

The background features a vintage-style map with a compass rose in the upper left corner. The map shows geographical details like coastlines and some text, including 'CAPE SAN...' and 'BAY OF...'. The compass rose has directional markers for N, NE, E, SE, and S, along with degree markings.

City of Placerville, California **Mid-Year Budget Report**

March 11, 2014

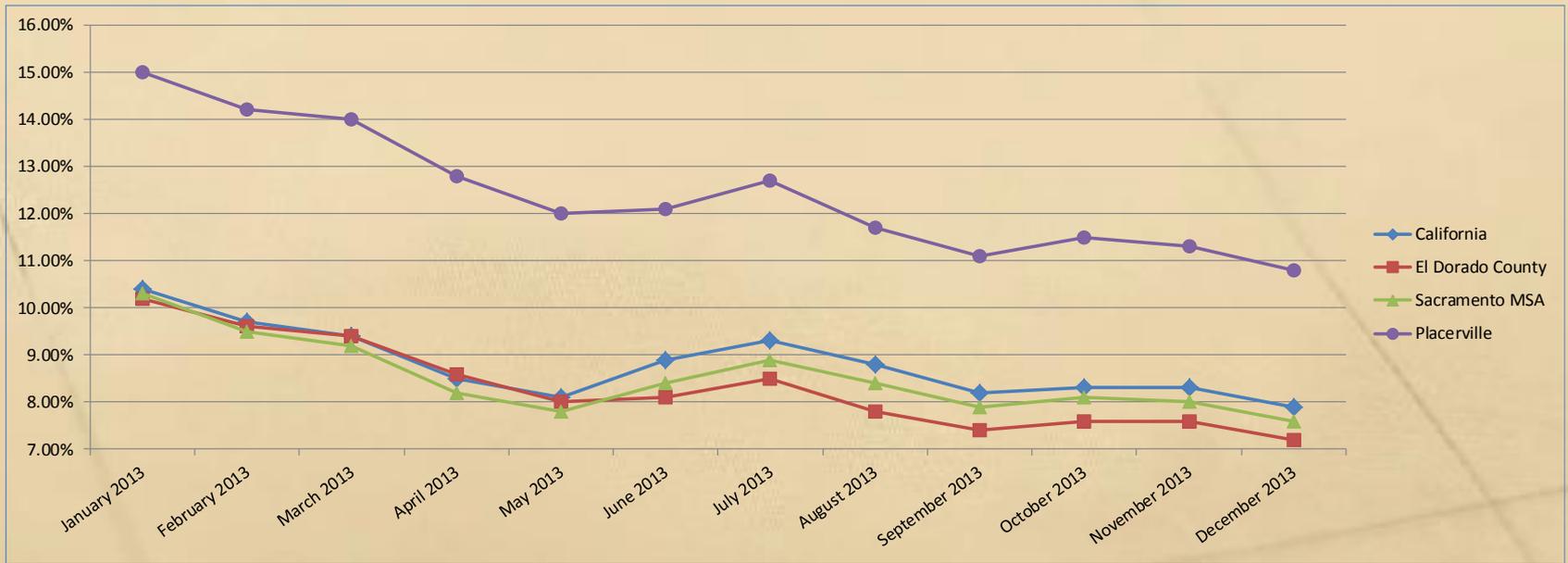
The background of the slide features a faded, light-colored map with a compass rose in the upper left corner. The map shows some geographical outlines and text, though it is out of focus. The compass rose has some numbers visible, such as '091' and '07'.

