

# Mid-Year Budget Report

City of Placerville, California  
February 26, 2013

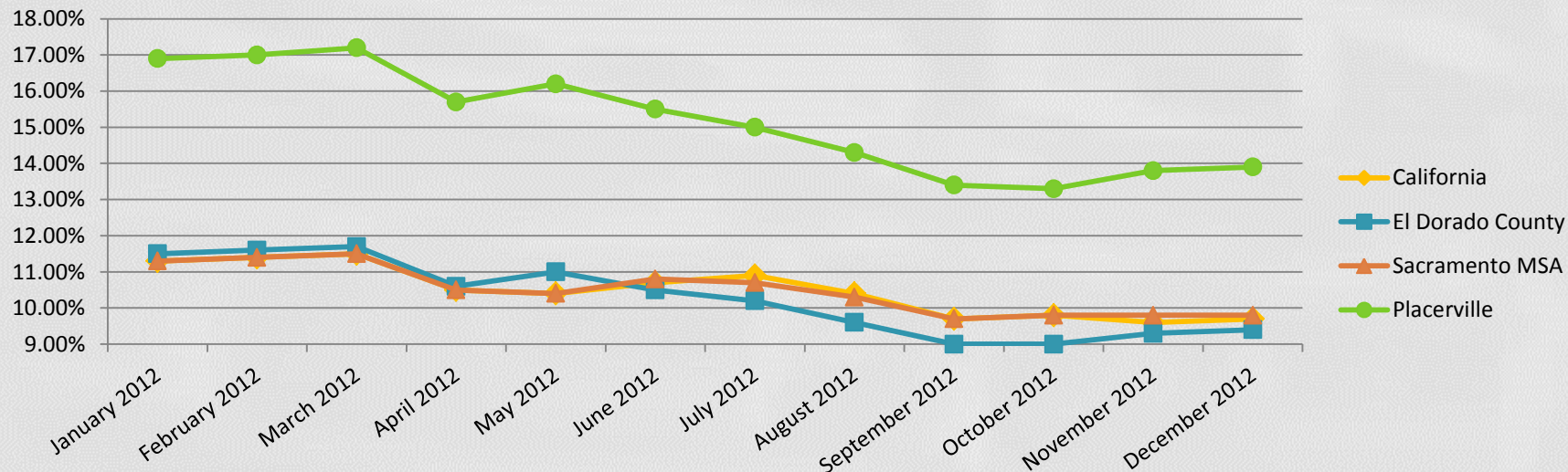
# Overview

- Review the economic environment
- Focus on the General Fund
- Update on all other funds



