



El Dorado County General Revenues & Budget

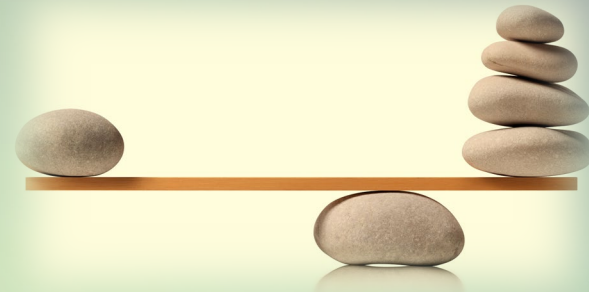
Developed in January 2025



Budget Requirements

Budget Requirements

- County Budget Act – Government Code §29000
- Applies to County, dependent special districts, other agencies “whose affairs and finances are under the supervision and control of the board”
- Requires Single Year Balanced Budget
- §29009: In the recommended, adopted, and final budgets, the funding sources (revenues) shall equal the financing uses (appropriations).



Budget Requirements - Revenues

General Fund Revenues

- Property Tax, Sales Tax, Transient Occupancy Tax, Franchise Fees
- Discretionary funds

State/Federal Funding – Mandated Programs

- Counties operate as arm of the State
- Level of Service considerations

Special Revenue Funds

- Funds restricted for specific purposes

Proprietary Funds

- Self-supporting services including Enterprise and Internal Service Funds

Budget Requirements – Budget Size

	FY 2024-25 Recm'd Budget	FY 2024-25 Recm'd Adopted Budget	\$ Increase / (Decrease)	Percent Change
Total Appropriations	\$1,183.7 M	\$1,224.2 M	\$40.4 M	3%
Governmental Funds*	\$1,025.8 M	\$1,063.9 M	\$38.1 M	3.7%
General Fund	\$416.6 M	\$446.1 M	\$29.5 M	7.1%
Net County Cost**	\$198.4 M	\$209.7 M	\$11.25 M	5.7%

* All Governmental Funds including Special Revenue Funds; Excluding Special Districts & Proprietary Funds

** Departmental operating net cost, not including Discretionary Transient Occupancy Tax Contributions, excluding Non-Departmental/Accumulative Capital Outlay (ACO) Fund/ Countywide Special Revenue Funds/ Special Districts/Proprietary Funds

Budget Requirements

- El Dorado County will always budget conservatively, it is better to have more revenue than less.
- The Budget is a plan.
- The Budget is a group effort, every department works with the CAO.



Slowing Discretionary Revenues

Property Tax Distribution

Property taxes are the largest source of unrestricted revenue for the County general fund, schools, cities, and special districts