Overview

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

Economic Environment

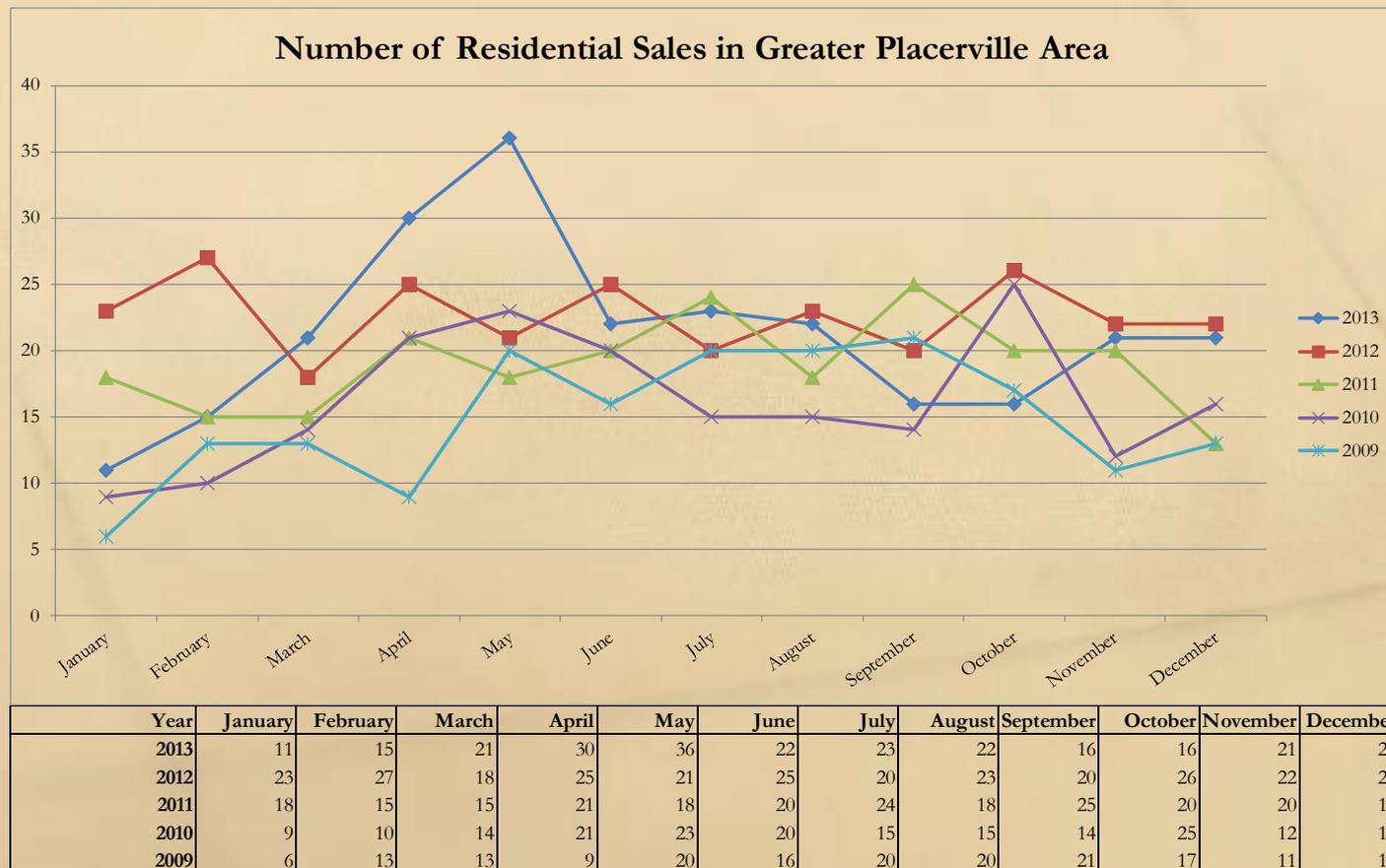
- Unemployment Rates



	January 2013	February 2013	March 2013	April 2013	May 2013	June 2013	July 2013	August 2013	September 2013	October 2013	November 2013	December 2013
California	10.4%	9.7%	9.4%	8.5%	8.1%	8.9%	9.3%	8.8%	8.2%	8.3%	8.3%	7.9%
Sacramento MSA	10.3%	9.5%	9.2%	8.2%	7.8%	8.4%	8.9%	8.4%	7.9%	8.1%	8.0%	7.6%
El Dorado County	10.2%	9.6%	9.4%	8.6%	8.0%	8.1%	8.5%	7.8%	7.4%	7.6%	7.6%	7.2%
Placerville	15.0%	14.2%	14.0%	12.8%	12.0%	12.1%	12.7%	11.7%	11.1%	11.5%	11.3%	10.8%

Economic Environment (Continued)

- Local Real Estate Market



Economic Environment (Continued)

- Local Real Estate Market (Continued)



Year	January	February	March	April	May	June	July	August	September	October	November	December
2013	\$ 213,557	\$ 231,620	\$ 243,277	\$ 258,743	\$ 257,649	\$ 270,054	\$ 287,639	\$ 296,099	\$ 230,844	\$ 307,558	\$ 274,424	\$ 286,489
2012	\$ 242,417	\$ 235,843	\$ 221,583	\$ 193,496	\$ 193,138	\$ 230,136	\$ 203,680	\$ 250,496	\$ 240,227	\$ 238,441	\$ 240,234	\$ 238,091
2011	\$ 209,669	\$ 234,060	\$ 199,817	\$ 155,641	\$ 200,178	\$ 231,294	\$ 204,988	\$ 222,372	\$ 210,540	\$ 206,482	\$ 212,146	\$ 186,408
2010	\$ 240,294	\$ 248,400	\$ 272,414	\$ 222,538	\$ 281,404	\$ 230,895	\$ 206,667	\$ 237,410	\$ 226,607	\$ 217,745	\$ 278,263	\$ 239,119
2009	\$ 289,333	\$ 281,613	\$ 261,569	\$ 243,350	\$ 245,055	\$ 310,563	\$ 245,378	\$ 268,090	\$ 274,223	\$ 217,112	\$ 281,764	\$ 210,723

Economic Environment (Continued)

