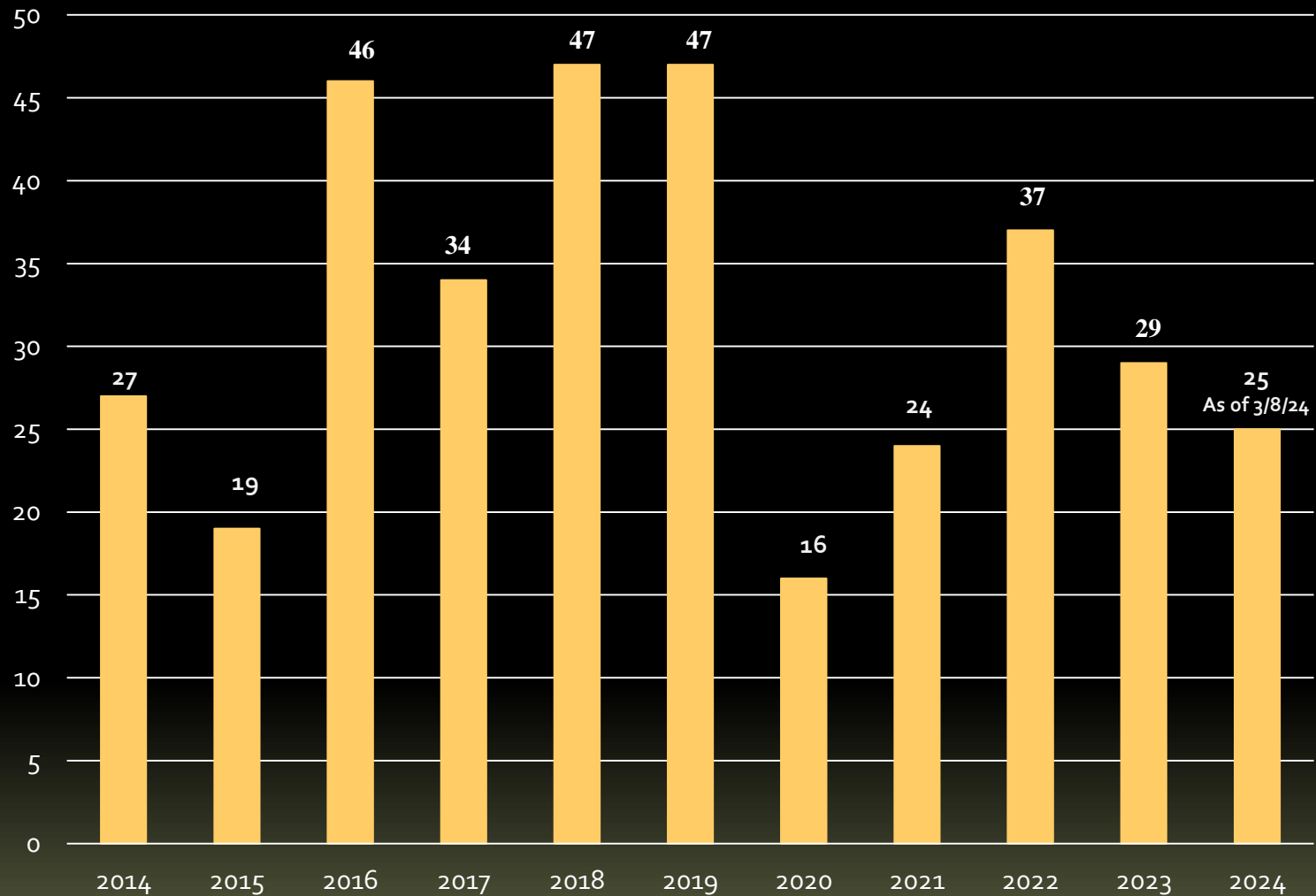
# Encroachment Permit Fees



23/24 MID-YEAR ENCROACHMENT PERMIT FEES TAKEN IN : \$20,825

\*2020 PERMITS INCLUDE ON-STREET DINING PERMITS DURING COVID 19 PANDEMIC

# TRANSPORTATION PERMITS

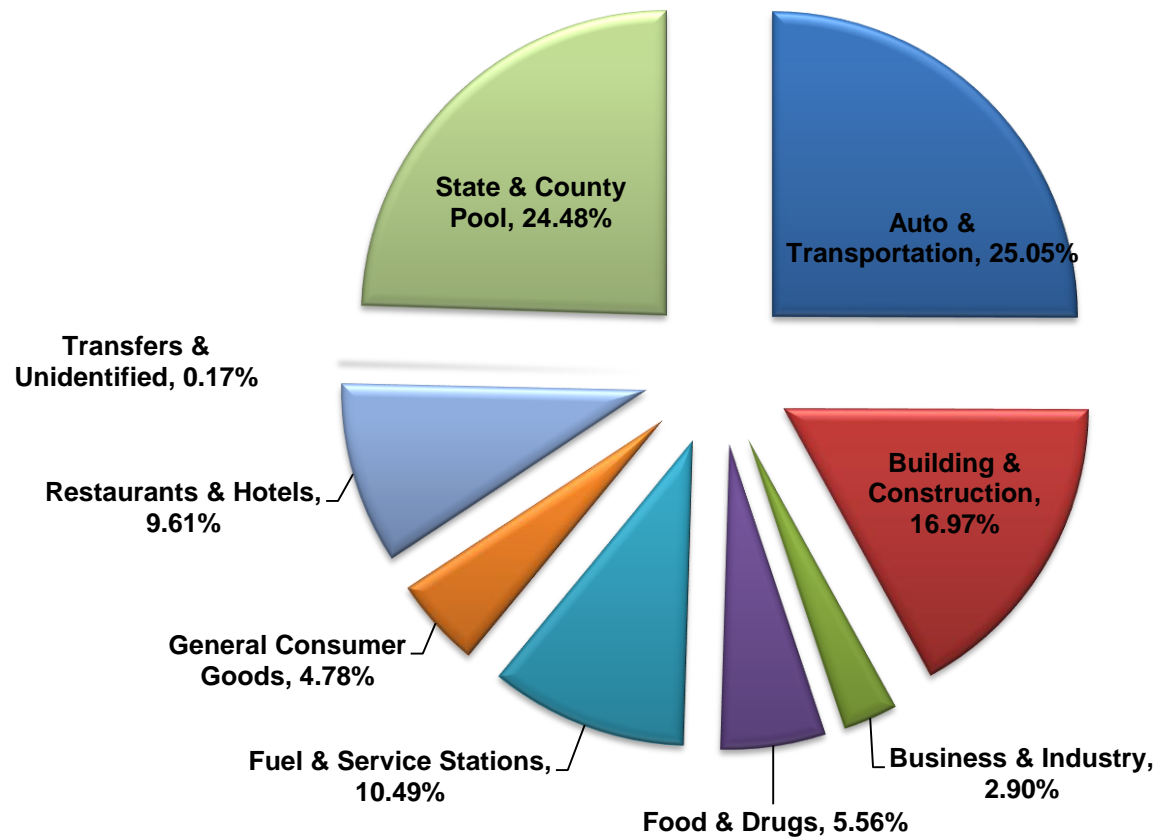