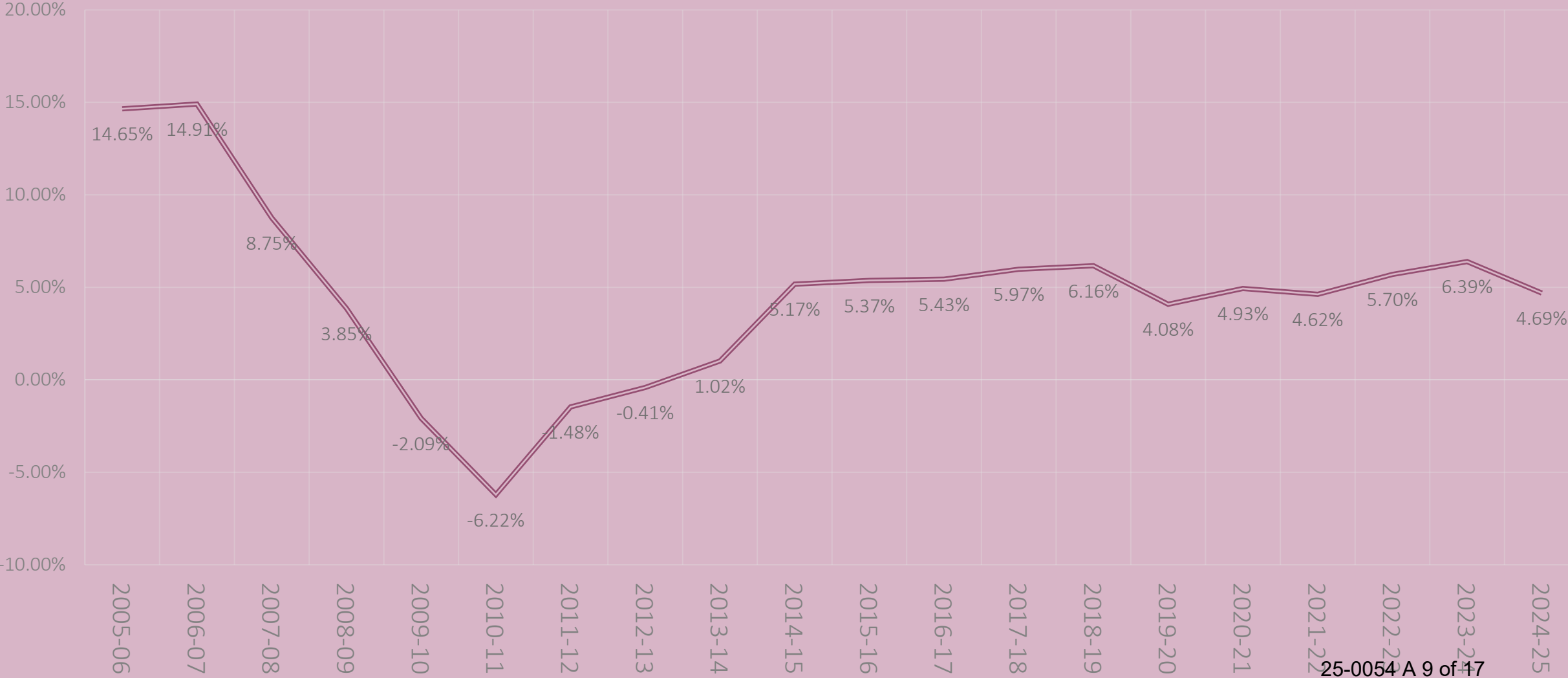


Graphic developed by the Treasurer-Tax Collector Department. (Source El Dorado County Auditor-Controller's Office)

*includes the Cities of Placerville and South Lake Tahoe (2.5%), Cities in Lieu Vehicle Licensing fees (.9%) and City of So. Lake Tahoe Redevelopment Successor Agency (1.3%)