- Recreation Program Attendance

Program	July to Dec. 2012	July to Dec. 2013	Increase/- Decrease	% Increase/- Decrease
<i>Gold Bug Park</i>				
Gold Bug Daily Tours	7,932	8,559	627	7.90%
Gold Bug Group Tours	978	715	-263	-26.89%
Total	8,910	9,274	364	4.09%
<i>Aquatics</i>				
Lap Swim	694	544	-150	-21.61%
Evening Public Swim	1,434	1,357	-77	-5.37%
Wading Pool	737	858	121	16.42%
Public Swim	5,925	5,513	-412	-6.95%
Water Exercise	266	802	536	201.50%
Swim Lessons	620	685	65	10.48%
Jr. Lifeguard Camp	12	12	0	0.00%
Pool Rentals	7	16	9	128.57%
Total	9,695	9,787	92	0.95%
<i>Special Interest Classes & Camps</i>				
Youth Camps	313	240	-73	-23.32%
Adult Special Interest	346	433	87	25.14%
Youth Special Interest	104	157	53	50.96%
Total	763	830	67	8.78%
<i>Adult Sports</i>				
Basketball Teams (3 on 3)	22	14	-8	-36.36%
Basketball Teams (5 on 5)	5	10	5	100.00%
Softball Teams	136	148	12	8.82%
Volleyball Teams	15	13	-2	-13.33%
Total	178	185	7	3.93%
<i>Youth Basketball[^]</i>				
Basketball Teams	78	76	-2	-2.56%
Total	78	76	-2	-2.56%
<i>Banner Over Main</i>				
Banner Reservations	26	29	3	11.54%
Total	26	29	3	11.54%

[^] Youth Basketball season runs mid January thru mid March each year.

Economic Environment (Continued)

Building Division Activity

Description	7/1/09 – 12/31/09	7/1/10 – 12/31/10	7/1/11 – 12/31/11	7/1/12 – 12/31/12	7/1/13 – 12/31/13	Difference	Percent Difference
Building Permits Issued	197	183	183	220	208	-12	-5.5%
Plan Checks	75	67	76	94	76	-18	-19.1%

Fee	Actual 2012/2013	Actual 2013/2014 as of 12/31/13	Forecasted 2013/2014
Construction Permits	\$120,066	\$65,152	\$92,152
Plan Check Fees	\$56,420	\$23,179	\$50,179

Economic Environment (Continued)

Building Division Activity (Continued)

NUMBER OF CONSTRUCTION PERMITS ISSUED														
Year	January	February	March	April	May	June	July	August	September	October	November	December	AVERAGE	TOTAL
2014	26	26	0	0	0	0	0	0	0	0	0	0	26	52
2013	42	27	31	39	59	28	45	35	25	32	33	38	36	434
2012	43	36	31	45	33	32	40	33	46	39	36	26	37	440
2011	22	20	31	26	18	31	29	37	29	26	35	27	28	331

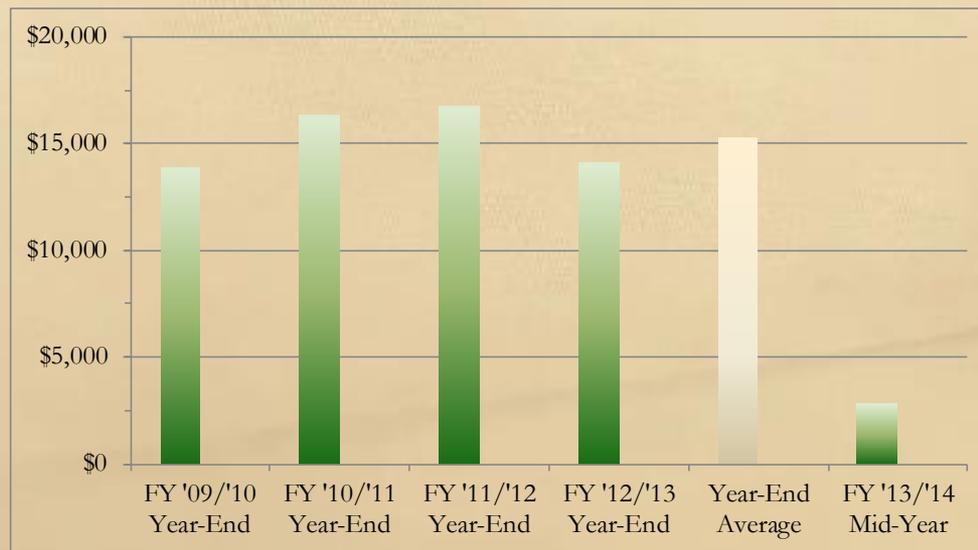
TOTAL VALUATION														
Year	January	February	March	April	May	June	July	August	September	October	November	December	AVERAGE	TOTAL
2014	\$583,755	\$168,286	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$376,020	\$1,128,061
2013	\$549,903	\$570,993	\$387,048	\$710,111	\$1,278,712	\$301,012	\$639,353	\$1,120,803	\$713,313	\$752,591	\$765,428	\$2,329,990	\$843,271	\$10,962,528
2012	\$2,956,262	\$290,177	\$227,799	\$464,021	\$371,947	\$529,639	\$975,339	\$315,548	\$542,707	\$3,226,263	\$287,428	\$197,236	\$865,364	\$11,249,730