23/24 MID-YEAR TRANSPORTATION FEES TAKEN IN : \$260

# Bradley Burns Sales Tax

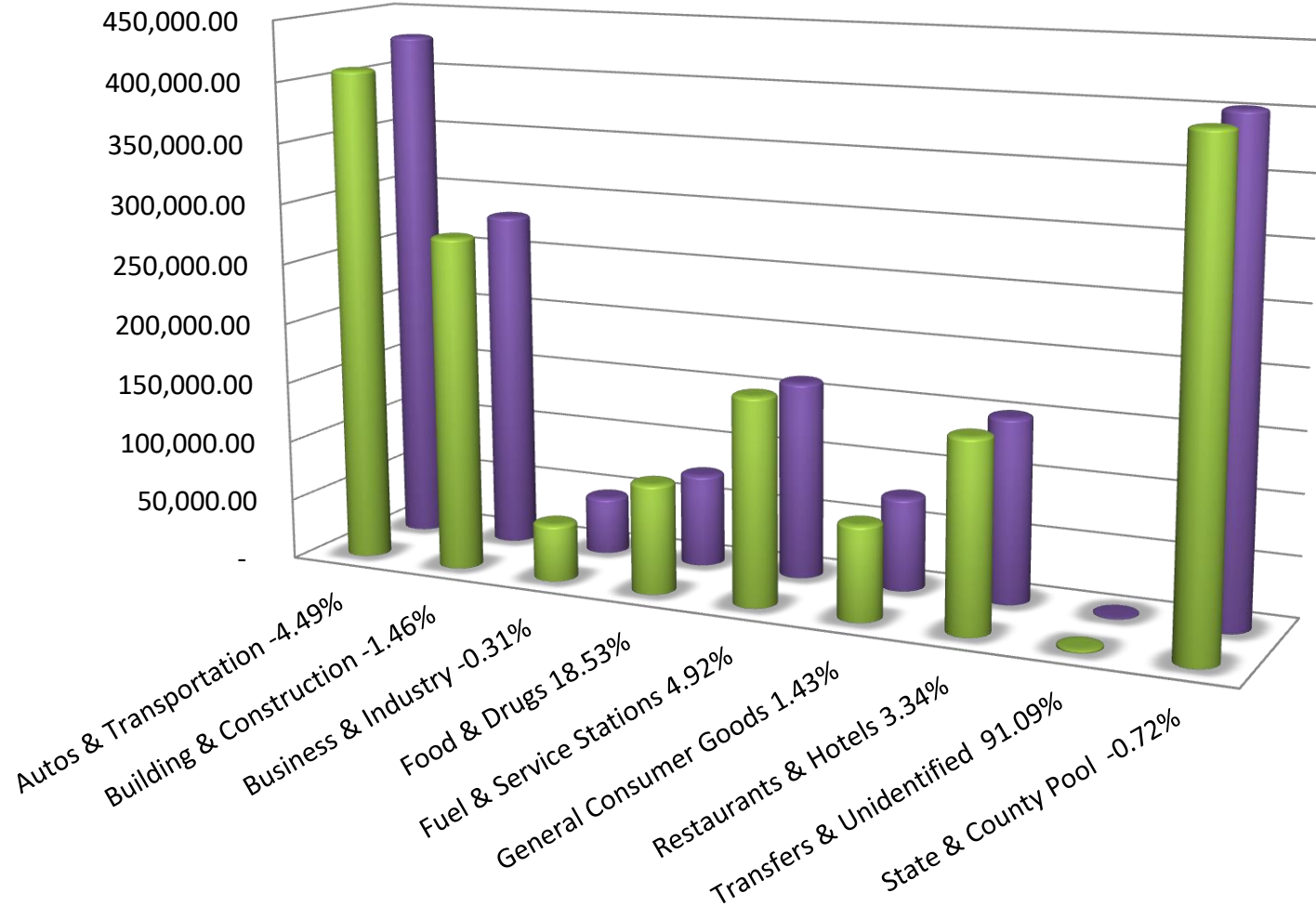
- 1.00 of 8.25%
- Most significant local economic indicator
- 58.18% of total General Fund revenue
- Strong per capita sales tax (\$633 in 2022)
- Placerville ranked #37 out of 539 agencies (2022)
- Quarter ended September 2023-Growth by \$5,867 or 0.4% in Placerville (Cash)
- \$15,554 or 0.9% decrease excluding adjustments
- Statewide, 3<sup>rd</sup> quarter receipts down by 1.7%