# Economic Environment

## Unemployment rates

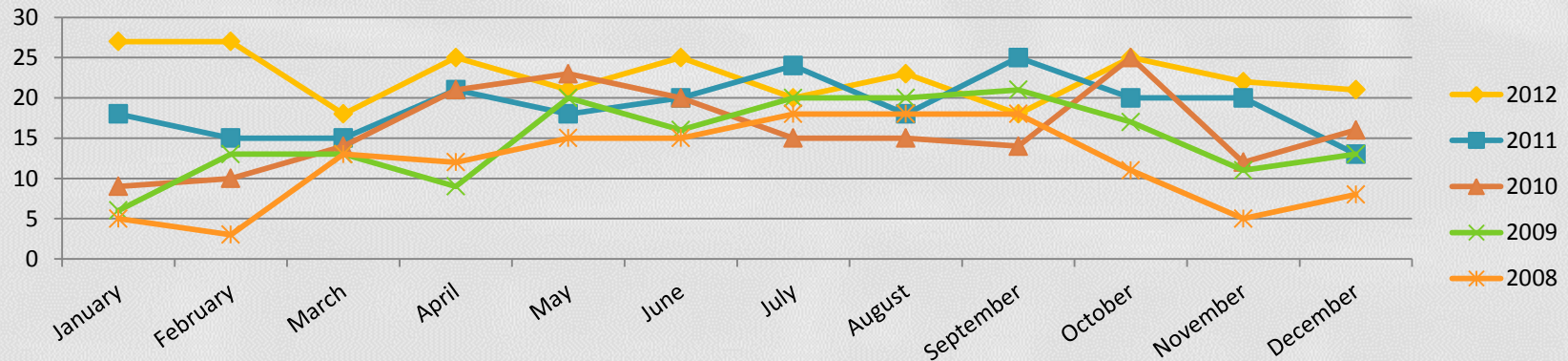


	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012
California	11.3%	11.4%	11.5%	10.5%	10.4%	10.7%	10.9%	10.4%	9.7%	9.8%	9.6%	9.7%
El Dorado County	11.5%	11.6%	11.7%	10.6%	11.0%	10.5%	10.2%	9.6%	9.0%	9.0%	9.3%	9.4%
Sacramento MSA	11.3%	11.4%	11.5%	10.5%	10.4%	10.8%	10.7%	10.3%	9.7%	9.8%	9.8%	9.8%
Placerville	16.9%	17.0%	17.2%	15.7%	16.2%	15.5%	15.0%	14.3%	13.4%	13.3%	13.8%	13.9%

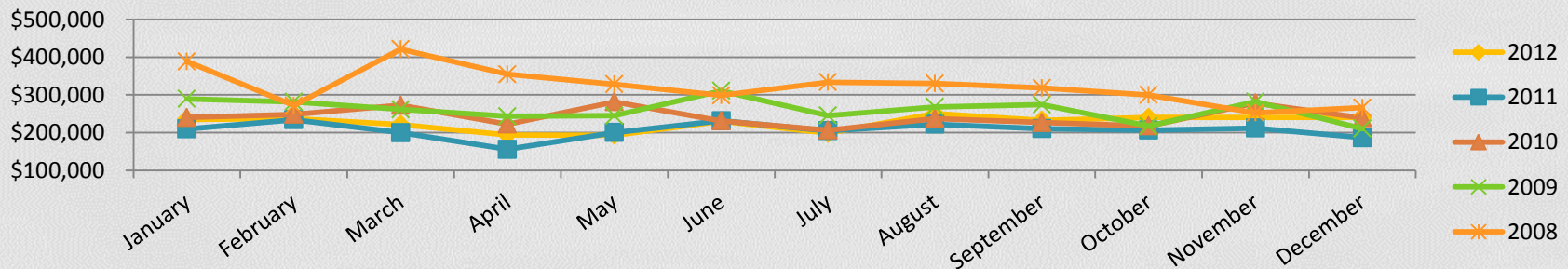
# Economic Environment (Continued)

## Local Real Estate Market

### Number of Sales in Greater Placerville Area



### Average Price in Greater Placerville Area





# Economic Environment (Continued)

## Recreation Program Attendance From June to July

Program	June to July 2011	June to July 2012	Increase/- Decrease	% Increase/- Decrease
<b><i>Gold Bug Park</i></b>				
Gold Bug Daily Tours	4,134	4,581	447	10.81%
Gold Bug Group Tours	661	757	96	14.52%
<b>Total</b>	<b>4,795</b>	<b>5,338</b>	<b>543</b>	<b>11.32%</b>
<b><i>Aquatics<sup>^</sup></i></b>				
Lap Swim	852	941	89	10.45%
Evening Public Swim	1,562	1,858	296	18.95%
Wading Pool	1,230	914	-316	-25.69%
Public Swim	8,097	7,673	-424	-5.24%
Water Exercise	409	311	-98	-23.96%
Swim Lessons	756	844	88	11.64%
Jr. Lifeguard Camp	21	9	-12	-57.14%
Water Polo	9	25	16	177.78%
Pool Rentals	23	23	0	0.00%
<b>Total</b>	<b>12,959</b>	<b>12,598</b>	<b>-361</b>	<b>-2.79%</b>
<b><i>Special Interest Classes &amp; Camps</i></b>				
Youth Camps	395	379	-16	-4.05%
Adult Special Interest	150	124	-26	-17.33%
Youth Special Interest	110	84	-26	-23.64%
<b>Total</b>	<b>655</b>	<b>587</b>	<b>-68</b>	<b>-10.38%</b>
<b><i>Adult Sports</i></b>				
Basketball Teams (3 on 3)	12	10	-2	-16.67%
Softball Teams	73	70	-3	-4.11%
Volleyball Teams	0	5	5	0.00%
<b>Total</b>	<b>85</b>	<b>85</b>	<b>0</b>	<b>0.00%</b>

<sup>^</sup> The aquatic season was delayed by one week due to the pool heater having to be replaced.

