

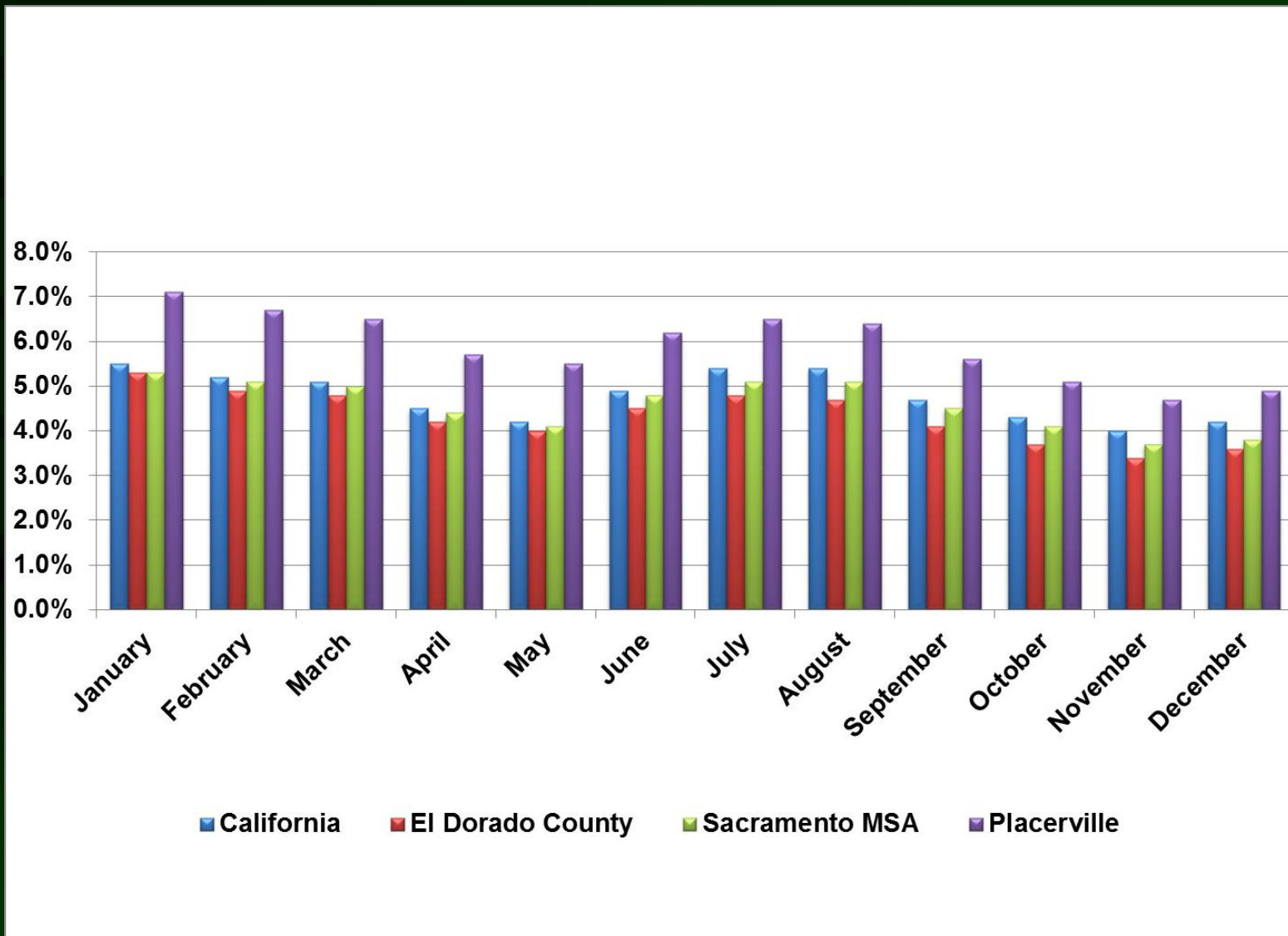
Mid-Year Budget Report

City of Placerville, California
March 13, 2018

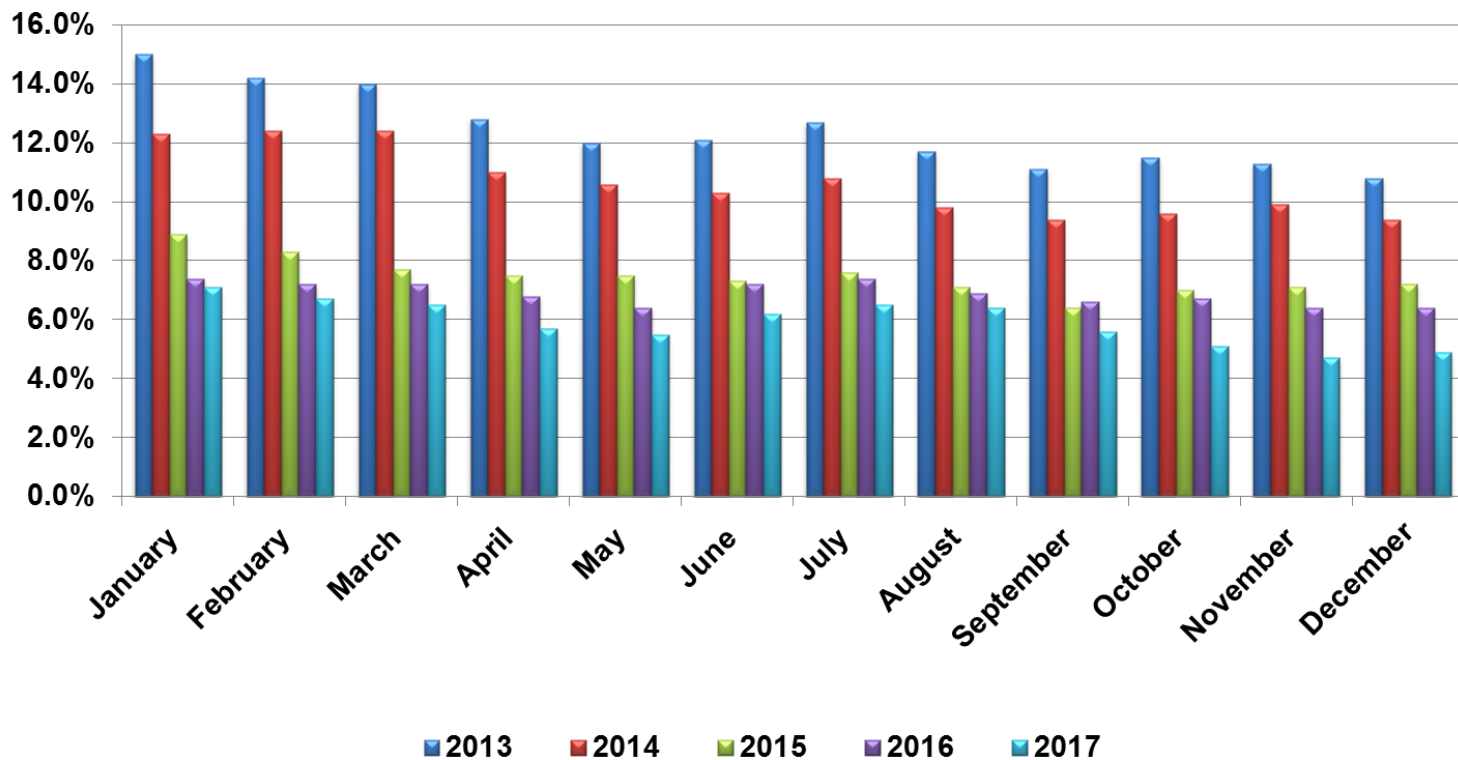
Overview

- 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

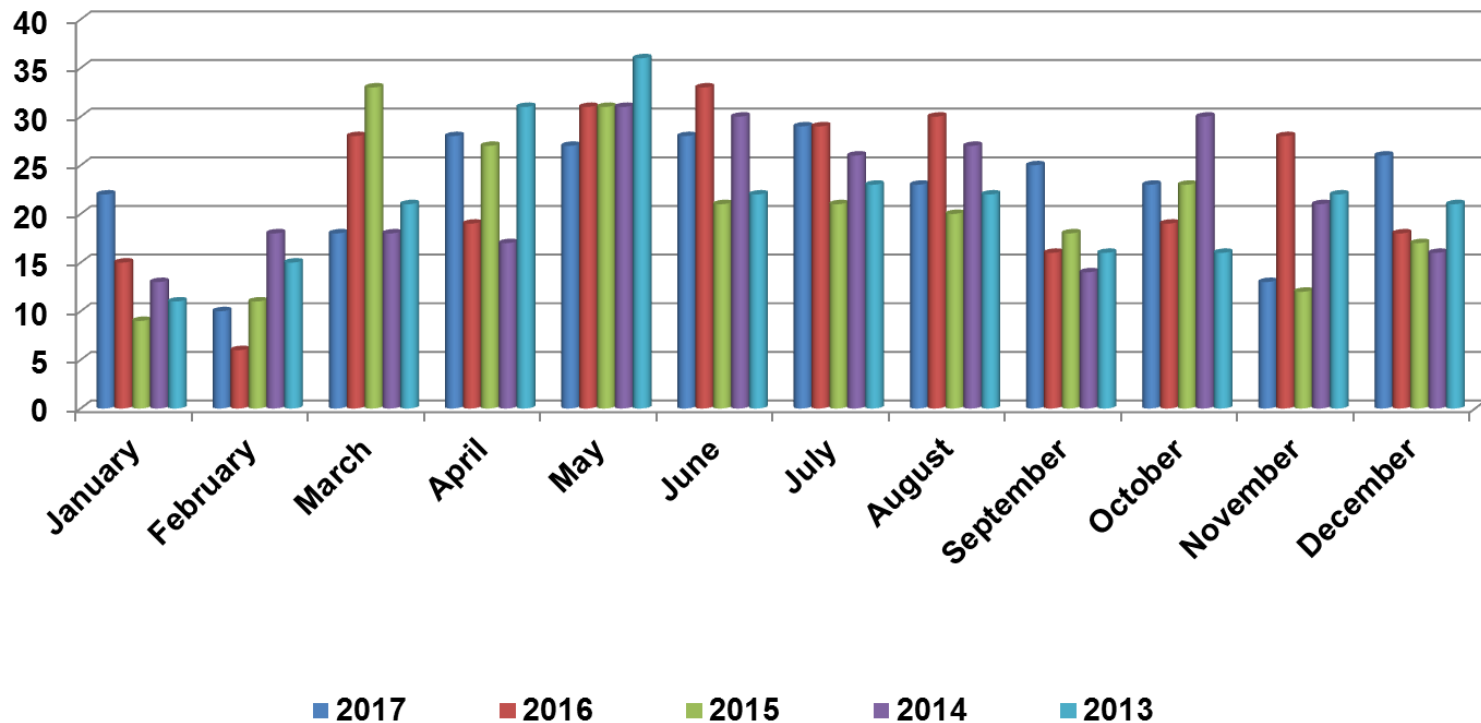
2017 Regional Unemployment Rates



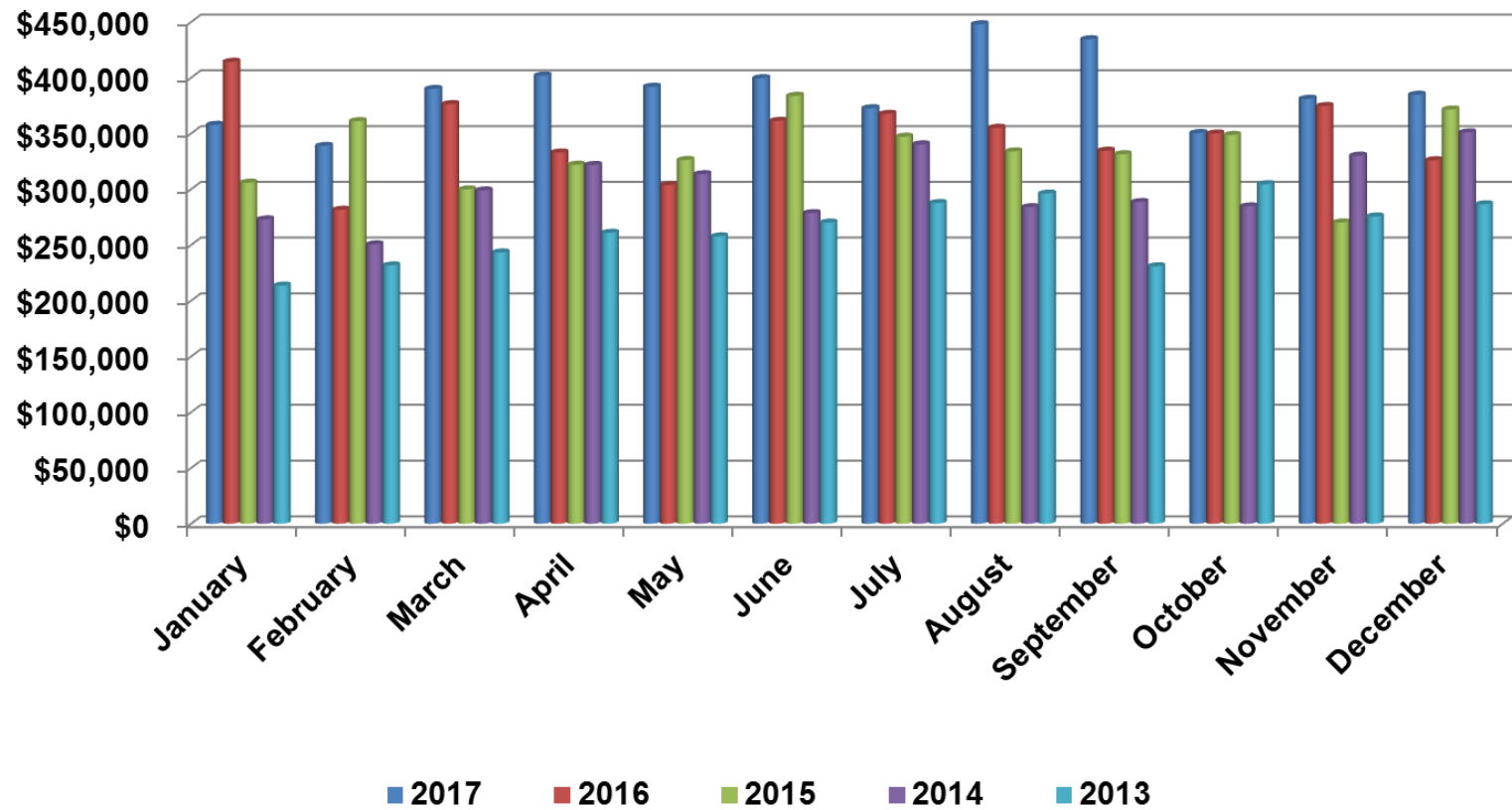
Placerville's Historical Unemployment Rates



Number of Residential Sales in the Greater Placerville Area



Average Price of Residential Sales in the Greater Placerville Area



Recreation Program Attendance

Program	July to Dec. 2016	July to Dec. 2017	Increase/- Decrease	% Increase/- Decrease
<i>Gold Bug Park</i>				
Gold Bug Daily Tours	8,308	8,145	-163	-1.96%
Gold Bug Group Tours	677	899	222	32.79%
Total	8,985	9,044	59	0.66%
<i>Aquatics</i>				
Lap Swim	640	551	-89	-719.10%
Evening Public Swim	1,998	1,919	-79	-3.95%
Wading Pool	2,200	1,349	-851	-38.68%
Public Swim	7,878	8,099	221	2.81%
Water Exercise	619	505	-114	-18.42%
Swim Lessons	890	696	-194	-21.80%
Jr. Lifeguard Camp	23	17	-6	-26.09%
Pool Rentals	32	17	-15	-46.88%
Total	14,280	13,153	-1,127	-7.89%
<i>Special Interest Classes & Camps</i>				
Youth Camps	139	69	-70	-50.36%
Adult Special Interest	361	279	-82	-22.71%
Youth Special Interest	99	84	-15	-15.15%
Total	599	432	-167	-27.88%

Recreation Program Attendance (Cont.)