# Bradley Burns Sales Tax Sources Quarter Ended 09/30/23



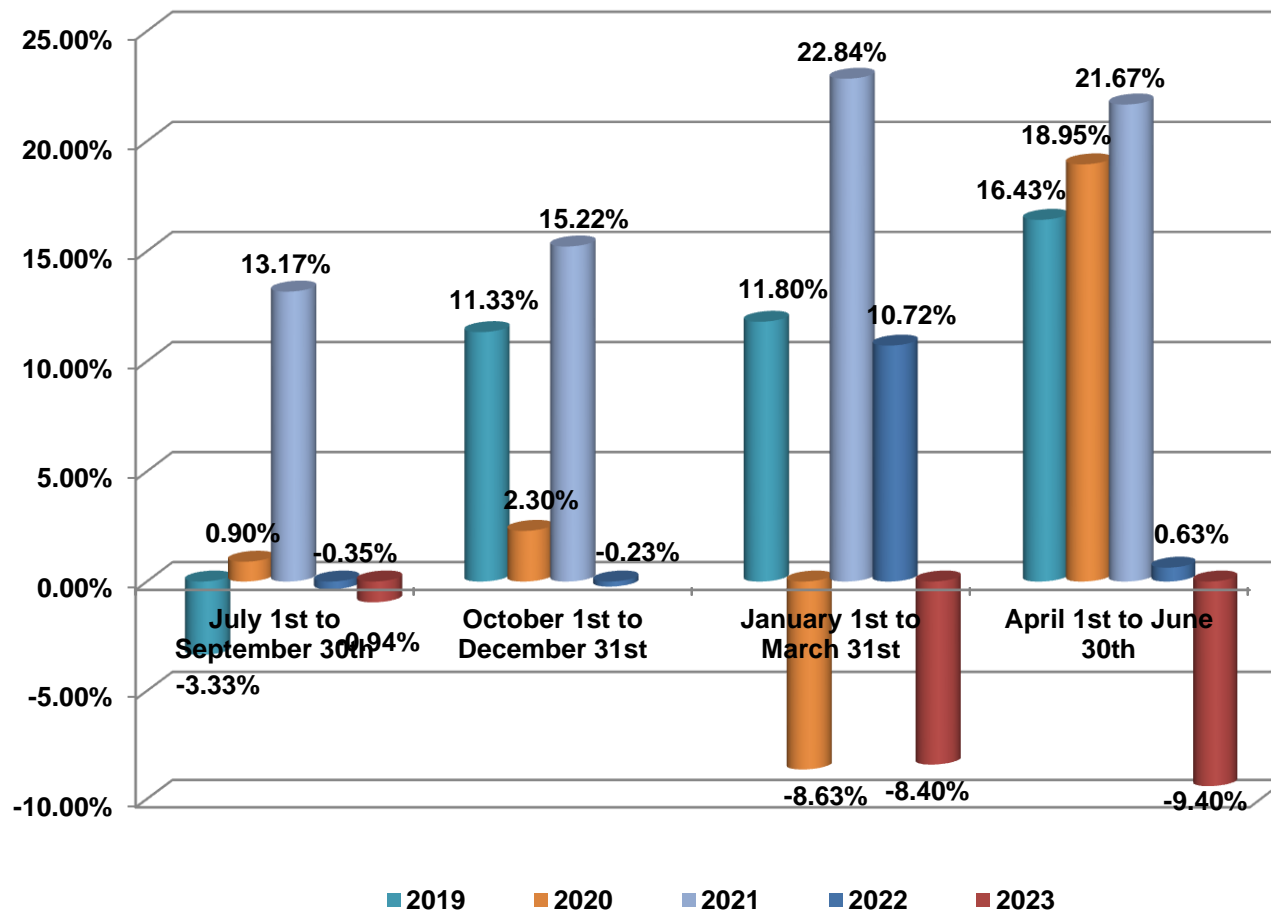
Allocation aberrations have been adjusted to reflect sales activity.

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



Allocation aberrations have been adjusted to reflect sales activity.