# Economic Environment (Continued)

## Building Division Activity

Description	7/1/08 – 12/31/08	7/1/09 – 12/31/09	7/1/10 – 12/31/10	7/1/11 – 12/31/11	7/1/12 – 12/31/12	Difference	Percent Difference
Building Permits Issued	187	197	183	183	220	37	20.2 %
Plan Checks	80	75	67	76	94	18	23.7 %

Fee	Actual 2011/2012	Actual 2012/2013 as of 12/31/12	Forecasted 2012/2013
Construction Permits	\$94,268	\$69,965	\$87,465
Plan Check Fees	\$37,998	\$32,101	\$39,601



# Economic Environment (Continued)

## Engineering Division Activity

Fee Type	July 1 to December 31, 2011		July 1 to December 31, 2012	
	Count	Revenue	Count	Revenue
Development Plan Checks	7	\$ 4,809	19	\$4,950
Development Permits	4	2,970	9	2,990
Grading Plan Checks	-	-	-	-
Grading Permits	-	-	-	-
Boundary Line Adjustment	-	-	-	-
Certificates of Compliance	-	-	-	-
Planned Development Overlay	-	-	-	-
Preliminary Plan Review	-	-	-	-
Site Plan Review	-	-	-	-
Tentative Parcel Map	-	-	-	-
Tentative Subdivision Map	-	-	-	-
Development T&M Accounts	1	375	5	1,800
Misc. Engineering Fees	1	150	1	35
Encroachment Permits	23	700	18	1,275
Annual Transportation Permits	22	1,890	14	1,260
Transportation Permits	12	192	17	272
Banner Fees	24	720		
Irrigation Meters & Boxes	1	55	4	219
Water Apps- Domestic	3	300	2	150
Water Meters- Domestic	3	1,200	2	1,900
Water CIC Fees	1	16,065	1	74,458
Sewer Apps	4	300	4	300
Sewer CIC Fees	3	18,840	2	12,560
TIM Fees	1	14,256	1	14,256
		<u>\$ 62,822</u>		<u>\$ 116,425</u>

# Economic Environment (Continued)

## ● Sales Tax-Bradley Burns

- Most significant local economic indicator
- 51% of total General Fund revenue
- Strong per capita sales tax (\$299 in 2011)
- Placerville ranked #49 out of 539 cities (2011)
- Quarter ended September 2012-Receipts up by 16.88% or \$137,199
- BOE forecasted Statewide sales tax growth:

4th Quarter 2012	1st Quarter 2013	2nd Quarter 2013
7.6%	4.0%	6.1%



# Economic Environment (Continued)

- Sales Tax-Bradley Burns (Continued)
  - City “mirrored” BOE’s forecast
  - Receive actual 4<sup>th</sup> quarter results in March
  - Forecast 2012/2013 sales tax \$3,548,525 based on Statewide trends and local experience
  - \$273,737 more than 2011/2012 receipts and \$238,650 above budget

# Economic Environment (Continued)

## Sacramento Region Sales Tax Growth for the Quarter Ended September 30, 2012

### ***Amador County***

Amador City	5.17%
Ione	-2.60%
Jackson	1.17%
Plymouth	1.58%
Sutter Creek	5.27%
Amador County-Unincorporated Area	8.24%
<b>Amador County-All Agencies</b>	<b>6.23%</b>

### ***El Dorado County***

Placerville	16.88%
South Lake Tahoe	0.94%
El Dorado County-Unincorporated Area	3.70%
<b>El Dorado County-All Agencies</b>	<b>5.35%</b>

### ***Placer County***

Auburn	20.35%
Colfax	35.91%
Lincoln	9.87%
Loomis	-32.11%
Rocklin	14.25%
Roseville	11.33%
Placer County-Unincorporated Area	5.51%
<b>Placer County All agencies Area</b>	<b>10.63%</b>