NEW HOUSING UNITS PERMITTED														
Year	January	February	March	April	May	June	July	August	September	October	November	December	AVERAGE	TOTAL
2014	0	0											0	0
2013	1	0	0	1	1	1	2	0	0	1	0	0	1	7
2012	1	0	0	0	0	0	2	0	1	39	0	0	4	43

Economic Environment (Continued)

Planning & Zoning Revenue Activity

FY '09/'10 Year-End	FY '10/'11 Year-End	FY '11/'12 Year-End	FY '12/'13 Year-End	<i>Year-End Average</i>	FY '13/'14 Mid-Year	<i>Forecasted FY '13/'14 Year-End</i>
\$13,801	\$16,295	\$16,740	\$14,045	\$15,220	\$2,760	\$8,200



Economic Environment (Continued)

- Engineering Division Activity**

Fee Type	July 1 to December 31, 2012		July 1 to December 31, 2013	
	Count	Revenue	Count	Revenue
Development Plan Review	19	\$ 4,950	11	\$ 2,350
Development Permits	9	2,990	5	625
Tentative Parcel Maps	-	-	-	-
Tentative Subdivision Maps	-	-	1	1,000
Misc. Engineering Fees*	13	2,604	4	1,100
Encroachment Permits	18	1,275	27	1,925
Transportation Permits	34	2,082	34	1,284
Water CIC Fees	1	74,458	0	-
Sewer CIC Fees	2	12,560	1	6,280
TIM Fees	1	14,256	3	37,647
		<u>\$ 115,175</u>		<u>\$ 52,211</u>

*COC, BLA, PPR, SPR, PDO, Water & Sewer Apps & Meters

Economic Environment (Continued)

- Sales Tax-Bradley Burns
 - Most significant local economic indicator
 - 52% of total General Fund revenue
 - Strong per capita sales tax (\$325 in 2012)
 - Placerville ranked #47 out of 539 cities (2012)
 - Quarter ended September 2013-Receipts up by 12.55% or \$119,266 in Placerville
 - Statewide, 3rd quarter receipts up by 4.3%
 - BOE forecasted Statewide sales tax growth:

4th Quarter 2013	1st Quarter 2014	2nd Quarter 2014
6.4%	4.4%	6.7%

Economic Environment (Continued)

- Sales Tax-Bradley Burns (Continued)
 - City assumed BOE's forecast through 06/30/14
 - Receive actual 4th quarter results in mid March
 - Forecast 2013/2014 sales tax \$3,706,463 based on Statewide trends and local experience
 - \$295,602 or 8.67% more than 2012/2013 receipts and \$190,110 or 5.41% above budget

Economic Environment (Continued)

- **Sacramento Region Sales Tax Growth for the Quarter Ended September 30, 2013**

Amador County

Amador City	14.57%
Ione	91.86%
Jackson	2.94%
Plymouth	18.10%
Sutter Creek	10.76%
Amador County-Unincorporated Area	-11.37%
Amador County-All Agencies	-4.26%

Placer County

Auburn	3.12%
Colfax	57.99%
Lincoln	3.00%
Loomis	75.11%
Rocklin	-3.09%
Roseville	9.39%
Placer County-Unincorporated Area	6.33%
Placer County All agencies Area	7.83%