# Bradley Burns Sales Tax Growth



# Top 25 Sales Tax Producers

## Quarter Ended September 30, 2023

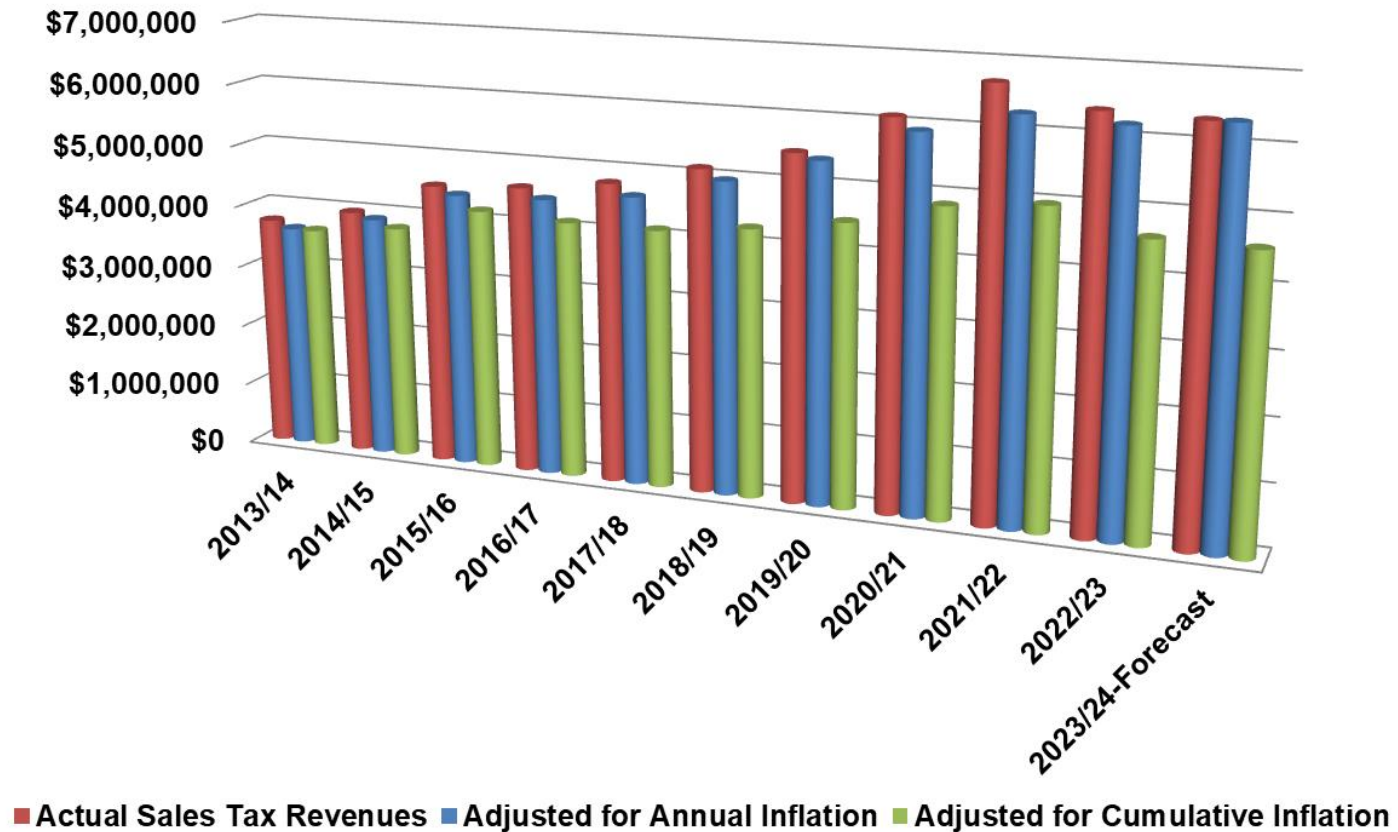
Bricks Restaurant	Mobile
C&H Motor Parts	Placerville Valero
Chuck's Cannabis Collective	Raley's
Diamond Pacific	Rancho Convenience Center
Ferguson Enterprises	Rite Aid
Fuel 4 Less	Sacred Roots
Grocery Outlet	Shell
Home Depot	Thompson's Buick & GMC
In N Out Burger	Thompson's Chrysler, Dodge, Jeep,
Kwik Serv	Thompson's Toyota
Les Schwab Tire Center	Tractor Supply
Marathon	W N Hunt & Sons Distributors
McDonalds	

# Bradley Burns Sales Tax Growth (Cont.)

- Actual Fiscal Year 2022/2023 sales tax  
\$6,388,172
- Forecasted Fiscal Year 2023/2024 sales tax  
\$6,344,789
- Forecast \$43,383 or 0.68% year over year decrease



# Bradley Burns Sales Tax Trend



# Adopted Operating Budget

- Adopted budget in June 2023
- Totaled \$25,410,593
- General Fund budget
  - \$12,598,404
  - Includes a \$1,105,791 planned deficit or one-time use of fund balance for equipment, projects, and additional pension UAL payment
  - \$100,000 Contingency for unforeseen expenditures