Property Tax

PROPERTY TAX GROWTH %

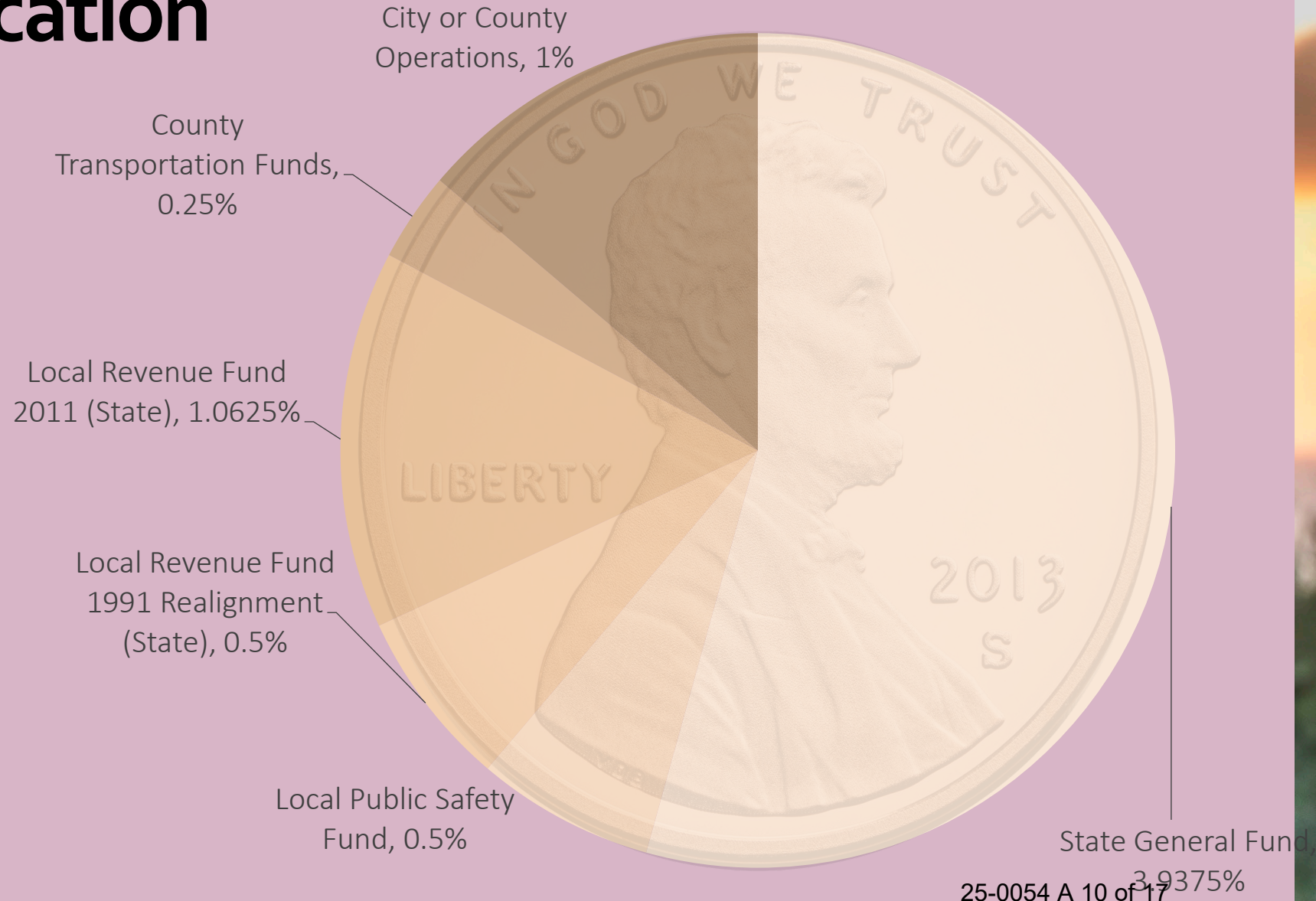


Sales Tax Allocation

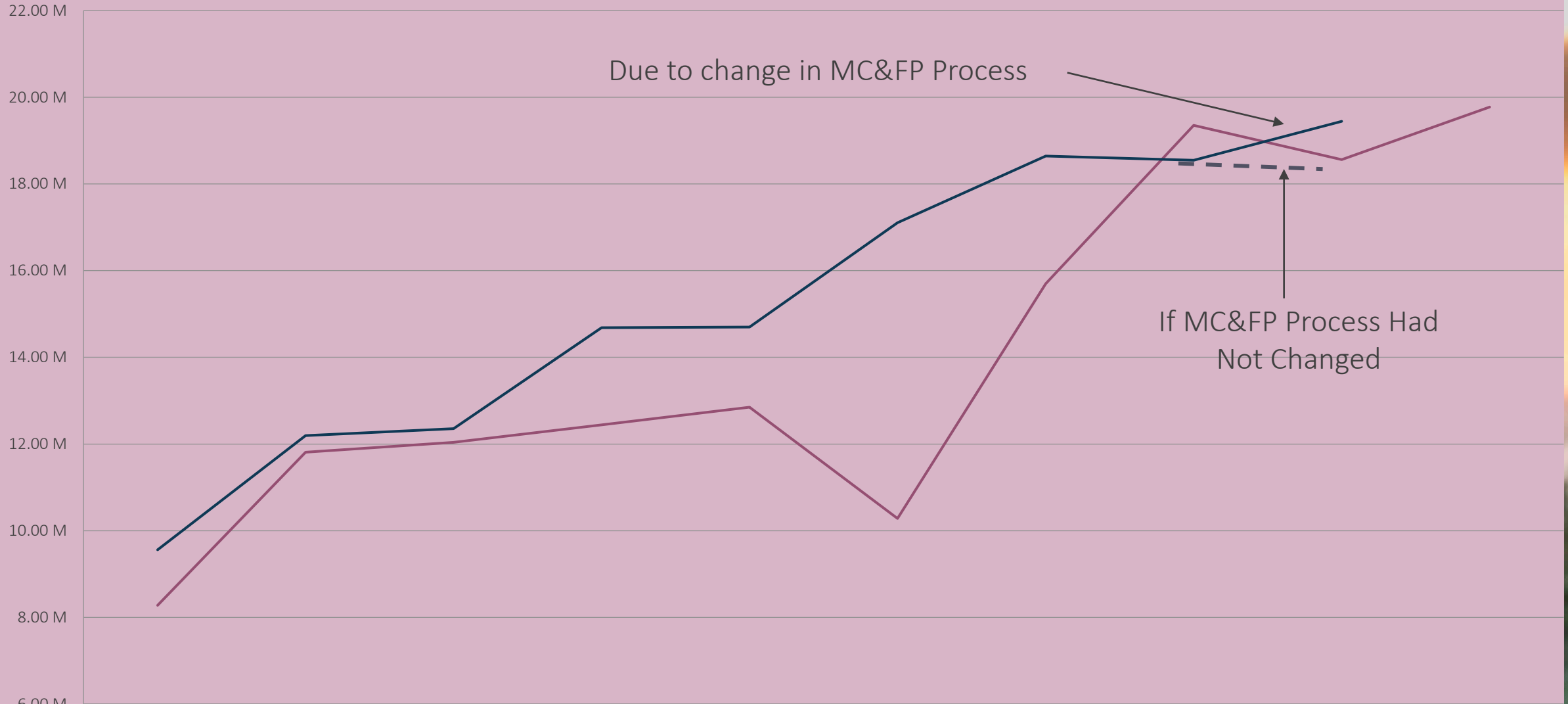
The Bradley-Burns Uniform Sales and Use Tax Law provides for a city/county rate of 1.25%.

