

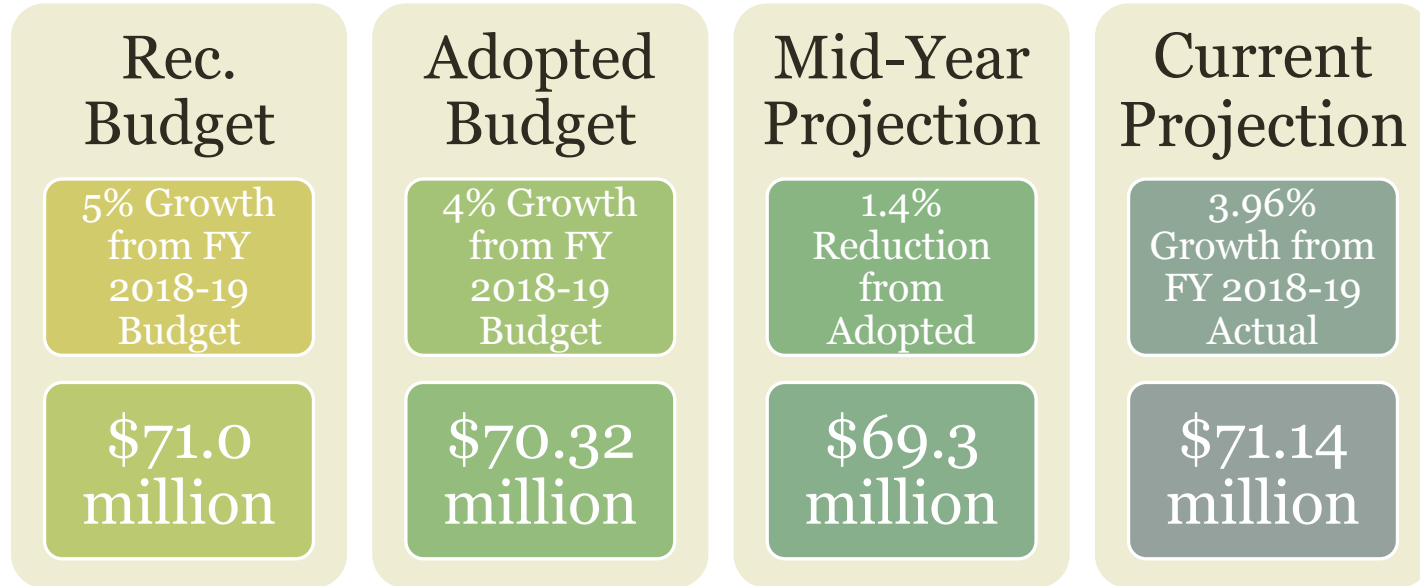
# Fiscal Year 2020-21 Adopted Budget COVID-19 Revenue Impacts

Presented by the Chief  
Administrative Office to the Board  
of Supervisors on July 21, 2020