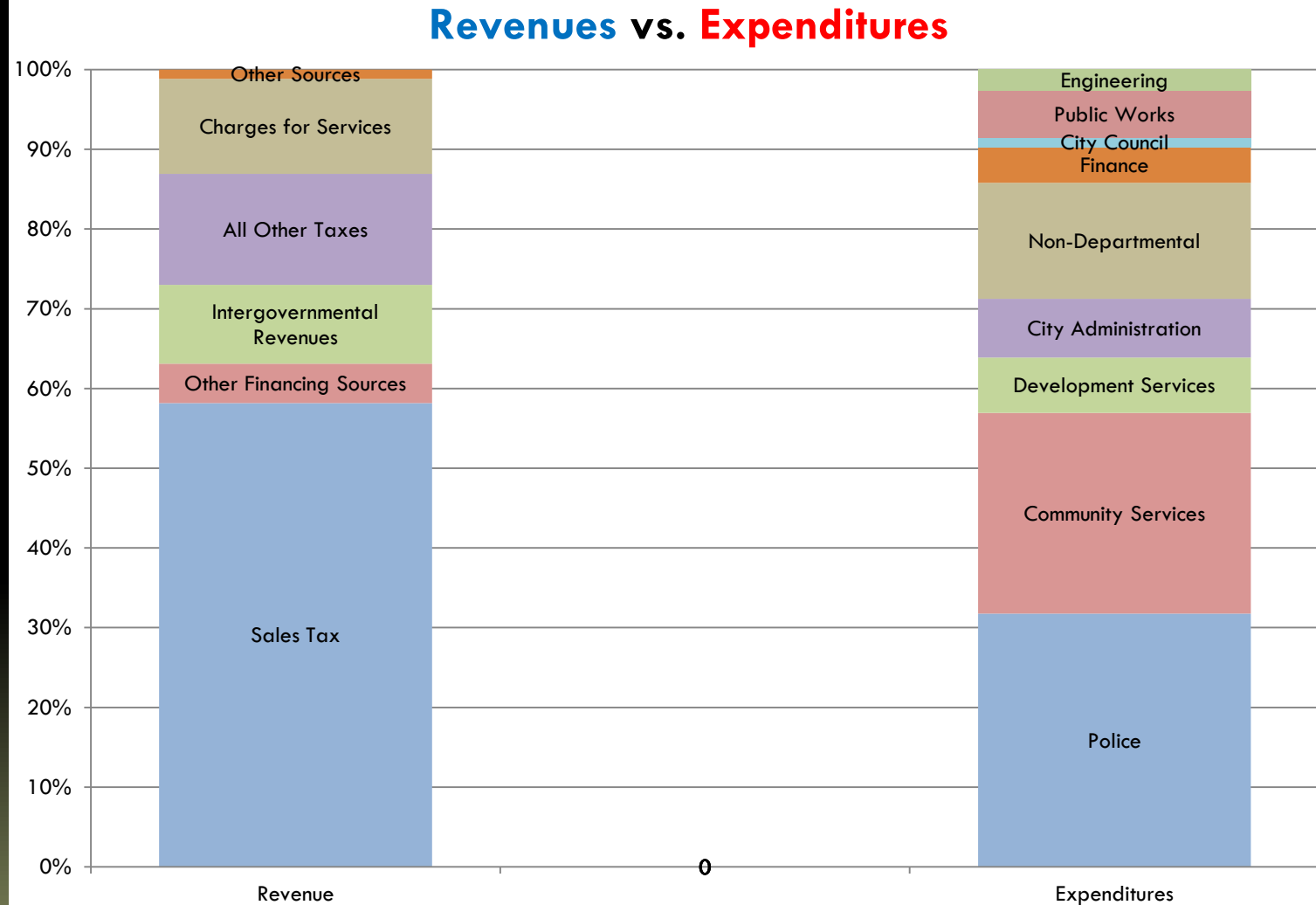
# General Fund Budget Revisions

- \$5,000 for park trash/recycle receptacles
- \$50,000 Historic City Hall Renovation Stabilization Plan project (CIP #42423)