El Dorado County

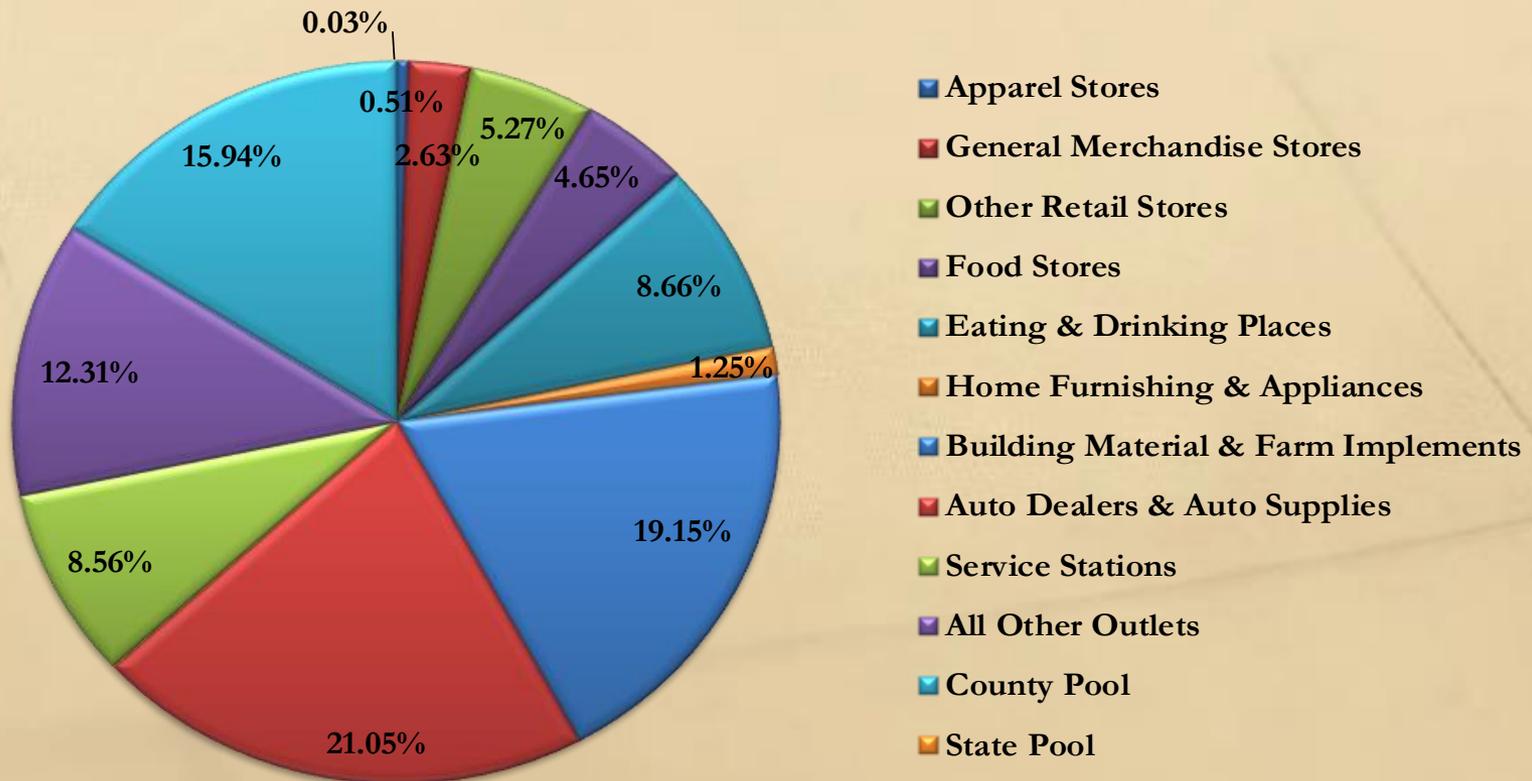
Placerville	12.55%
South Lake Tahoe	12.30%
El Dorado County-Unincorporated Area	5.37%
El Dorado County-All Agencies	8.46%

Sacramento County

Citrus Heights	-7.07%
Elk Grove	9.88%
Folsom	4.29%
Galt	17.85%
Isleton	9.59%
Rancho Cordova	8.41%
Sacramento	6.36%
Sacramento County-Unincorporated Area	-1.69%
Sacramento County-All Agencies	3.07%

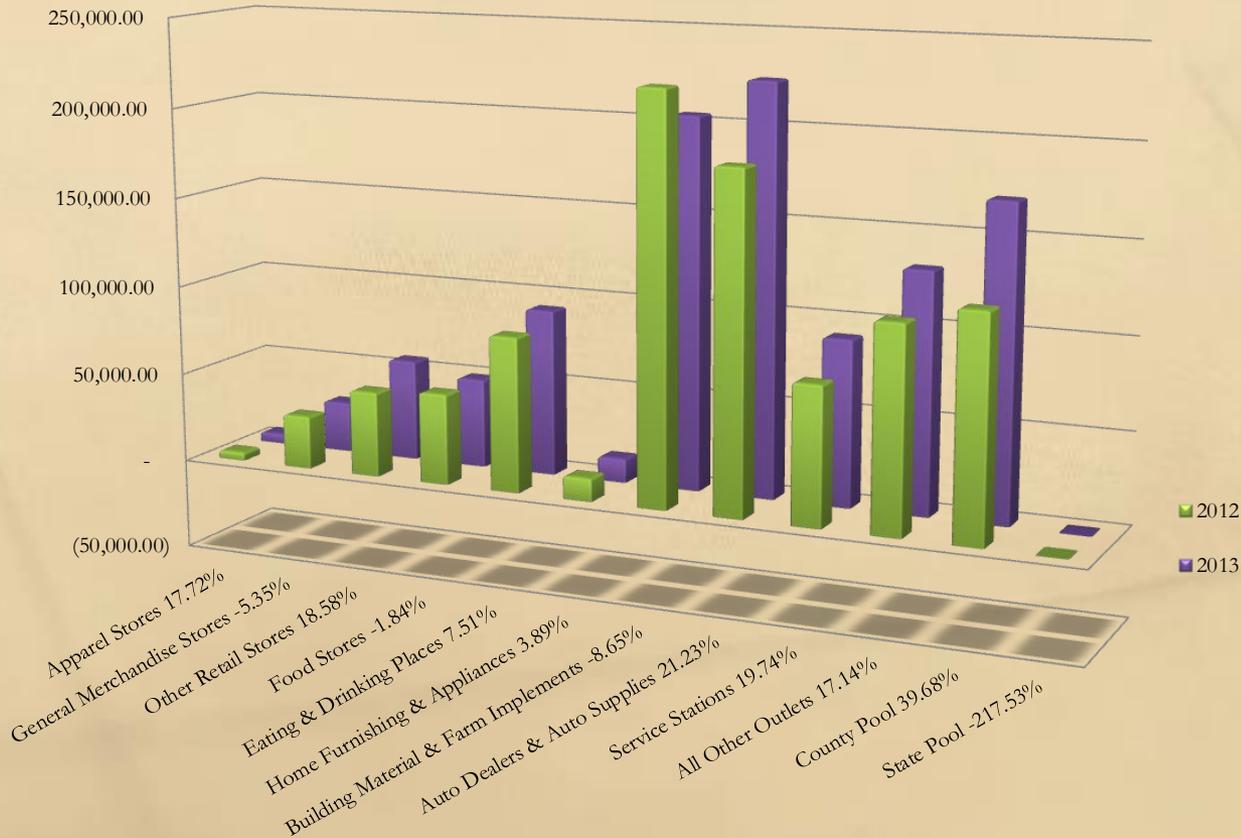
Economic Environment (Continued)