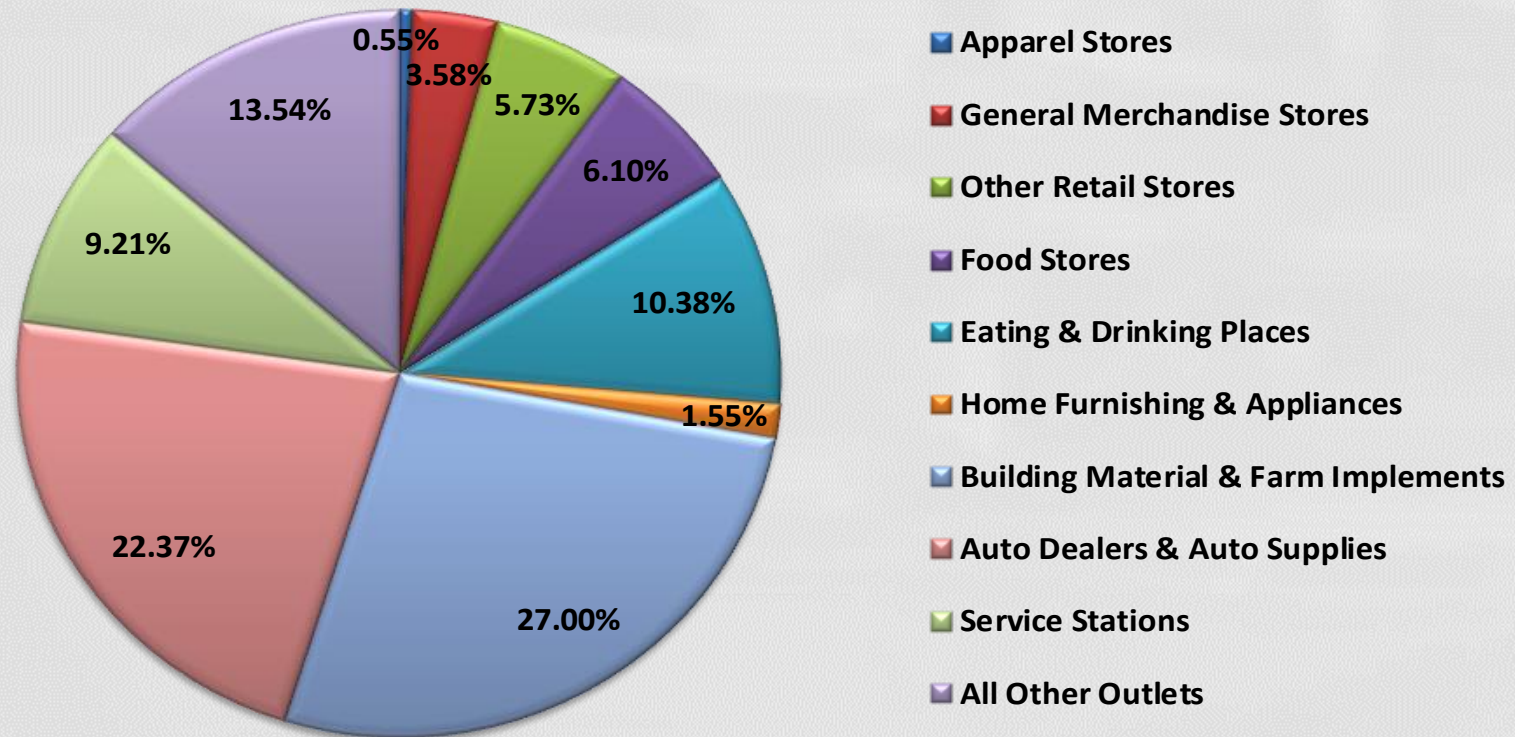
### ***Sacramento County***

Citrus Heights	4.49%
Elk Grove	13.52%
Folsom	13.96%
Galt	-17.33%
Isleton	-15.23%
Rancho Cordova	6.28%
Sacramento	1.33%
Sacramento County-Unincorporated Area	11.28%
<b>Sacramento County-All Agencies</b>	<b>7.32%</b>