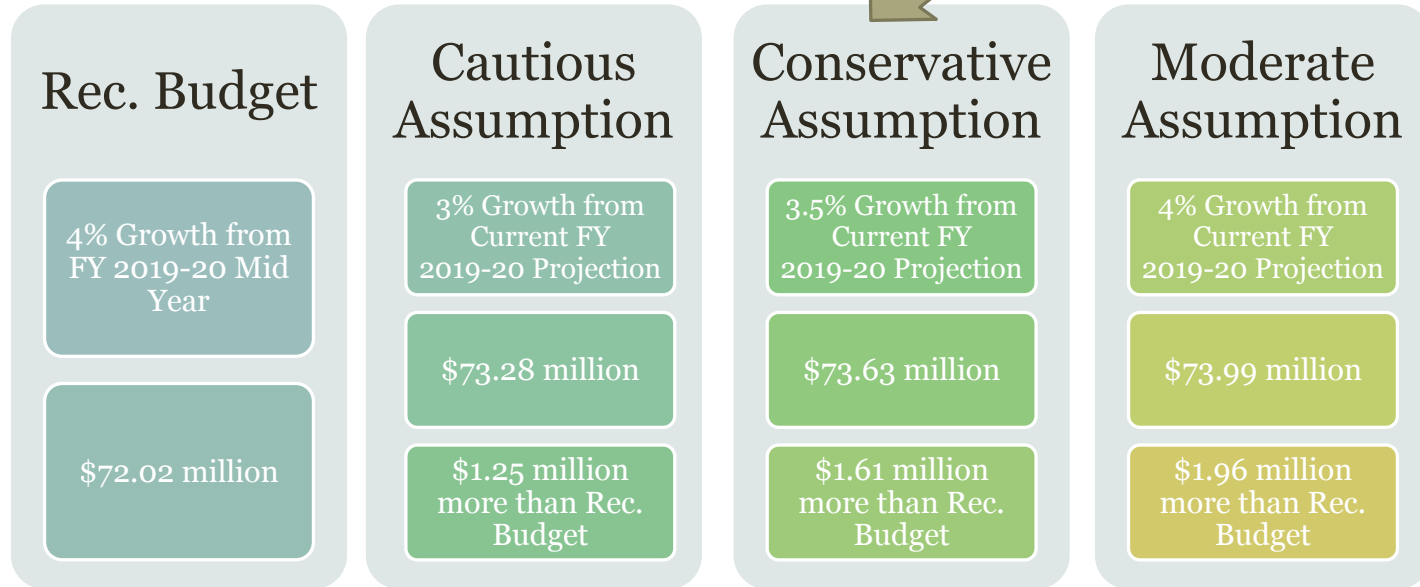
# Property Tax - Current Secured

## Fiscal Year 2019-20



# Property Tax - Current Secured Fiscal Year 2020-21

CAO Recommendation



# Sales & Use Tax

FY 2018-19

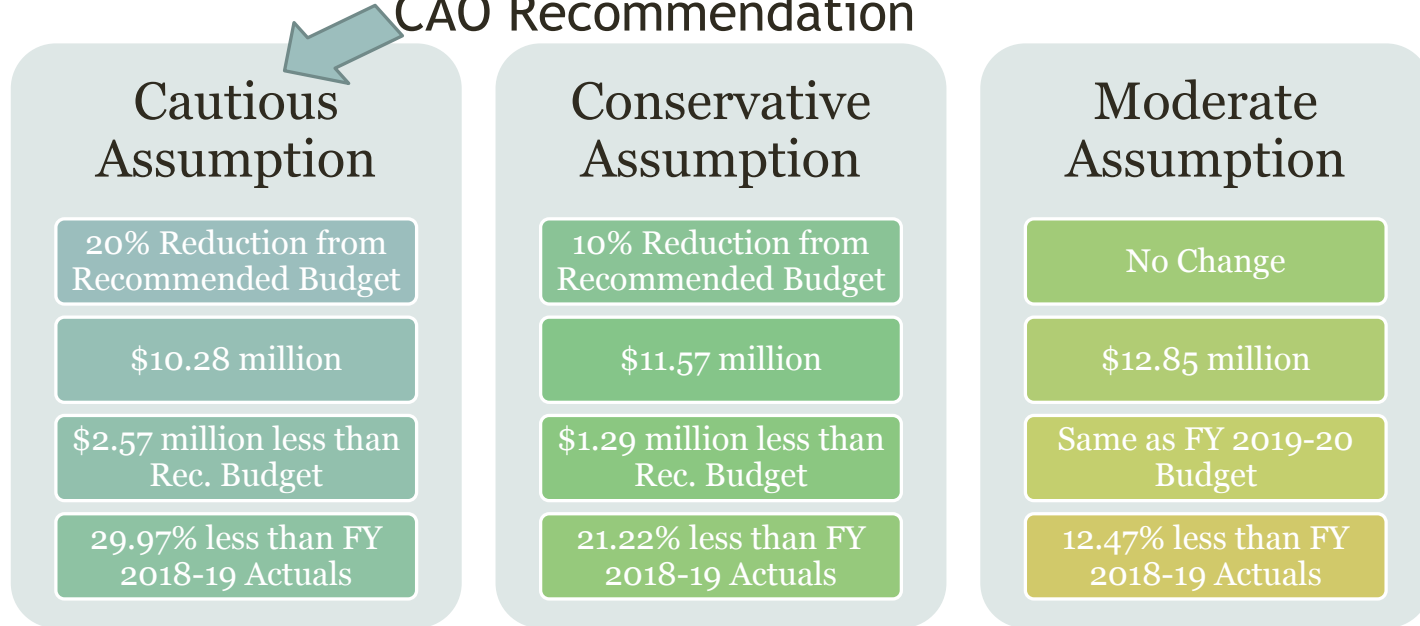
- Received \$14.68 million in revenue
- 19% growth over prior year
- Result of changing state practices, still evaluating if increase is stable over multiple years.

FY  
2019-20

- Rec & Adopted Budget \$12.85 million
- 19/20 Mid Year Projection - \$14.2 million
- Tentative Projection for Year End - \$12.85 million.
- The first advance of sales tax for the 2nd Quarter of 2020 (Apr –June) is 17% less than the advance from the prior year.
- It is unclear at this time how much we can expect sales tax revenue to decline due to COVID-19.

# Sales & Use Tax Fiscal Year 2020-21

## CAO Recommendation



# Proposition 172 - Public Safety Sales Tax Funding

1/2 Cent  
Sales Tax

- Passed by the voters in 1993 for the purpose of offsetting the shift of local property tax revenues from cities and counties to the “Educational Revenue Augmentation Fund” (ERAF)

Distribution

- Collected by the State and apportioned to each county based on its proportionate share of statewide taxable sales.