City of Placerville
Bradley Burns Sales Tax Revenue Sources
Quarter Ended September 30, 2013



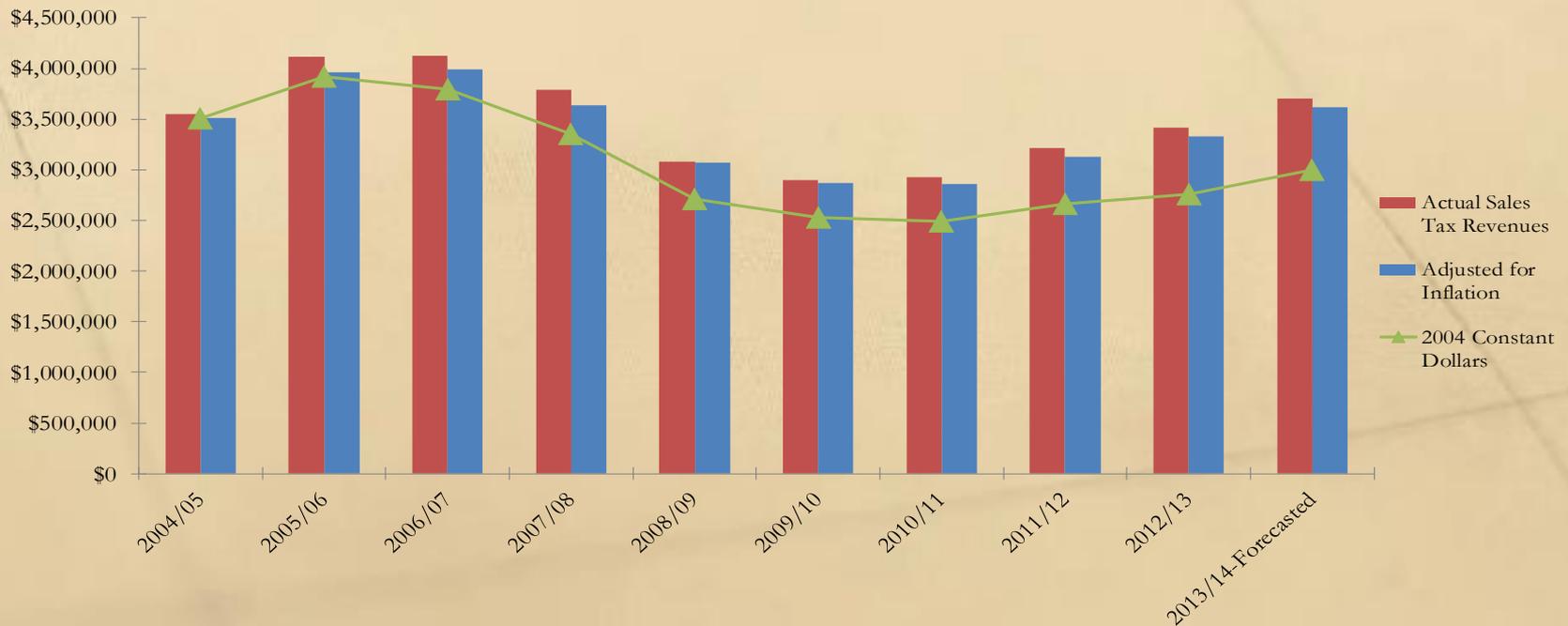
Economic Environment (Continued)

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



Economic Environment (Continued)