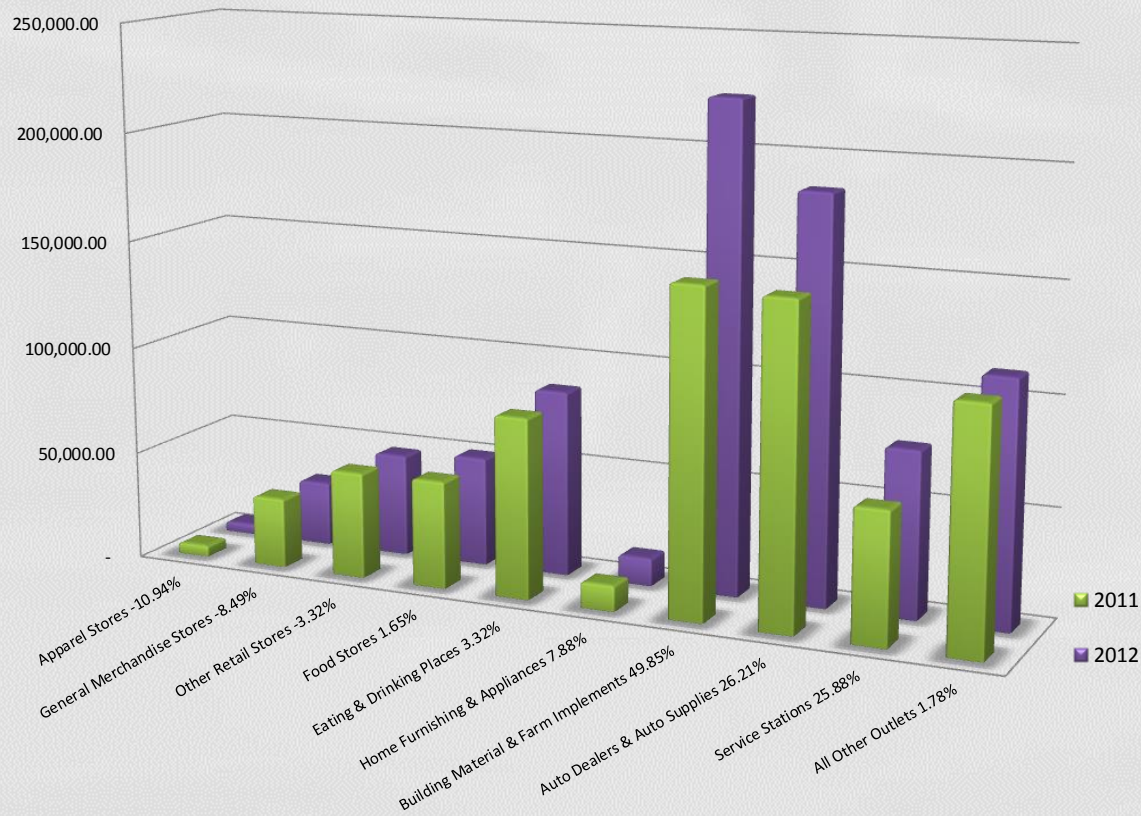
# Economic Environment (Continued)

City of Placerville  
Sales Tax Revenue Sources  
Quarter Ended September 30, 2012