One-quarter cent of the levy is sent to the county-wide regional transportation fund.

The balance goes to support local government general funds.



Sales & Use Tax Revenue



— Budget
— Actual

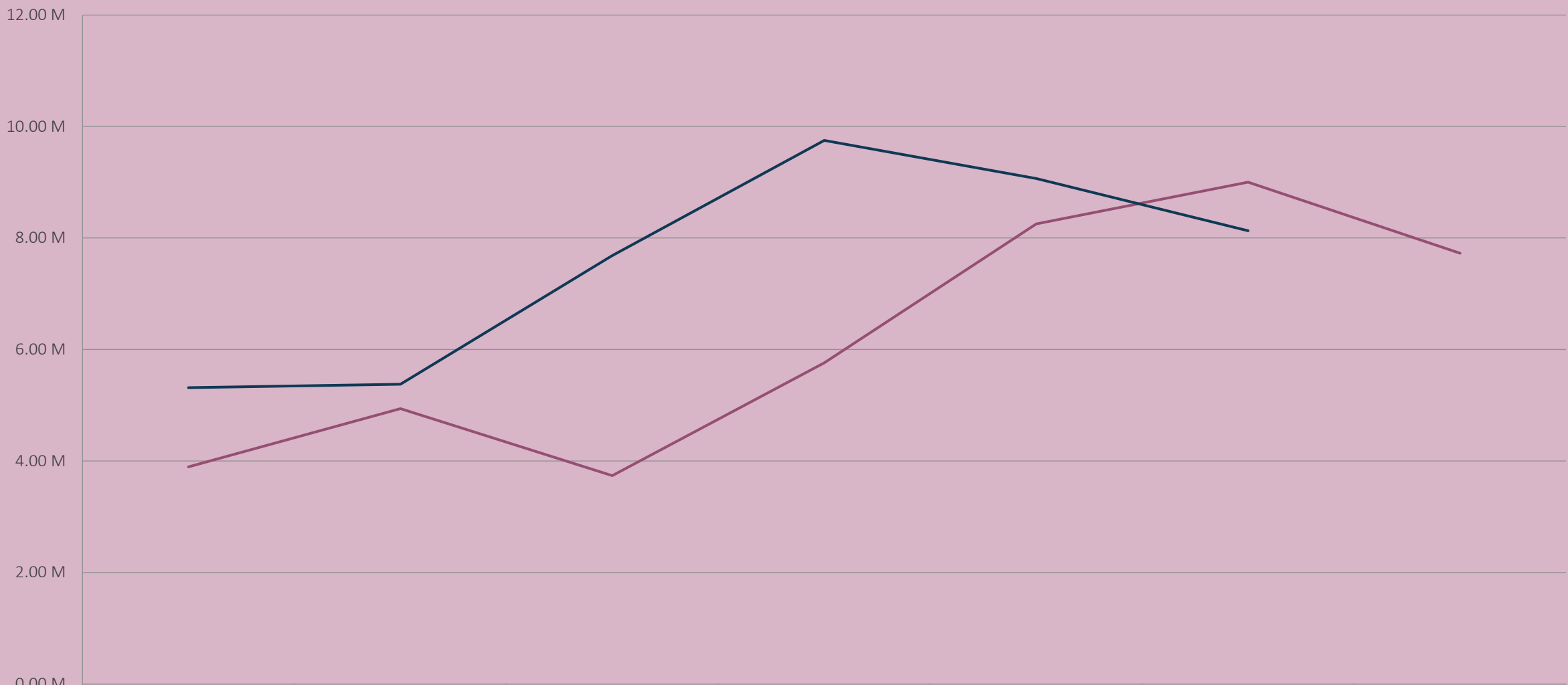
Discretionary Transient Occupancy Tax (DTOT)

10% tax on hotels, motels, and vacation home rentals.