City of Placerville Multi-Year Bradley Burns Sales Tax Trend



Operating Budget

- Adopted in June 2013
- Totaled \$16,459,277
- Assumed anticipated economic impacts
- General Fund budget
 - \$6,763,093
 - \$75,000 Contingency for unforeseen expenditures
- Implemented lower cost retirement plans in 2011
 - New employees pay entire employee contribution
 - Currently saving \$240,060 annually

Focus on the General Fund

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/(Over) Budget</u>	
Revenues	\$ 6,763,093	\$ 7,000,205	\$ (237,112)	-3.51%
Expenditures	7,045,351	7,006,084	39,267	0.56%
Net Transfers In	<u>282,258</u>	<u>114,754</u>	167,504	59.34%
 Revenues over (under) Expenditures	 <u><u>\$ -</u></u>	 <u><u>\$ 108,875</u></u>		

Focus on the General Fund (Cont.)

Revenue Type	Revised Budget	Forecast	Over/(Under)	
Sales Tax	\$ 3,516,353	\$ 3,706,463	\$ 190,110	5.41%
All Other Taxes	754,300	786,482	32,182	4.27%
Construction Permits	87,500	95,152	7,652	8.75%
Intergovernmental Revenues	791,896	801,106	9,210	1.16%
Charges for Service	694,517	691,564	(2,953)	-0.43%
Fines & Forfeitures	141,800	108,802	(32,998)	-23.27%
Use of Money & Property	45,830	52,522	6,692	14.60%
Other Financing Sources	730,897	758,114	27,217	3.72%
Total revenues	\$ 6,763,093	\$ 7,000,205	\$ 237,112	3.51%

Focus on the General Fund (Cont.)

Department	Adopted Budget	Forecast	Over/(Under)	
Police	\$ 2,373,683	\$ 2,322,832	\$ (50,851)	-2.14%
Development Services	849,753	842,499	(7,254)	-0.85%
Community Services	2,280,649	2,333,533	52,884	2.32%
Elected Officials	133,459	125,165	(8,294)	-6.21%
City Administration	612,049	601,928	(10,121)	-1.65%
Finance	298,814	296,064	(2,750)	-0.92%
Central Stores	214,686	369,309	154,623	72.02%
Total expenditures	\$ 6,763,093	\$ 6,891,330	\$ 128,237	1.90%

Focus on the General Fund (Cont.)

Fund Transfers	Revised Budget	Forecast	Over/(Under)	
Gas Tax Fund to General Fund	\$ 309,628	\$ 309,628	\$ -	0.00%
Reserve for Economic Uncertainties to the General Fund	80,000	-	(80,000)	-100.00%
General Fund to General Liability Fund	(80,019)	(163,926)	(83,907)	104.86%
General Fund to Parking District Fund	(27,351)	(30,948)	(3,597)	13.15%
Net transfers in	\$ 282,258	\$ 114,754	\$(167,504)	-59.34%

Focus on the General Fund (Cont.)

- Assumes continuation of 5% employee pay cut through 06/30/14
- 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
- Projected surplus based on current revenue and expenditure trends
- Surplus primarily due to \$237,112 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.”

	<u>2006/2007</u> <u>Actual</u>	<u>2013/2014</u> <u>Forecast</u>	<u>Increase</u> <u>(Decrease)</u>	
Revenues	\$ 8,386,136	\$ 7,000,205	\$ (1,385,931)	-16.53%
Expenditures	8,173,119	7,006,084	(1,167,035)	-14.28%
Net Transfers In	<u>(111,821)</u>	<u>114,754</u>	(226,575)	202.62%
Revenues over				
(under) Expenditures	<u><u>\$ 101,196</u></u>	<u><u>\$ 108,875</u></u>		

Measure J Sales Tax Fund Update

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/(Over) Budget</u>	
Revenues	\$ 897,261	\$ 924,325	\$ (27,064)	-3.02%
Expenditures	875,389	829,308	46,081	5.26%
Net Transfers Out	<u>(21,872)</u>	<u>(8,000)</u>	(13,872)	63.42%

**Revenues over
(under) Expenditures** \$ - \$ 87,017

- Forecast \$31,299 or 3.53% sales tax growth
- Forecast \$21,919 of 2.44% above budget
- Assumes \$8,000 payment towards \$137,318 inter-fund loan

Enterprise Fund Update

- Sewer Enterprise Fund

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/(Over) Budget</u>	
Revenues	\$ 5,013,145	\$ 4,902,533	\$ 110,612	2.21%
Expenditures	6,092,728	6,078,364	14,364	0.24%
Net Transfers In	437,815	401,179	36,636	8.37%
Revenues over (under) Expenditures	<u><u>\$ (641,768)</u></u>	<u><u>\$ (774,652)</u></u>		
From Rate Stabilization Reserve	<u><u>\$ (641,768)</u></u>	<u><u>\$ (774,652)</u></u>		

Enterprise Fund Update (Continued)