Program	July to Dec. 2016	July to Dec. 2017	Increase/- Decrease	% Increase/- Decrease
Adult Sports				
Basketball Teams (3 on 3)	28	24	-4	-14.29%
Basketball Teams (5 on 5)	9	11	2	22.22%
Softball Teams	138	127	-11	-7.97%
Volleyball Teams	11	12	1	9.09%
Total	186	174	-12	-6.45%
Youth Basketball[^]				
Basketball Teams	84	82	-2	-2.38%
Total	84	82	-2	-2.38%
Banner Over Main				
Banner Reservations	23	24	1	4.35%
Total	23	24	1	4.35%

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

[^] Swim Lessons and Pool Rentals totals for 2016 were adjusted to only count those occurring July-December

Building Division Activity

Fee	Actual 2013/2014	Actual 2014/2015	Actual 2015/2016	Actual 2016/2017	2017/2018 7/1/17-12/31/17	Forecasted 2017/2018
Construction Permits	\$100,252	\$114,590	\$194,881	\$205,804	\$61,115	\$111,765 ⁴ \$179,000 ^{1,2,3}
Plan Check Fees	\$54,936	\$39,883	\$56,503	\$66,387	\$51,266	\$68,300 ³

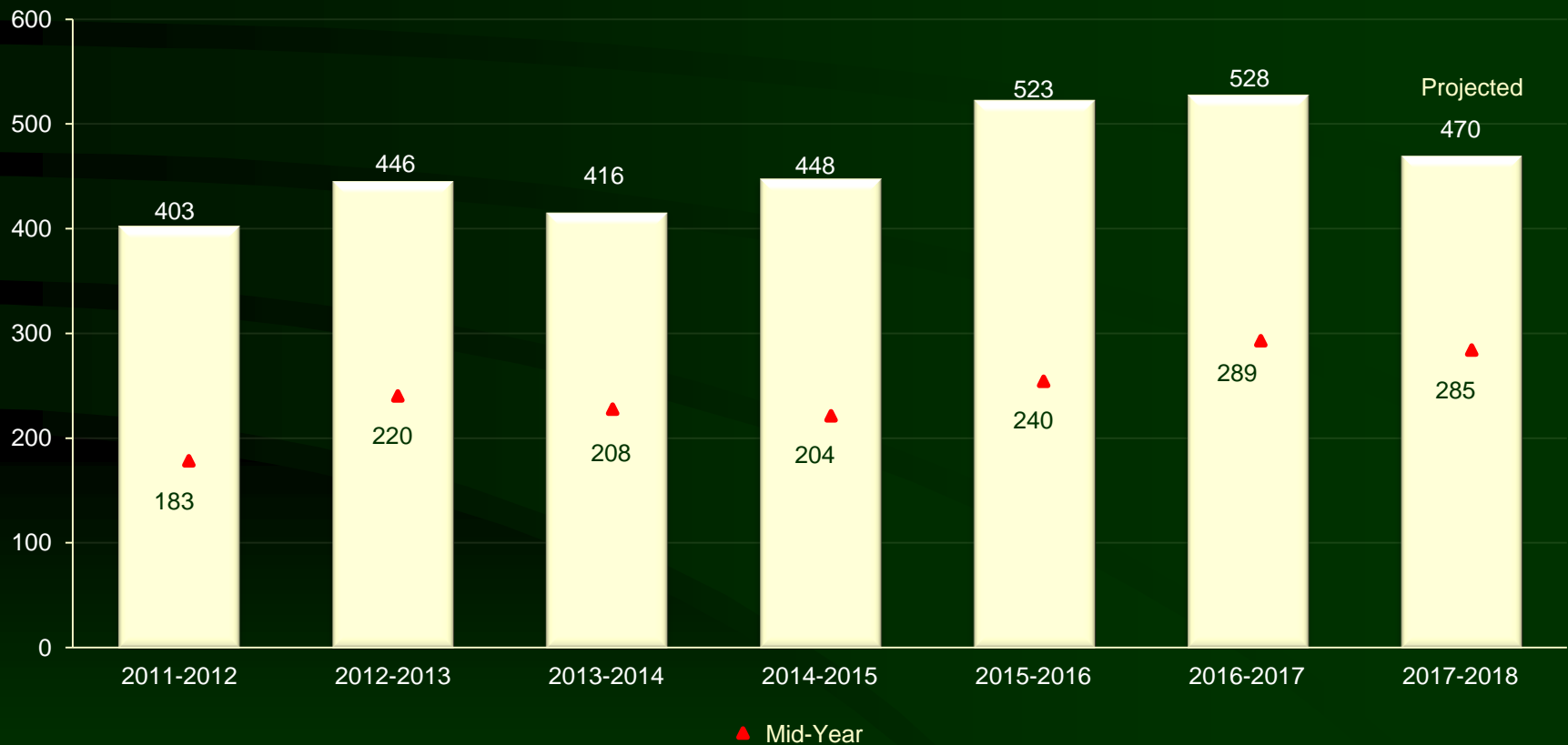
¹ Hampton Inn and Suites, Raley's PV Solar
6/30/2018

² New Single Family Dwelling permits 2018 - 9 permit applications

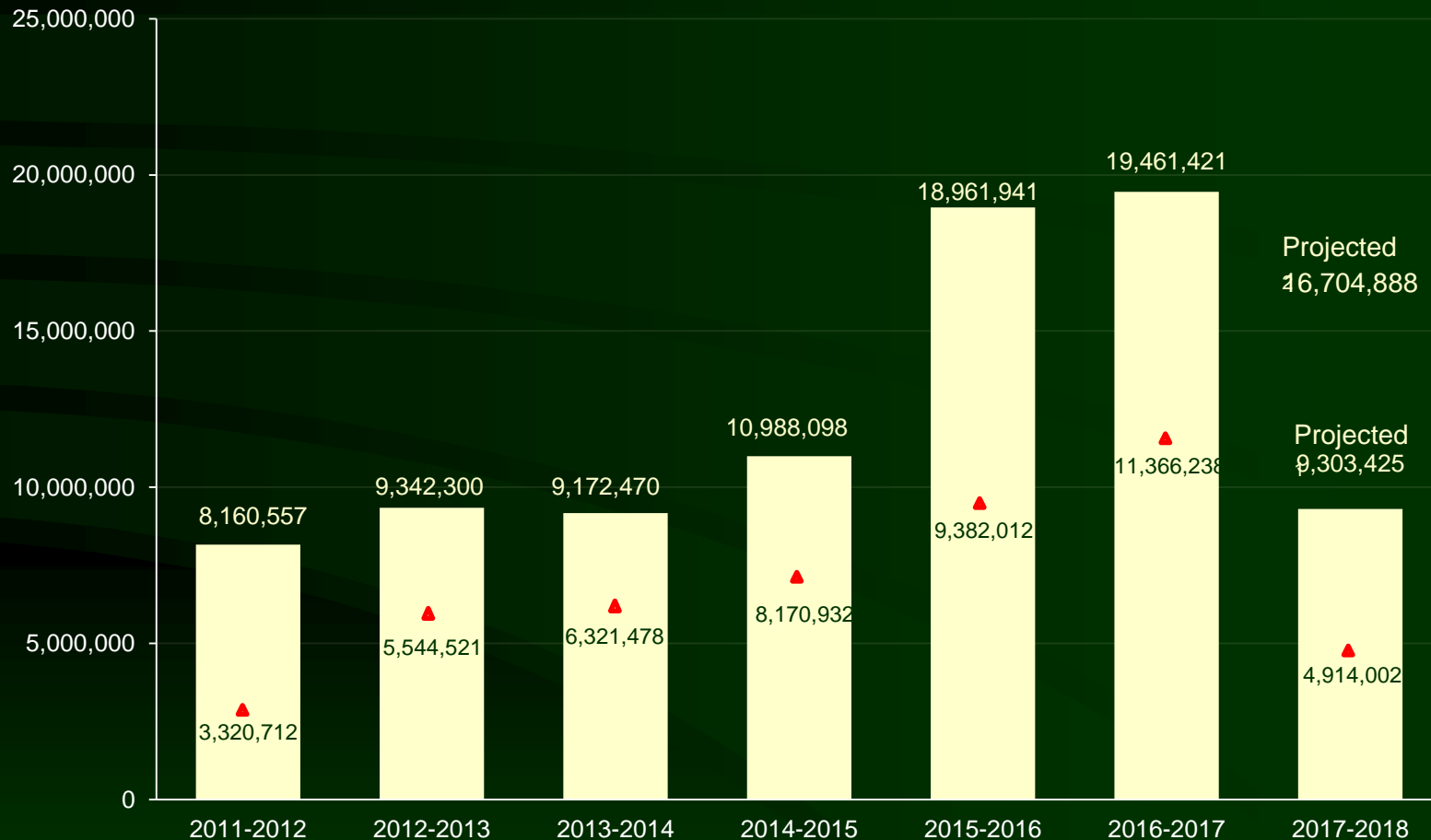
³ New Single Family Dwellings – 3 additional by end of fiscal year.