# Economic Environment (Continued)

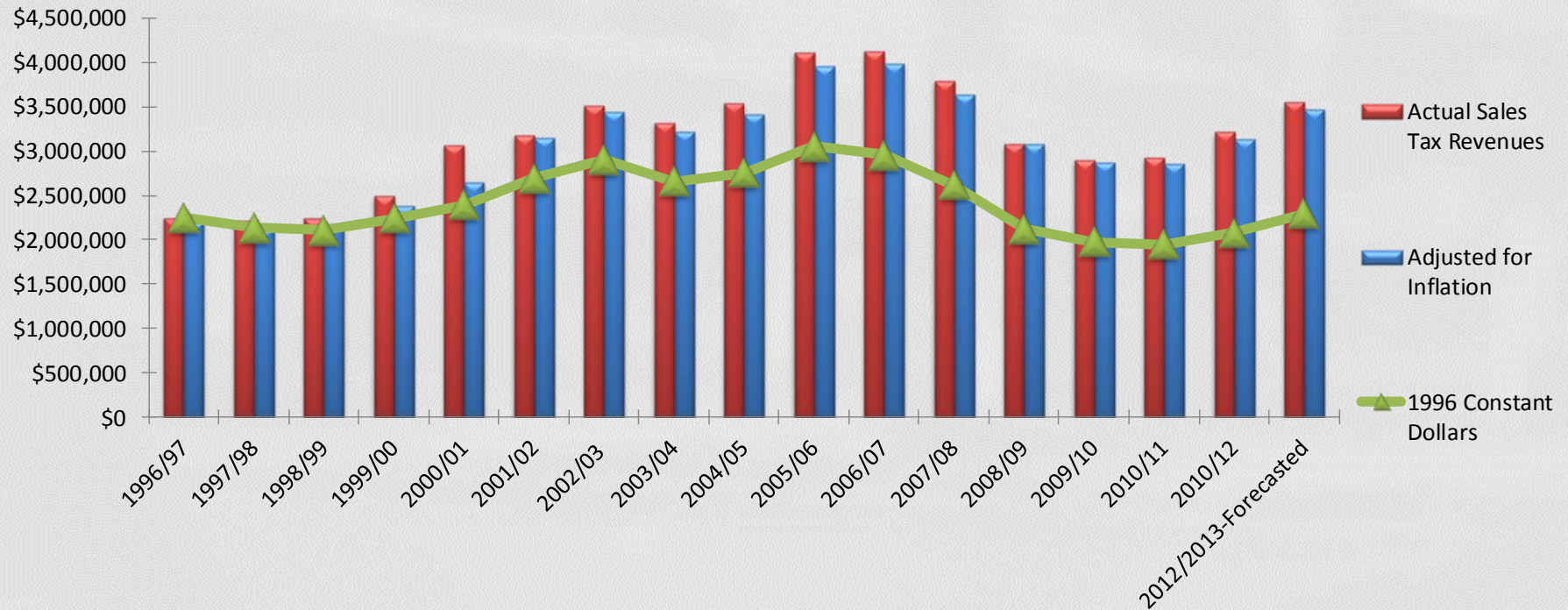
City of Placerville  
Year Over Year Sales Tax Comparison  
Quarter Ended September 30th





# Economic Environment (Continued)

City of Placerville  
Multi-Year Sales Tax Trend



# Operating Budget

- Adopted June 26, 2012
- Balanced, \$15,291,056
- Assumed anticipated economic impacts
- General Fund budget
  - \$6,538,062
  - \$75,000 Contingency for unforeseen expenditures
- Implemented lower cost retirement plan
  - New employees pay entire 7% or 9% employee contribution
  - Currently saving \$58,236 annually



# Focus on the General Fund

	<b>Revised Budget</b>	<b>Forecast</b>	<b>Under/(Over) Budget</b>	
Revenues	\$ 6,538,062	\$ 6,646,609	\$ (108,547)	-1.66%
Expenditures	6,779,517	6,834,116	(54,599)	-0.81%
Net Transfers In	241,455	241,455	-	0.00%
<b>Revenues over (under) Expenditures</b>	<b>\$ -</b>	<b>\$ 53,948</b>		

# Focus on the General Fund (Cont.)

Revenue Type	Revised Budget	Forecast	Over/(Under)	
Sales Tax	\$ 3,309,875	\$ 3,548,525	\$ 238,650	7.21%
All Other Taxes	731,806	720,938	(10,868)	-1.49%
Construction Permits	80,000	87,466	7,466	9.33%
Intergovernmental Revenues	760,129	755,102	(5,027)	-0.66%
Charges for Service	645,302	620,263	(25,039)	-3.88%
Fines & Forfeitures	233,500	163,535	(69,965)	-29.96%
Use of Money & Property	39,450	54,149	14,699	37.26%
Other Financing Sources	738,000	696,631	(41,369)	-5.61%
<b>Total revenues</b>	<b>\$ 6,538,062</b>	<b>\$ 6,646,609</b>	<b>\$ 108,547</b>	<b>1.66%</b>



# Focus on the General Fund (Cont.)

Department	Adopted Budget	Forecast	Over/(Under)	
Police	\$ 2,404,924	\$ 2,475,193	\$ 70,269	2.92%
Development Services	771,269	768,573	(2,696)	-0.35%
Community Services	2,131,640	2,135,200	3,560	0.17%
Elected Officials	126,942	113,260	(13,682)	-10.78%
City Administration	574,962	589,699	14,737	2.56%
Finance	276,816	277,787	971	0.35%
Central Stores	251,509	232,949	(18,560)	-7.38%
<b>Total expenditures</b>	<b>\$ 6,538,062</b>	<b>\$ 6,592,661</b>	<b>\$ 54,599</b>	<b>0.84%</b>