DTOT Board Policy:

Transient Occupancy Tax revenue, excluding voter-approved Tahoe area-specific revenue, shall be directed toward the impacts of tourism and economic development, with consideration for support of tourism and promotion activities within the County and for continued support for grant fund allocations to support Veteran programs within the County. The County will prioritize impacts to County services and facilities, such as road maintenance, snow removal, law enforcement, etc., to be funded first before funding outside agencies.

DTOT Revenue



	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Budget	3.89	4.94	3.74	5.76	8.25	9.00	7.73
Actual	5.31	5.38	7.68	9.75	9.07	8.13	

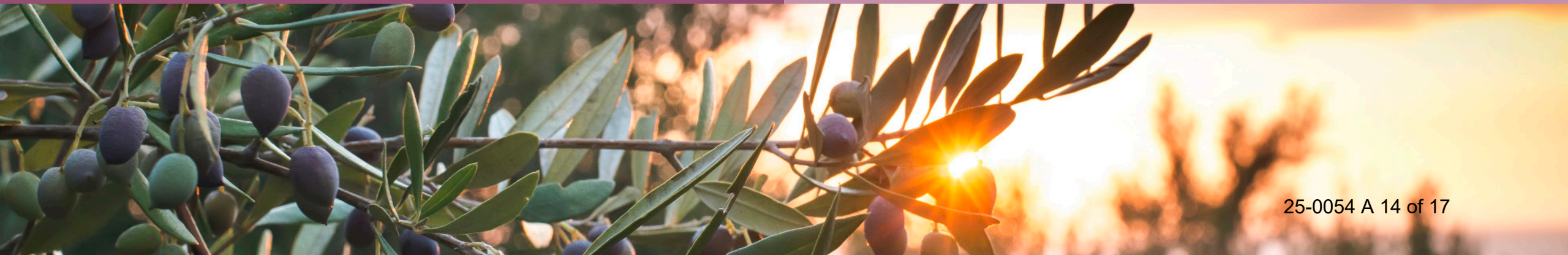
Discretionary Transient Occupancy Tax

Slowing DTOT Revenue

- FY 2023-24 revenue was 10% lower than FY 2022-23.
- FY 2024-25 Budget is 5% lower than FY 2023-24 Actuals.

Seeking Board Direction to:

- Reduce/suspend contributions to outside agencies/entities.
- Increase use of DTOT revenue for County operations in Tahoe.





Budget Projections & Pressures

Expense Pressures

Legal Challenges

- Austin v. El Dorado County
- Sheetz v. El Dorado County (US Supreme Court Case)
- California Department of Public Health (Syringe Exchange Program)



Facilities Needs

- Capital Projects Reserve has been depleted to \$2.7 million
- Many aging facilities in need of replacement or repairs
- Not able to meet Board Policy for Capital Projects Reserve, \$4 million short of goal



Health Insurance & Risk Program Increases

- Health Insurance premiums increased by 6.2% for 2025
- General Liability continues to increase year after year, 78% increase over past 5 years
- Workers' Compensation percent changes are volatile



Labor Negotiations & 504 Salary Increases

- Multiple Labor Unions in negotiations with the County
- Charter Section 504 requires the County to at least annually compare specific Sheriff salaries with comparator agencies



5-Year Budget Projection from Recm'd Budget

Summary Of Major Differences			
	Cautious	Conservative	Moderate
Property Tax after FY 2024-25	2% growth from prior year	3.5% growth from prior year	4.5% growth from prior year
Transient Occupancy Tax	2% decrease from prior year	No growth	2% growth from prior year
Sales & Use Tax / Public Safety Sales Tax	2% growth in FY 2024-25 and no growth after that	2% growth in FY 2024-25 and 0.5% growth after that	Based on HDL projection of 2% growth in FY 2024-25, 2.8% in 2025-26, 3.0% in 2026-27, 2.9% in 2027-28 and FY 2028-29.

Summary of Revenue Surplus / (Shortfall)					
	FY 2024-25 Recommended Budget	FY 2025-26 Projected	FY 2026-27 Projected	FY 2027-28 Projected	FY 2028-29 Projected
Cautious	\$ 0	(\$12.65 M)	(\$18.76 M)	(\$25.10 M)	(\$31.65 M)
Conservative	\$ 0	(\$10.45 M)	(\$14.27 M)	(\$18.21 M)	(\$22.26 M)
Moderate	\$ 0	(\$8.24 M)	(\$9.65 M)	(\$11.08 M)	(\$12.17 M)