# General Fund Budget

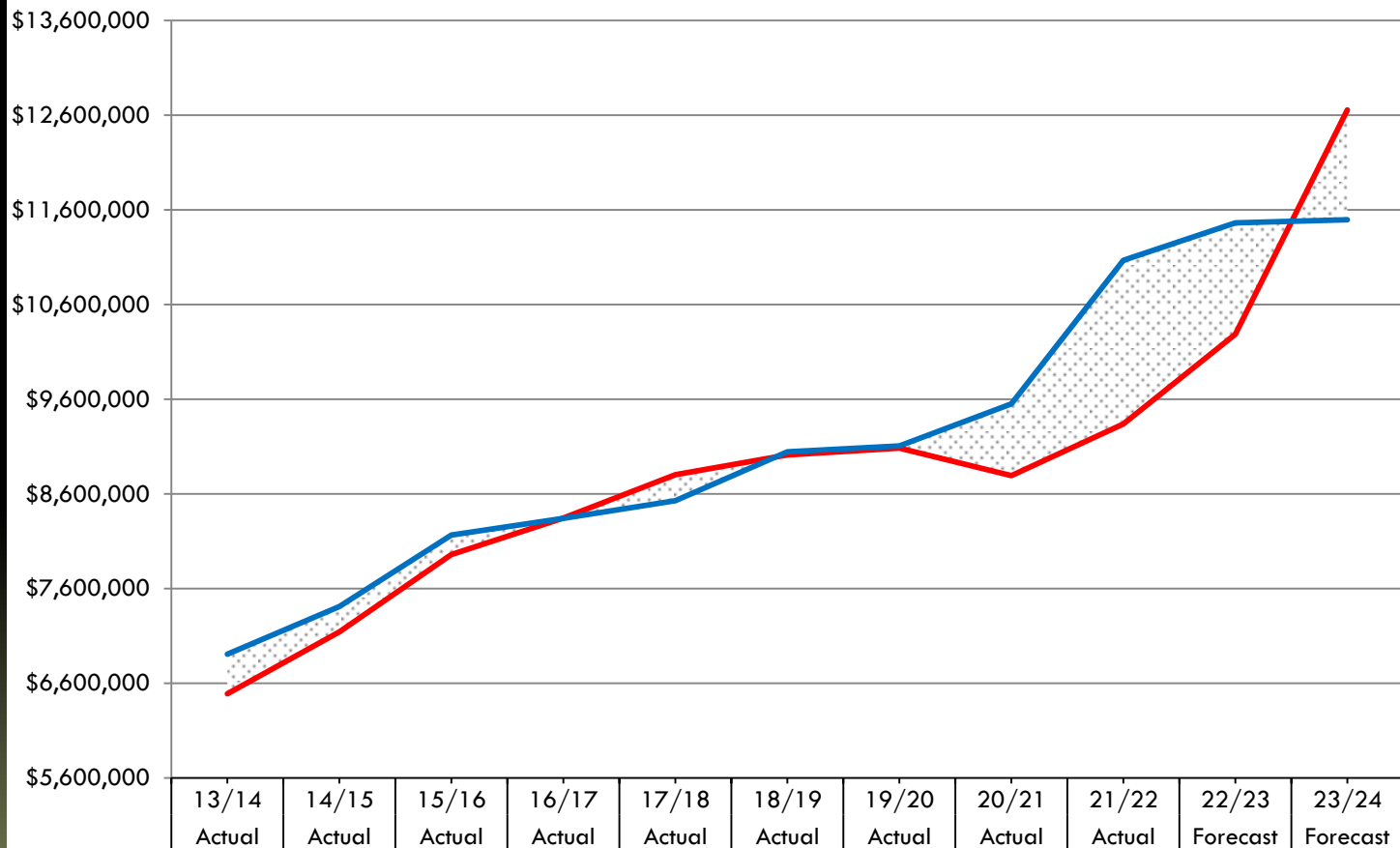


# General Fund Budget (Cont.)



# General Fund Budget (Cont.)

## Revenues vs. Expenditures



# General Fund Budget (Cont.)

	Revised Budget	Forecast	Under/Over Budget	
Revenues	\$ 11,492,613	\$ 11,300,524	\$ (192,089)	-1.67%
Expenditures	12,181,144	11,916,780	264,364	2.17%
Net Transfers In/(out)	(472,260)	(705,981)	(233,721)	-49.49%
<b>expenditures before adjustments</b>	<b>(1,160,791)</b>	<b>(1,322,237)</b>		
<b>From/(to) Fund Balance</b>	<b>\$ 1,160,791</b>	<b>\$ 1,322,237</b>		

# General Fund Revenues

Revenue Type	Revised Budget	Forecast	Under/Over Budget	
Sales Tax	\$ 6,685,984	\$ 6,344,789	\$(341,195)	-5.10%
All Other Taxes	1,601,285	1,576,381	(24,904)	-1.56%
Construction Permits	286,000	367,431	81,431	28.47%
Intergovernmental Revenues	1,135,735	1,190,383	54,648	4.81%
Charges for Service	1,081,580	1,090,760	9,180	0.85%
Fines & Forfeitures	82,000	95,130	13,130	16.01%
Use of Money & Property	40,090	35,703	(4,387)	-10.94%
Other Financing Sources	579,939	599,947	20,008	3.45%
<b>Total revenues</b>	<b>\$11,492,613</b>	<b>\$11,300,524</b>	<b>\$(192,089)</b>	<b>-1.67%</b>