# Focus on the General Fund (Cont.)

Fund Transfers	Revised Budget	Forecast	Over/(Under)
Gas Tax Fund to General Fund	\$ 277,469 81,373	\$ 277,469 81,373	\$ - -
Reserve for Economic Uncertainties to the General Fund	(92,387)	(92,387)	-
General Fund to General Liability Fund			0.00%
General Fund to Parking District Fund	(25,000)	(25,000)	-
<b>Net transfers in</b>	<b>\$ 241,455</b>	<b>\$ 241,455</b>	<b>\$ -</b>



# Focus on the General Fund (Cont.)

- Assumes continuation of the 10% pay cut through 06/30/13
- 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
- Projected surplus based on current revenue and expenditure trends
- Surplus primarily due to \$108,547 in additional revenues

# Focus on the General Fund (Cont.)

*As you can see, the City continues to operate well below the 2006/2007 level due to the demands of the “new economy.”*

	<b>2006/2007 Actual</b>	<b>2012/2013 Forecast</b>	<b>Increase (Decrease)</b>	
Revenues	\$ 8,386,136	\$ 6,646,609	\$ (1,739,527)	-20.74%
Expenditures	8,173,119	6,834,116	(1,339,003)	-16.38%
Net Transfers In	(111,821)	241,455	(353,276)	315.93%
<b>Revenues over (under) Expenditures</b>	<b>\$ 101,196</b>	<b>\$ 53,948</b>		



# Measure J Sales Tax Fund Update

- Awarded Federal 2012 CHP Grant
  - 1 Police Officer position for 3 Years
  - Requires 25% local match
- \$137,318 inter-fund loan needs to be repaid
- One-time cost impacts deferred initial repayment
- Forecast \$83,169 or 10.18% growth

# Measure J Sales Tax Fund Update (Continued)

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/(Over) Budget</u>	
Revenues	\$ 797,458	\$ 899,935	\$ (102,477)	-12.85%
Expenditures	764,485	920,746	(156,261)	-20.44%
Net Transfers Out	<u>(32,973)</u>	<u>-</u>	(32,973)	100.00%
 <b>Revenues over (under) Expenditures</b>	 <u><u>\$ -</u></u>	 <u><u>\$ (20,811)</u></u>		



# Enterprise Fund Update

## ● Sewer Enterprise Fund

	<b>Revised Budget</b>	<b>Forecast</b>	<b>Under/(Over) Budget</b>	
Revenues	\$ 5,154,896	\$ 5,160,350	\$ (5,454)	-0.11%
Expenditures	5,170,889	5,044,634	126,255	2.44%
Net Transfers In	378,457	378,457	-	0.00%
<b>Revenues over (under) Expenditures</b>	<b>\$ 362,464</b>	<b>\$ 494,173</b>		
<b>Set Aside for Rate Stabilization Reserve</b>	<b>\$ 362,464</b>	<b>\$ 494,173</b>		

# Enterprise Fund Update (Continued)

## ● Water Enterprise Fund

	<b>Revised Budget</b>	<b>Forecast</b>	<b>Under/(Over) Budget</b>	
Revenues	\$ 1,833,860	\$ 1,895,586	\$ (61,726)	-3.37%
Expenditures	1,580,662	1,533,019	47,643	3.01%
Net Transfers Out	(92,387)	(92,387)	-	0.00%
<b>Revenues over (under) Expenditures</b>	<b>\$ 160,811</b>	<b>\$ 270,180</b>		
<b>Set Aside for Capital Projects</b>	<b>\$ 160,811</b>	<b>\$ 270,180</b>		



# Enterprise Fund Update (Continued)

- Measure H Sales Tax Fund
  - Provides 10% sewer charge discount
  - Set-Aside \$425,000 for Pardi Way, Big Cut Road/ Sacramento Street Water Line Replacement
  - Anticipate setting aside \$200,000+ for other sewer and water line replacement projects
    - Staff will return to the Council this spring with recommended projects
  - Forecast \$83,169 or 10.18% growth