- Water Enterprise Fund

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/(Over) Budget</u>	
Revenues	\$ 1,878,228	\$ 1,631,909	\$ 246,319	13.11%
Expenditures	1,752,599	1,707,371	45,228	2.58%
Net Transfers Out	<u>(80,019)</u>	<u>(80,019)</u>	-	0.00%
Revenues over (under) Expenditures	<u><u>\$ 45,610</u></u>	<u><u>\$ (155,481)</u></u>		
Set Aside for Capital Projects	<u><u>\$ 45,610</u></u>	<u><u>\$ -</u></u>		

Enterprise Fund Update (Continued)

- Measure H Sales Tax Fund
 - Provides 10% sewer charge discount = \$481,199/Annually
 - \$918,550 Set-Aside for sewer and water infrastructure projects
 - Forecast \$31,299 or 3.53% sales tax growth
 - Forecast \$21,919 or 2.44% above budget

Enterprise Fund Update (Continued)

- Measure H Fund (Continued)

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/(Over) Budget</u>	
Revenues	\$ 898,861	\$ 920,780	\$ (21,919)	-2.44%
Expenditures	-	-	-	0.00%
Net Transfers Out	<u>(517,835)</u>	<u>(481,199)</u>	(36,636)	7.07%
Revenues over (under) Expenditures	<u>\$ 381,026</u>	<u>\$ 439,581</u>		
Set Aside for Capital Projects	<u>\$ 381,026</u>	<u>\$ 439,581</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	\$ 310,128	\$ 300,707	\$ 9,421	3.04%	\$ 30,000	\$ 29,997	\$ -	0.00%	\$ 119,091	\$ 115,494	\$ 3,597	3.02%
Expenditures	-	92	(92)	0.00%	30,000	29,997	3	0.00%	146,442	146,442	-	0.00%
Net Transfers	(309,628)	(309,628)	-	0.00%	-	-	-	0.00%	27,351	30,948	(3,597)	-13.15%
Revenues over (under)												
Expenditures	\$ 500	\$ (9,013)			\$ -	\$ -			\$ -	\$ -		

	SRO Grant Fund				AB 3229 COPS Grant Fund				2012 CHP Grant Fund			
	Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 28,270	\$ 28,270	\$ -	0.00%	\$ 100,000	\$ 99,995	\$ 5	0.01%	\$ 72,655	\$ 73,689	\$ (1,034)	-1.42%
Expenditures	28,270	28,270	-	0.00%	99,950	100,000	(50)	0.00%	72,655	73,692	(1,037)	0.00%
Net Transfers	-	-	-	0.00%	-	-	-	0.00%	-	-	-	0.00%
Revenues over (under)												
Expenditures	\$ -	\$ -			\$ 50	\$ (5)			\$ -	\$ (3)		

Other Funds (Continued)

	Orchard Hill LLMD Fund				Cottonwood LLMD Fund				Ridge at Orchard Hill BAD-Zones 1 & 1A Fun			
	Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ 20,464	\$ 20,436	\$ 28	0.14%	\$ 14,435	\$ 14,435	\$ -	0.00%	\$ 31,627	\$ 31,627	\$ -	0.00%
Expenditures	31,043	32,852	(1,809)	-5.83%	14,435	12,970	1,465	10.15%	31,627	8,763	22,864	72.29%
Net Transfers	-	-	-	0.00%	-	-	-	0.00%	-	-	-	0.00%
Revenues over (under)												
Expenditures	\$ (10,579)	\$ (12,416)			\$ -	\$ 1,465			\$ -	\$ 22,864		

	General Liability Fund				Equipment Replacement Fund				Reserve for Economic Uncertainties			
	Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget		Revised Budget	Forecast	Under/(Over) Budget	
Revenues	\$ -	\$ 10,126	\$ (10,126)	0.00%	\$ -	\$ 1,795	\$ (1,795)	0.00%	\$ 1,000	\$ 740	\$ 260	26.00%
Expenditures	240,058	323,965	(83,907)	-34.95%	27,000	27,000	-	0.00%	-	-	-	0.00%
Net Transfers	240,058	323,965	(83,907)	-34.95%	-	-	-	0.00%	(58,128)	8,000	(66,128)	113.76%
Revenues over (under)												
Expenditures	\$ -	\$ 10,126			\$ (27,000)	\$ (25,205)			\$ (57,128)	\$ 8,740		

Total Operating Budget

	<u>Revised Budget</u>	<u>Forecast</u>	<u>Under/(Over) Budget</u>	
Revenues	\$ 16,178,258	\$ 16,107,063	\$ 71,195	0.44%
Expenditures	16,487,547	16,405,170	82,377	0.50%
Net Transfers Out	-	-	-	0.00%
 Revenues over (under) Expenditures	 <u><u>\$ (309,289)</u></u>	 <u><u>\$ (298,107)</u></u>		

Closing Comments

- City Council and management continue to operate the City in a prudent and responsible manner
- Anticipate year-end operating expenditures to be within the existing operating budget for most funds
- Staff will provide another update to the City Council at its Budget Workshop tentatively scheduled for May 8th



Conclusion

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