# General Fund Expenditures

Department	Revised Budget	Forecast	Under/Over Budget	
Police	\$ 4,021,308	\$ 4,156,772	\$(135,464)	-3.37%
Development Services	876,598	842,605	33,993	3.88%
Engineering	337,059	177,451	159,608	47.35%
Community Services	3,185,696	2,981,473	204,223	6.41%
Public Works	744,897	786,642	(41,745)	-5.60%
City Council	146,996	130,238	16,758	11.40%
City Administration	932,452	911,302	21,150	2.27%
Finance	567,080	500,109	66,971	11.81%
Non-Departmental	1,841,318	2,136,169	(294,851)	-16.01%
<b>Total expenditures</b>	<b>\$12,653,404</b>	<b>\$12,622,761</b>	<b>\$ 30,643</b>	<b>0.24%</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 \$100,000 contingency
- \$161,446 increase in forecasted deficit primarily due to \$97,829 general liability claim costs and an additional \$119,584 transfer to the Measure J Fund

# Water Enterprise Fund

	Revised Budget	Forecast	Under/Over Budget	
Revenues	\$ 3,350,369	\$ 2,534,567	\$ (815,802)	-24.35%
Expenditures	2,329,159	2,354,515	(25,356)	-1.09%
Net Transfers Out	(204,355)	(204,355)	-	0.00%
<b>Revenues over (under) Expenditures</b>	<b>\$ 816,855</b>	<b>\$ (24,303)</b>		
<b>Water project set aside/(from fund balance)</b>	<b>\$ 816,855</b>	<b>\$ (24,303)</b>		

# Sewer Enterprise Fund

	Revised Budget	Forecast	Under/Over Budget	
Revenues	\$ 7,520,666	\$ 8,112,702	\$ 592,036	7.87%
Expenditures	7,782,954	7,474,519	308,435	3.96%
Net Transfers In	1,267,645	1,267,645	-	0.00%
<b>Revenues over (under) expenditures before adjustments</b>	<b>\$ 1,005,357</b>	<b>\$ 1,905,828</b>		
<b>Sewer project set aside</b>	<b>\$ 1,005,357</b>	<b>\$ 1,905,828</b>		

# Non-Major Funds

Fund	Fiscal Year	Revenues	Expenditures	Under/(Over) Budget
Measure L Fund	Budget	\$ 3,017,000	\$ -	\$ 3,017,000
	Forecast	2,892,804	-	2,892,804
Measure H Fund	Budget	1,487,000	1,472,000	15,000
	Forecast	1,423,402	1,408,402	15,000
Measure J Fund	Budget	1,472,000	1,472,000	-
	Forecast	1,408,402	1,408,402	-
Gas Tax Fund	Budget	600,819	376,585	224,234
	Forecast	581,377	360,277	221,100
Downtown Parking District Fund	Budget	283,692	258,454	25,238
	Forecast	232,885	270,054	(37,169)
SLESF COPS Fund	Budget	124,751	199,002	(74,251)
	Forecast	131,098	205,349	(74,251)
Community Benefit Fund	Budget	85,566	122,412	(36,846)
	Forecast	83,145	122,412	(39,267)
OTS STEP Grant Fund	Budget	65,000	65,000	-
	Forecast	65,000	65,000	-
SRO Fund	Budget	56,586	56,586	-
	Forecast	52,437	52,837	(400)
Homeland Security Grant Fund	Budget	50,000	50,000	-
	Forecast	50,000	50,141	(141)

# Non-Major Funds (Cont.)

<b>Fund</b>	<b>Fiscal Year</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>Under/(Over) Budget</b>
General CIP Fund	Budget	78,632	(241,643)	320,275
	Forecast	78,832	(241,643)	320,475
Ridge at Orchard Hill BAD Funds	Budget	46,099	46,099	-
	Forecast	46,099	25,427	20,672
Orchard Hill LLMD Fund	Budget	20,215	20,215	-
	Forecast	20,215	19,527	688
Cottonwood Park LLMD Fund	Budget	14,302	14,302	-
	Forecast	14,302	14,463	(161)
General Liability Fund	Budget	100	-	100
	Forecast	14,633	-	14,633
Reserve for Economic Uncertainties	Budget	5	(8,395)	8,400
	Forecast	5	(8,395)	8,400

# Total Operating Budget

	Revised Budget	Forecast	Under/Over Budget	
Revenues	\$ 29,765,415	\$ 29,042,429	\$ (722,986)	-2.43%
Expenditures	25,604,844	25,140,758	464,086	1.81%
Net Transfers Out	-	-	-	0.00%
<b>Revenues over (under) Expenditures</b>	<b>\$ 4,160,571</b>	<b>\$ 3,901,671</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 9th Budget Workshop



# Conclusion

- Questions?
- Comments?
- Thank you!



*A balanced budget is worth fighting for.*