# Enterprise Fund Update (Continued)

## ● Measure H Fund (Continued)

	<b>Revised Budget</b>	<b>Forecast</b>	<b>Under/(Over) Budget</b>	
Revenues	\$ 798,058	\$ 900,624	\$ (102,566)	-12.85%
Expenditures	-	-	-	0.00%
Net Transfers Out	<u>(798,058)</u>	<u>(470,845)</u>	(327,213)	41.00%
<b>Revenues over (under) Expenditures</b>	<u><u>\$ -</u></u>	<u><u>\$ 429,779</u></u>		
<b>Set Aside for Capital Projects</b>	<u><u>\$ -</u></u>	<u><u>\$ 429,779</u></u>		



# Other Funds

	Gas Tax Fund				Transportation Fund (Operating Activity Only)				Parking District Fund			
	Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 277,969	\$ 277,852	\$ 117	0.04%	\$ -	\$ 30,610	\$ -	0.00%	\$ 121,830	\$ 113,035	\$ 8,795	7.22%
Expenditures	-	-	-	0.00%	30,000	29,989	11	0.00%	141,530	157,602	(16,072)	0.00%
Net Transfers	(277,469)	(277,469)	-	0.00%	-	-	-	0.00%	20,000	25,000	(5,000)	-25.00%
Revenues over (under)												
Expenditures	\$ 500	\$ 383			\$ (30,000)	\$ 621			\$ 300	\$ (19,567)		

	AB 3229 COPS Fund				2009 CHRP Grant Fund				Orchard Hill LLMD Fund			
	Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 100,000	\$ 99,958	\$ 42	0.04%	\$ 71,011	\$ 70,984	\$ 27	0.04%	\$ 20,464	\$ 20,321	\$ 143	0.70%
Expenditures	100,000	99,958	42	0.00%	71,011	70,984	27	0.00%	28,786	28,727	59	0.00%
Net Transfers	-	-	-	0.00%	-	-	-	0.00%	-	-	-	0.00%
Revenues over (under)												
Expenditures	\$ -	\$ -			\$ -	\$ -			\$ (8,322)	\$ (8,406)		

# Other Funds (Continued)

	Cottonwood LLMD Fund				Ridge at Orchard Hill BAD-Zones 1 & 1A Funds			
	Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 14,580	\$ 14,403	\$ 177	1.21%	\$ 27,594	\$ 27,781	\$ -	0.00%
Expenditures	14,580	11,787	2,793	19.16%	27,594	8,483	19,111	69.26%
Net Transfers	-	-	-	0.00%	-	-	-	0.00%
<b>Revenues over (under)</b>								
<b>Expenditures</b>	<b>\$ -</b>	<b>\$ 2,616</b>			<b>\$ -</b>	<b>\$ 19,298</b>		

	General Liability Fund				Reserve for Economic Uncertainties			
	Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ -	\$ 372	\$ (372)	0.00%	\$ 3,000	\$ 1,056	\$ 1,944	64.80%
Expenditures	277,162	523,459	(246,297)	-88.86%	-	-	-	0.00%
Net Transfers	277,162	277,162	-	0.00%	(48,400)	(53,400)	5,000	-10.33%
<b>Revenues over (under)</b>								
<b>Expenditures</b>	<b>\$ -</b>	<b>\$ (245,925)</b>			<b>\$ (45,400)</b>	<b>\$ (52,344)</b>		



# Total Operating Budget

	Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 15,758,782	\$ 16,159,476	\$ (400,694)	-2.54%
Expenditures	15,318,429	15,235,531	82,898	0.54%
Net Transfers Out	-	-	-	0.00%
<b>Revenues over (under) Expenditures</b>	<b>\$ 440,353</b>	<b>\$ 923,945</b>		
<b>Set Aside for Capital Projects &amp; Reserves</b>	<b>\$ 440,353</b>	<b>\$ 923,945</b>		

# Closing Comments

- City Council and management continue to operate the City in a prudent and responsible manner
- Anticipate year-end operating expenditures to be well within the existing operating overall budget



# Conclusion

- Questions?
- Comments?
- That's all folks!