⁴ Hampton Inn and Suites NOT issued by

Issued Building Permits



Building Valuations

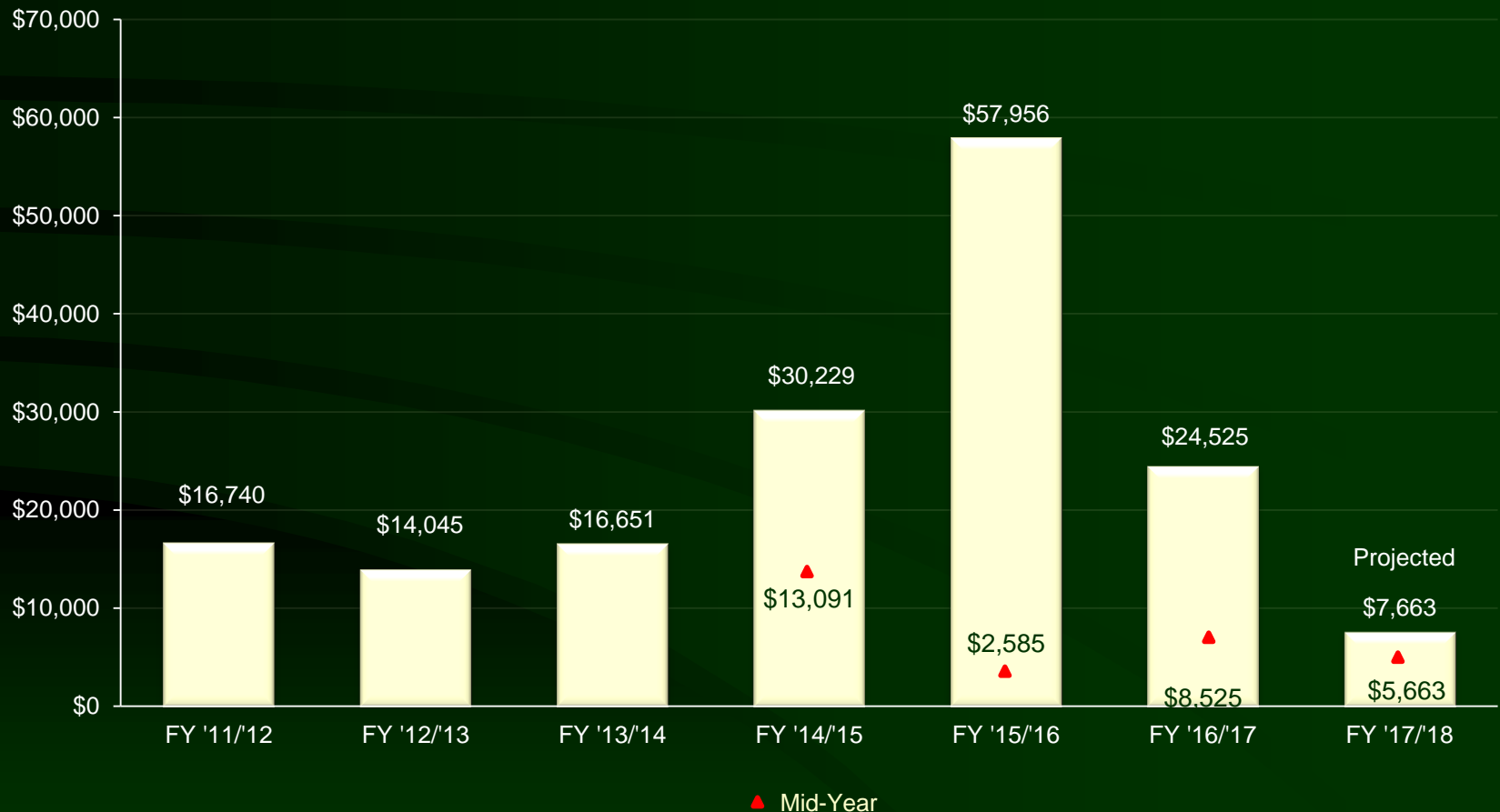


1 Hampton Inn & Suites NOT issued.

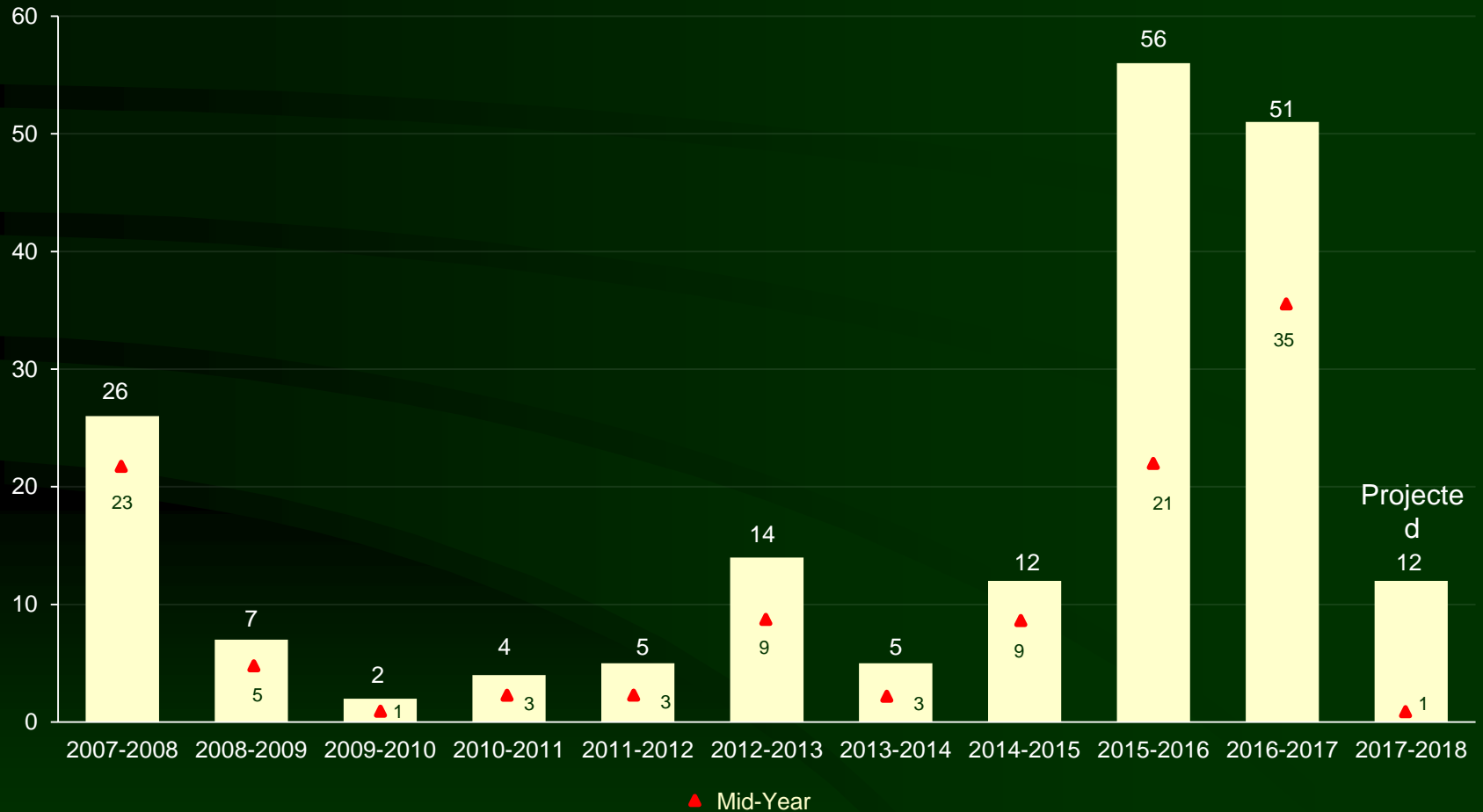
2 Hampton Inn & Suites issued.