COVID-19  
Impact

- Considering the economic impacts of COVID-19 statewide, and the fact that larger, urban counties are not re-opening their economies as quickly, El Dorado County is anticipating a reduction in the amount allocated.

# Proposition 172 - Public Safety Sales Tax Funding

FY 2018-19

- Received \$11.64 million

FY 2019-20

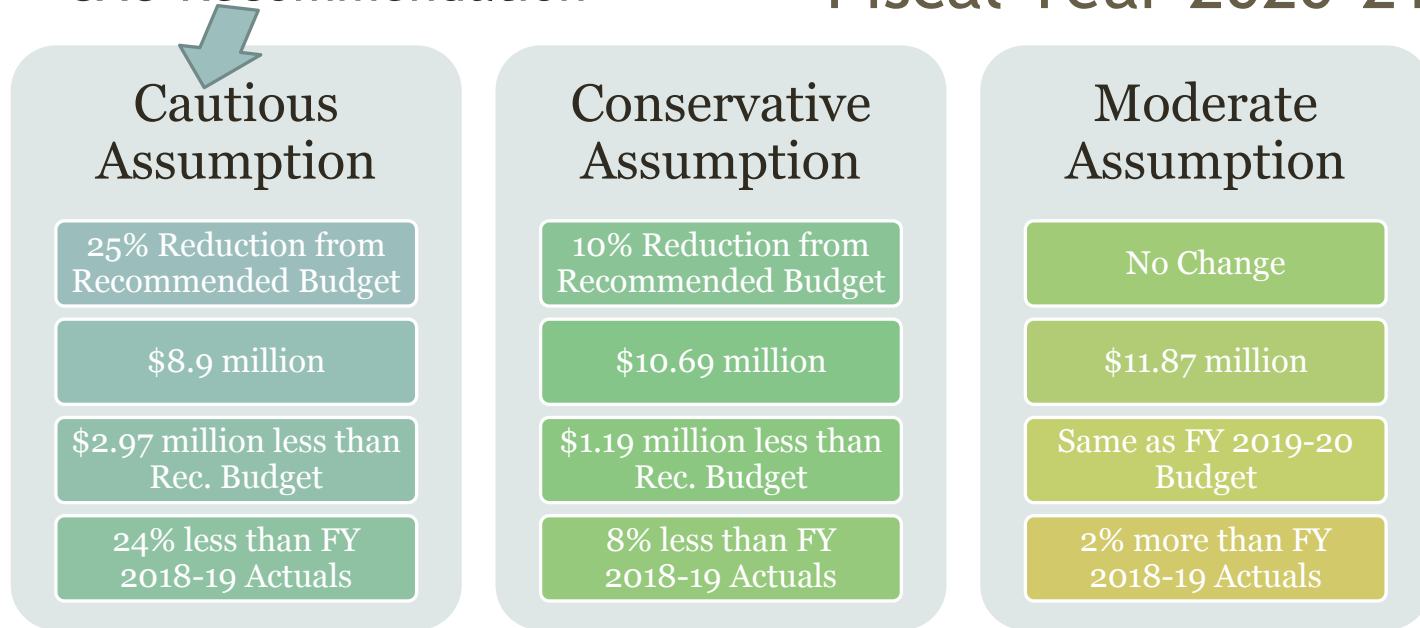
- Budgeted \$11.87 million, 2% growth from Prior Year
- Projecting \$11.31 million, \$565,000 (5%) short of budget

Allocation in  
County

- Sheriff – 75%
- Probation – 12%
- District Attorney – 10%
- Public Defender – 3%

# Public Safety Sales Tax Funding

## CAO Recommendation Fiscal Year 2020-21





# Proposition 172 - Public Safety Sales Tax Funding

- Revenue Impact By Department:
  - With cautious reduction of \$2,968,299:
    - Sheriff - \$2,226,224 reduction
    - Probation - \$356,196 reduction
    - District Attorney - \$296,830 reduction
    - Public Defender - \$89,049 reduction

# Estimated Revenue Shortfall

Based upon revenue assumptions

Revenue Source	Change from Recommended Budget	Assumption
Property Tax	\$1.61 million	Conservative
Sales & Use Tax	(\$2.57 million)	Cautious
Prop 172	(\$2.97 million)	Cautious
<b>Total Change</b>	<b>(\$3.93 million)</b>	

# Additional Consideration

Projected Revenue Shortfall	(\$3.93 million)
Deferred Department Requests	(\$4.92 million)
State funded programs backfill	(\$3.02 million)
CalPERS Increases Designation ( <i>obligated</i> )	(\$2.5 million)
Increased Salary & Benefits Costs Not in Budget ( <i>obligated</i> )	(\$2 million)
Placerville Juvenile Hall Savings to be set aside for new facility	(\$3 million)
New Costs for FY 2021-22 (Public Safety Facility Payment \$2.3 million, General Liability & Workers Comp \$ 6.4 million) ( <i>obligated</i> )	(\$9.7 million)