▲ Mid-Year

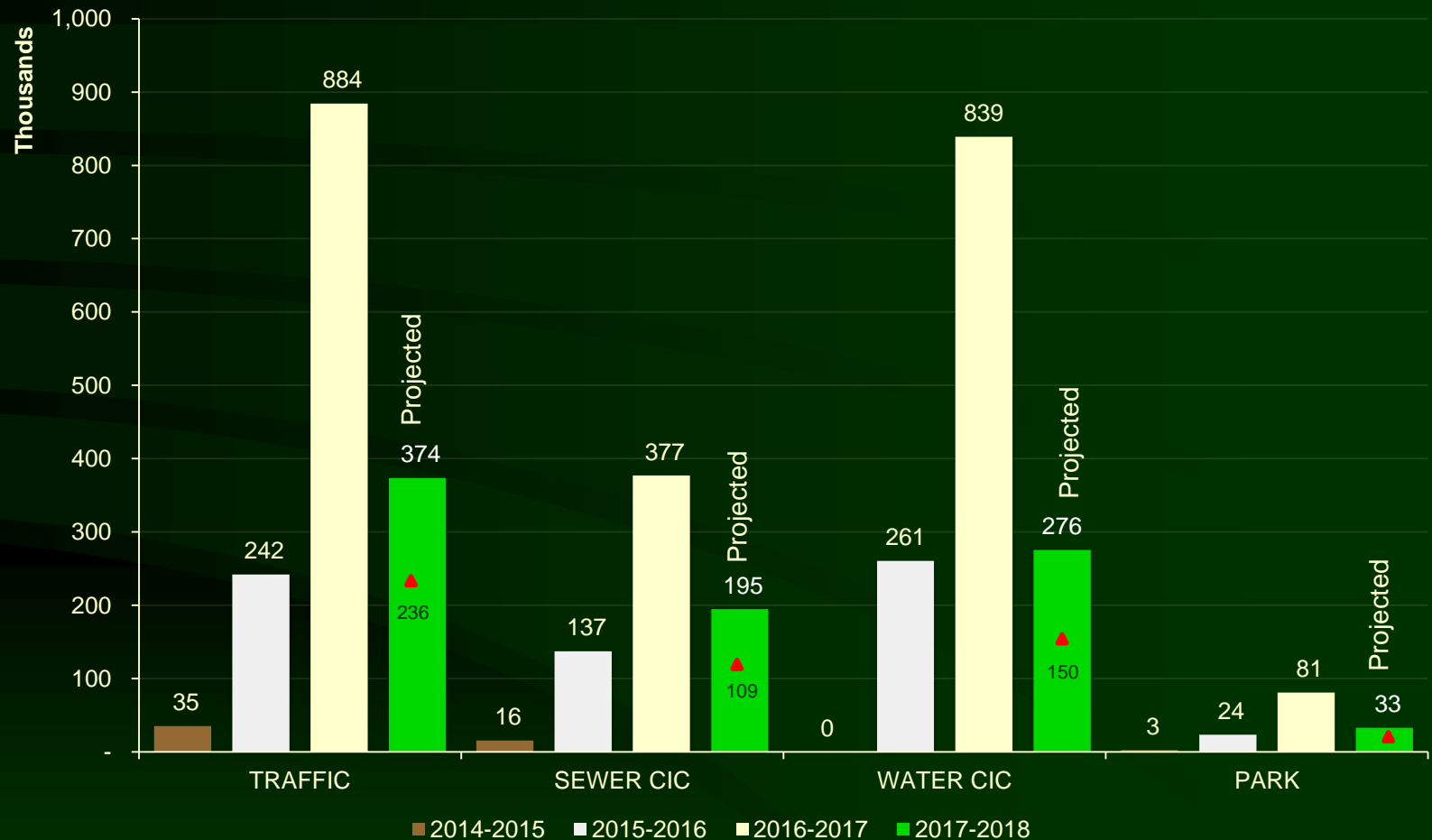
Planning & Zoning Revenues



Single-Family Dwellings



Impact Fees



*Deferred fee payments at time of Certificate of Occupancy

▲ Mid-Year

Bradley Burns Sales Tax

- 1.00 of 8.25%
- Most significant local economic indicator
- 56.35% of total General Fund revenue
- Strong per capita sales tax (\$425 in 2016)
- Placerville ranked #37 out of 539 agencies (2016)
- Quarter ended September 2017-Receipts reported up by 7.44% or \$87,624 in Placerville
- Statewide, 3rd quarter receipts up by 4.9%

Sacramento Region Sales Tax Growth-Quarter Ended 09/30/17

Amador County

Amador City	-0.49%
Ione	3.01%
Jackson	1.63%
Plymouth	-0.15%
Sutter Creek	18.77%
Amador County-Unincorporated Area	4.36%
Amador County-All Agencies	4.60%

Placer County

Auburn	11.31%
Colfax	16.23%
Lincoln	4.79%
Loomis	-6.67%
Rocklin	6.08%
Roseville	3.25%
Placer County-Unincorporated Area	10.27%
Placer County All agencies Area	5.52%

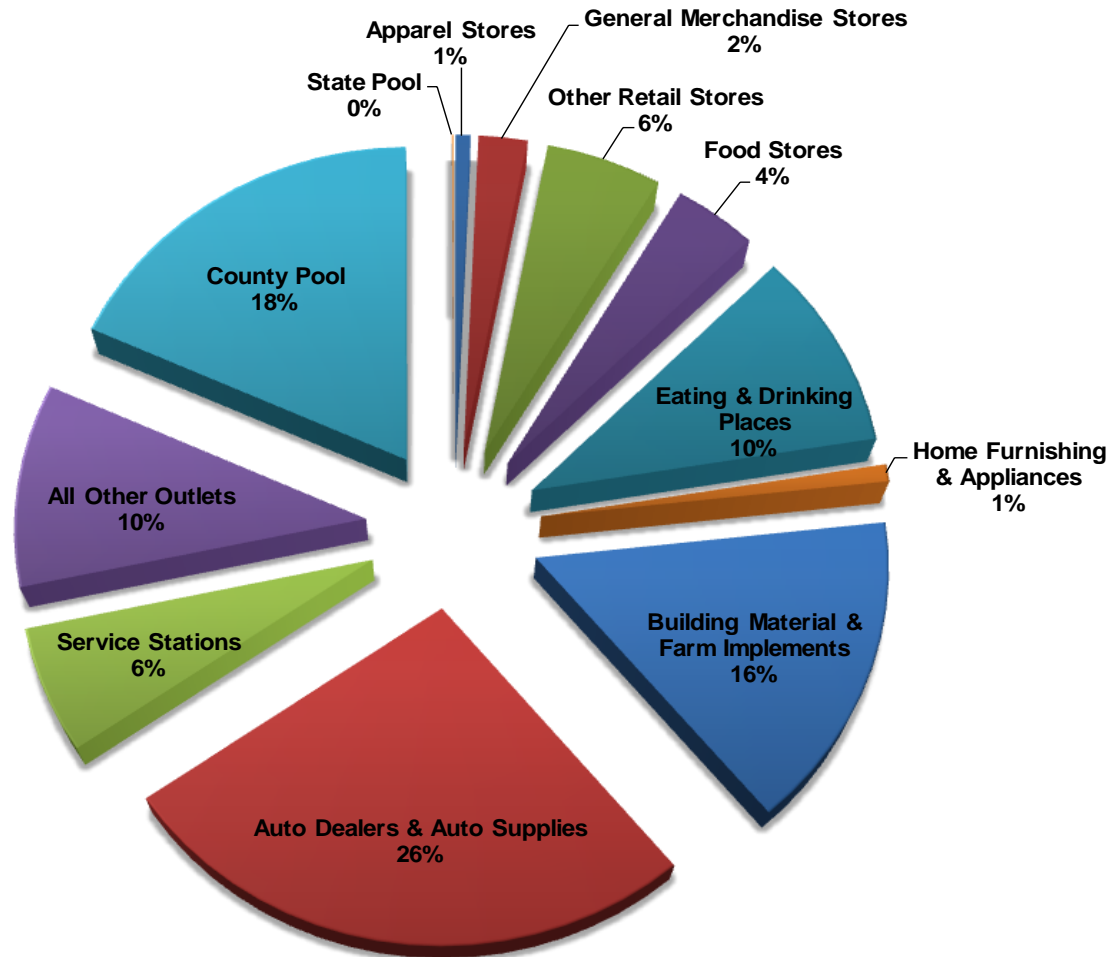
El Dorado County

Placerville	7.44%
South Lake Tahoe	7.76%
El Dorado County-Unincorporated Ar	8.10%
El Dorado County-All Agencies	7.88%

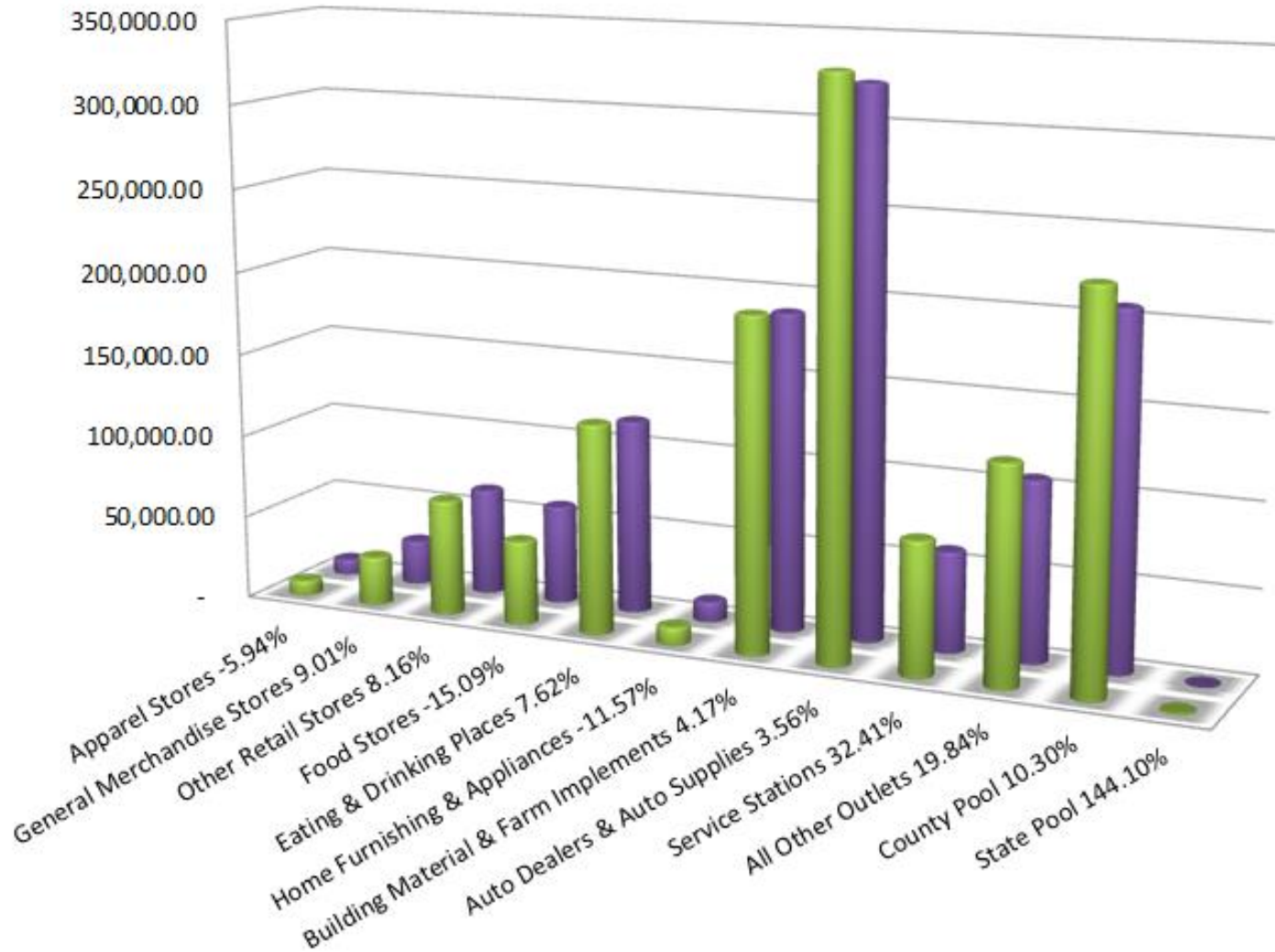
Sacramento County

Citrus Heights	7.59%
Elk Grove	13.00%
Folsom	-16.28%
Galt	6.10%
Isleton	32.07%
Rancho Cordova	49.52%
Sacramento	7.67%
Sacramento County-Unincorporated	4.53%
Sacramento County-All Agencies	6.56%

Bradley Burns Sales Tax Sources Quarter Ended 09/30/17



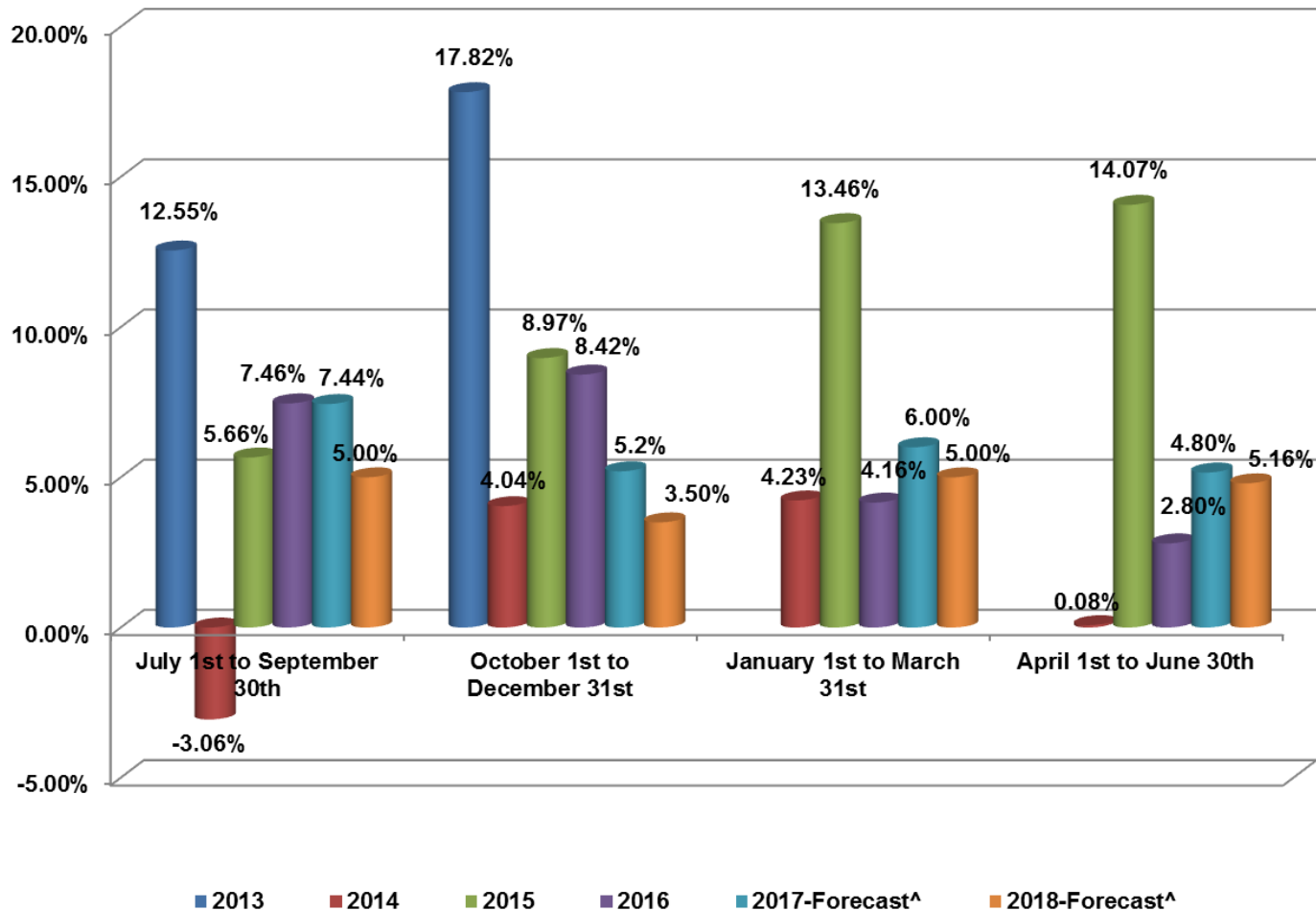
Year Over Year Bradley Burns Sales Tax Comparison Quarter Ended September 30th



Top 10 Sales Tax Generating Businesses in the City-Quarter Ended September 30, 2017

- 1 - The Home Depot
- 2 - Thompson's Toyota
- 3 - Thompson's Auto & Truck Center
- 4 - Thompson's Chrysler
- 5 - Rancho Convenience Center (ARCO AM/PM)
- 6 - Pacific Coast Supply
- 7 - Hunt & Sons, Inc.
- 8 - Raley's
- 9 - In-N-Out Burger
- 10 - Les Schwab Tire Center

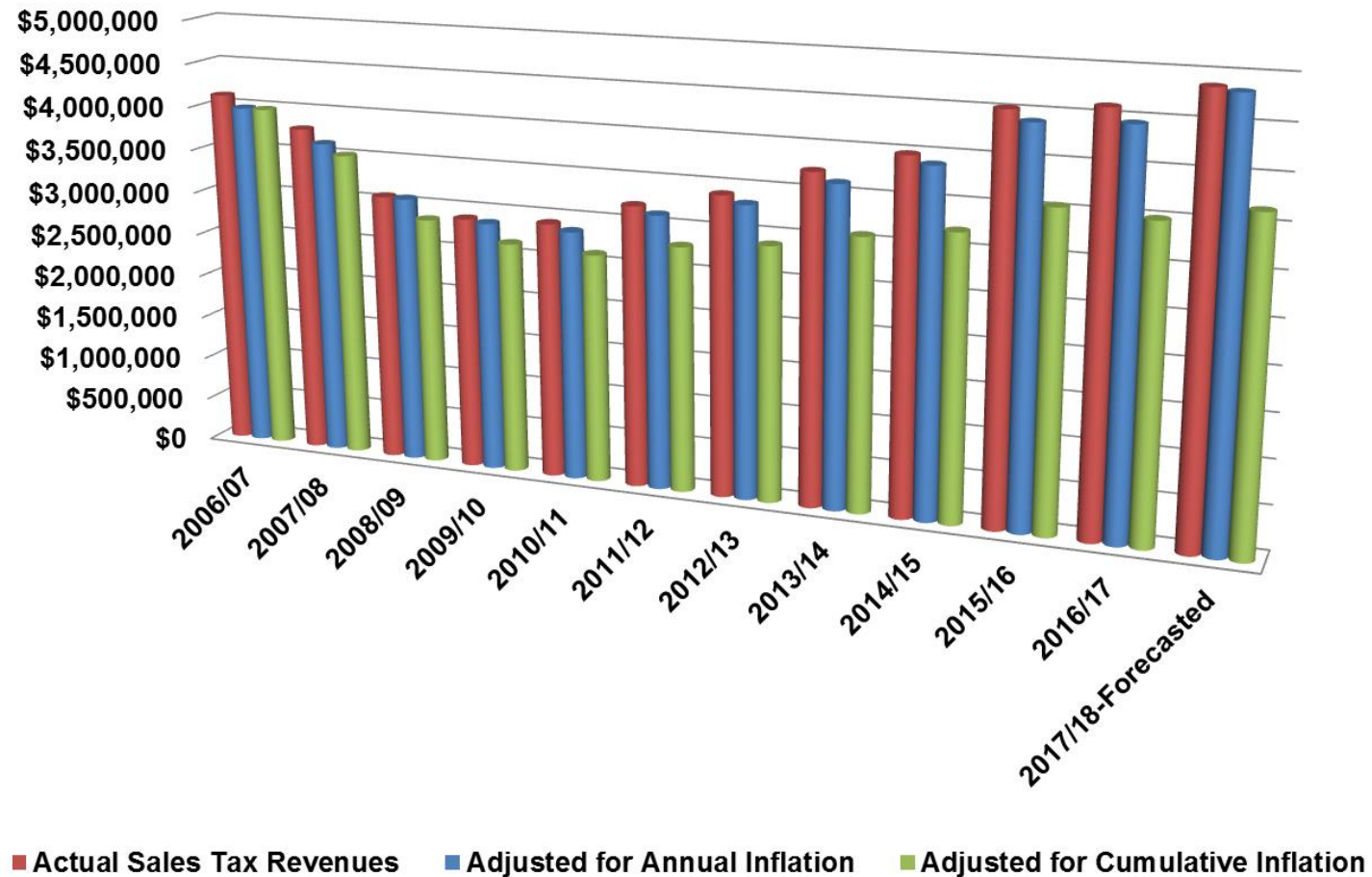
Bradley Burns Sales Tax Growth



Bradley Burns Sales Tax Growth (Cont.)

- Actual Fiscal Year 2016/2017 sales tax \$4,614,719
- Forecasted Fiscal Year 2017/2018 sales tax \$4,874,659
- Forecast \$259,940 or 5.63% in year over year growth

Bradley Burns Sales Tax Trend



Adopted Operating Budget

- Adopted in June 2017
- Totaled \$19,114,112
- General Fund budget
 - \$8,703,846
 - \$75,000 Contingency for unforeseen expenditures
 - \$65,985 Assumed use of fund balance for CIP projects

Focus on the General Fund

Adopted General Fund Budget Allocation Fiscal Year 2017/2018

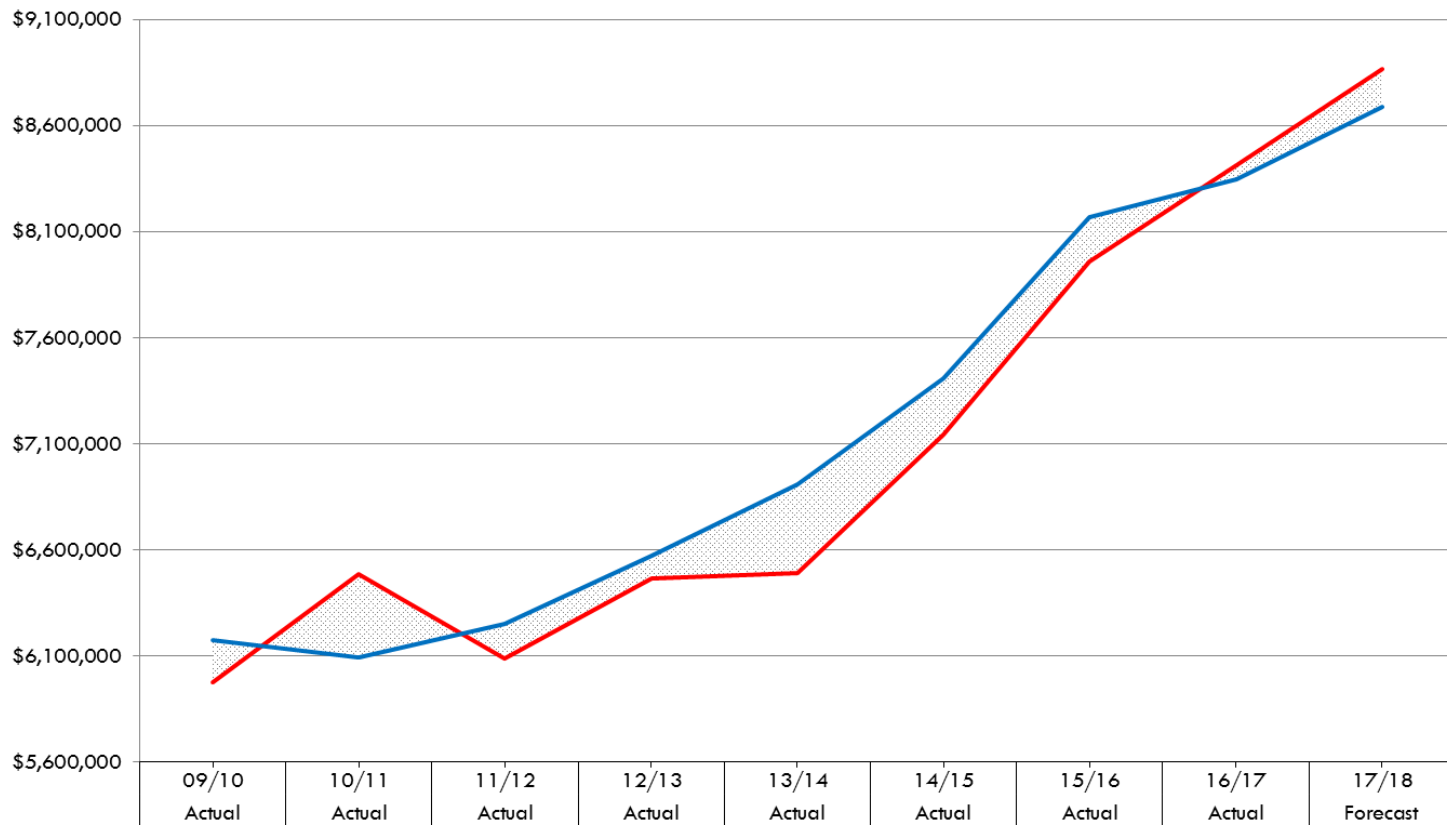


Focus on the General Fund (Cont.)

	Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 8,637,861	\$ 8,685,651	\$ (47,790)	-0.55%
Expenditures	8,864,627	8,921,922	(57,295)	-0.65%
Net Transfers In	160,781	55,979	104,802	65.18%
Revenues under/(over) expenditures before adjustments	(65,985)	(180,292)		
From Fund Balance	\$ 65,985	\$ 180,292		

Focus on the General Fund (Cont.)

General Fund Revenues vs. Expenditures



Focus on the General Fund (cont.)

Revenue Type	Revised Budget	Forecast	Under/(Over)	
Sales Tax	\$ 4,867,323	\$ 4,874,659	\$ (7,336)	-0.15%
All Other Taxes	942,837	998,094	(55,257)	-5.86%
Construction Permits	125,000	113,364	11,636	9.31%
Intergovernmental Revenues	876,104	925,265	(49,161)	-5.61%
Charges for Service	823,008	816,170	6,838	0.83%
Fines & Forfeitures	60,000	56,114	3,886	6.48%
Use of Money & Property	70,062	72,517	(2,455)	-3.50%
Other Financing Sources	873,527	829,468	44,059	5.04%
Total revenues	\$ 8,637,861	\$ 8,685,651	\$ (47,790)	-0.55%

General Fund Expenditures

Department	Revised Budget	Forecast	Under/(Over) Budget	
Police	\$2,917,255	\$ 2,926,477	\$ (9,222)	-0.32%
Development Services	1,105,360	1,141,131	(35,771)	-3.24%
Community Services	3,004,929	3,012,424	(7,495)	-0.25%
Elected Officials	133,966	127,654	6,312	4.71%
City Administration	658,141	649,360	8,781	1.33%
Finance	382,025	375,327	6,698	1.75%
Non-Departmental	502,170	633,570	(131,400)	-26.17%
Total expenditures	\$8,703,846	\$ 8,865,943	\$ (162,097)	-1.86%

Focus on the General Fund (cont.)

- Assumes pay-as-you go costs for GASB 45 Other Post Employment Benefits (OPEB) Annual Required Contribution (ARC)
 - No contribution for future retiree medical insurance costs
- Assumes expending entire \$75,000 contingency
- Deficit primarily due to \$65,985 planned use of fund for CIP projects, \$104,802 in unforeseen general liability claims, and \$66,000 in unforeseen debris clean up

Measure J Fund

	Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 1,060,960	\$ 1,072,969	\$ (12,009)	-1.13%
Expenditures	1,146,410	1,192,201	(45,791)	-3.99%
Net Transfers Out	-	-	-	0.00%
Revenues over (under) Expenditures	\$ (85,450)	\$ (119,232)		
From Operating Reserve	\$ 85,450	\$ 119,232		

Sewer Enterprise Fund

	Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 5,405,591	\$ 5,621,287	\$ (215,696)	-3.99%
Expenditures	6,244,046	6,162,711	81,335	1.30%
Net Transfers In	406,298	363,516	42,782	10.53%
Revenues over (under) expenditures before adjustments	<u>\$ (432,157)</u>	<u>\$ (177,908)</u>		
From Rate Stabilization Reserve	<u>\$ (432,157)</u>	<u>\$ (177,908)</u>		

Water Enterprise Fund

	Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 1,943,256	\$ 2,107,855	\$ (164,599)	-8.47%
Expenditures	1,833,484	1,839,500	(6,016)	-0.33%
Net Transfers Out	(109,772)	(123,659)	13,887	-12.65%
Revenues over (under) Expenditures	\$ -	\$ 144,696		
Set Aside for Capital Projects	\$ -	\$ 144,696		

Measure H Fund

	Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 1,064,260	\$ 1,076,269	\$ (12,009)	-1.13%
Expenditures	-	-	-	0.00%
Net Transfers Out	<u>(516,070)</u>	<u>(516,070)</u>	-	0.00%
Revenues over (under) Expenditures	<u>\$ 548,190</u>	<u>\$ 560,199</u>		
Set Aside for Capital Projects	<u>\$ 548,190</u>	<u>\$ 560,199</u>		

Measure L Fund

	Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 2,121,021	\$ 2,102,867	\$ 18,154	0.00%
Expenditures	-	-	-	0.00%
Net Transfers Out	-	-	-	0.00%
Revenues over (under) Expenditures	<u>\$ 2,121,021</u>	<u>\$ 2,102,867</u>		
Set Aside for Capital Projects	<u>\$ 2,121,021</u>	<u>\$ 2,102,867</u>		

Downtown Parking District Fund

	Revised Budget		Forecast		Under/(Over) Budget	
Revenues	\$	279,136	\$	285,026	\$	(5,890) 0.00%
Expenditures		216,050		211,178		4,872 0.00%
Net Transfers Out		(1,183)		(1,183)		- 0.00%
Revenues over (under) Expenditures	\$	61,903	\$	72,665		
Set Aside for Short-Term Capital Projects	\$	40,000	\$	40,000		
Set Aside for Long-Term Capital Projects	\$	21,903	\$	32,665		

Non-Major Funds

	Gas Tax Fund				SRO Grant Fund			
	Revised		Under/(Over)		Revised		Under/(Over)	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ 305,138	\$ 320,302	\$ (15,164)	-4.97%	\$ 56,554	\$ 60,648	\$ (4,094)	-7.24%
Expenditures	30,000	30,000	-	0.00%	56,554	61,765	(5,211)	-9.21%
Net Transfers	(286,898)	(286,898)	-	0.00%	-	-	-	0.00%
Revenues over/ (Over)								
Expenditures	\$ (11,760)	\$ 3,404			\$ -	\$ (1,117)		
	AB 3229 COPS Grant Fund				2014 CHP COPS Grant Fund			
	Revised		Under/(Over)		Revised		Under/(Over)	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ 137,329	\$ 137,329	\$ -	0.00%	\$ 50,000	\$ 50,000	\$ -	0.00%
Expenditures	131,116	135,132	(4,016)	-3.06%	49,999	26,871	23,128	46.26%
Net Transfers	-	-	-	0.00%	-	-	-	0.00%
Revenues over/ (Over)								
Expenditures	\$ 6,213	\$ 2,197			\$ 1	\$ 23,129		

Non-Major Funds (Continued)

	General CIP Fund				Orchard Hill LLMD Fund			
	Revised		Under/(Over)		Revised		Under/(Over)	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ -	\$ -	\$ -	0.00%	\$ 20,464	\$ 20,464	\$ -	0.00%
Expenditures	-	-	-	0.00%	20,464	20,243	221	1.08%
Net Transfers	82,689	82,689	-	0.00%	-	-	-	0.00%
Revenues over/ (Over)								
Expenditures	\$ 82,689	\$ 82,689			\$ -	\$ 221		
	Cottonwood Park LLMD Fund				Ridge at Orchard Hill BAD-Zone 1 Fund			
	Revised		Under/(Over)		Revised		Under/(Over)	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ 14,555	\$ 14,555	\$ -	0.00%	\$ 22,176	\$ 22,176	\$ -	0.00%
Expenditures	14,555	16,427	(1,872)	-12.86%	22,176	16,748	5,428	24.48%
Net Transfers	-	-	-	0.00%	-	-	-	0.00%
Revenues over/ (Over)								
Expenditures	\$ -	\$ (1,872)			\$ -	\$ 5,428		

Non-Major Funds (Continued)

	Ridge at Orchard Hill BAD-Zone 1A Fund				General Liability Fund			
	Revised		Under/(Over)		Revised		Under/(Over)	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ 12,644	\$ 12,644	\$ -	0.00%	\$ -	\$ 177	\$ (177)	0.00%
Expenditures	12,644	12,040	604	0.00%	329,316	490,786	(161,470)	-49.03%
Net Transfers	-	-	-	0.00%	329,316	490,786	(161,470)	-49.03%
Revenues over/								
(Over)								
Expenditures	\$ -	\$ 604			\$ -	\$ 177		
	Equipment Replacement Fund				Reserve for Economic Uncertainties Fund			
	Revised		Under/(Over)		Revised		Under/(Over)	
	Budget	Forecast	Budget		Budget	Forecast	Budget	
Revenues	\$ -	\$ 20	\$ (20)	0.00%	\$ 3,000	\$ 3,000	\$ -	0.00%
Expenditures	142,671	141,890	781	0.55%	-	-	-	0.00%
Net Transfers	-	-	-	0.00%	(65,161)	(65,161)	-	0.00%
Revenues over/								
(Over)								
Expenditures	\$ (142,671)	\$ (141,870)			\$ (62,161)	\$ (62,161)		

Total Operating Budget

	Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 21,133,945	\$ 21,593,239	\$ (459,294)	-2.17%
Expenditures	19,114,112	19,279,414	(165,302)	-0.86%
Net Transfers Out	-	-	-	0.00%
Revenues over (under) Expenditures	\$ 2,019,833	\$ 2,313,825		

Closing Comments

- Local economy has continued to improve
- 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 2nd Budget Workshop

Conclusion

- Questions?
- Comments?
- Thank you!



A good budget is worth fighting for.