



City Finances FACT SHEET

How do we pay for most of our city services and operations?

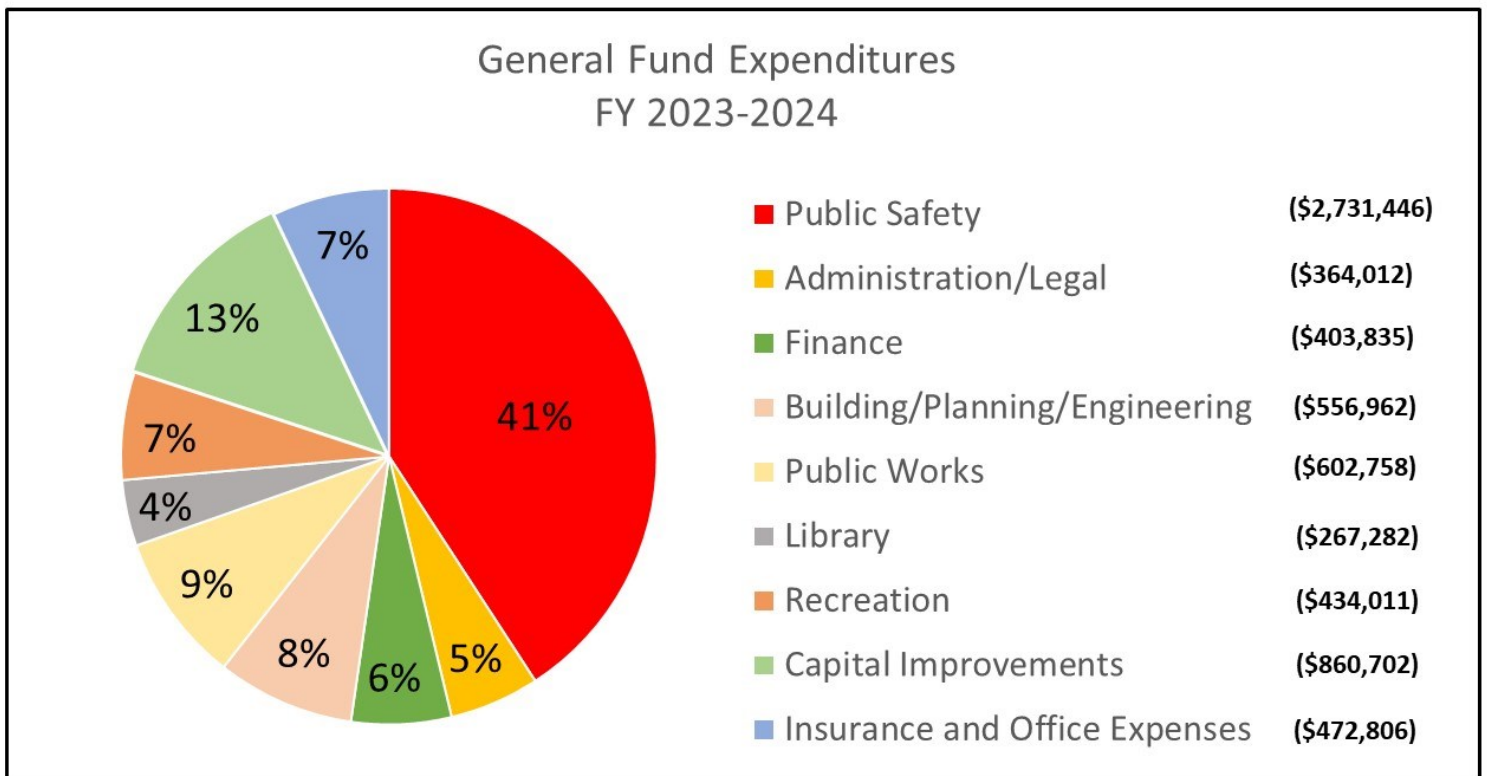
The city relies predominantly on its General Fund to pay for most city services, including law enforcement, fire protection, emergency medical services, streets and park maintenance, library services, recreation activities, administration and finance.

What revenue streams account for the City's General Fund revenues?

The three major revenue sources for the General fund are taxes (sales tax, property tax, and transient occupancy tax), state-shared revenues and franchise agreements. These revenue sources are dependent on the local economic environment and may fluctuate from year to year. Other lesser General Fund revenue sources include fines and forfeitures, licenses and permits, and service charges.

How big is our General Fund? How do revenues compare to expenditures?

In FY 2023-24, the City's General Fund projected \$5.6 million in revenues and \$6.7 million in expenditures. As the following pie chart illustrates, the City's expenditures are broken down into a variety of service and activity areas. This past fiscal year, the City used nearly \$1 million of its General Fund Reserve in order to balance the City's budget.



For more information, see other side. →

Can we make more budget cuts?

With only 18 full-time and 17 part-time city employees, there really are no other areas to cut. Over the years, the City has reduced positions in all departments including Fire, Library and Recreation. The City also has five long-term contractors in the Finance and Library Departments and Planning, Building/Code Enforcement and Engineering Divisions.

The sale tax measure on the November ballot is an investment in the future which is why I voted to make it happen. Clearly, you need money to make money! By improving what we offer we will generate future income streams. With purposeful outreach we will inspire demand and growth. In total, we will invest in a better tomorrow.

David Vodden, Councilmember
City of Willows

What is the current status of the General Fund Reserve?

By June 30, 2024, the city's General Fund Reserve is projected to be slightly more than \$1 million, or 15%, of the base expenses required to operate the city. By June 30, 2025, the Reserve is projected to be nearly depleted with roughly \$50,000 remaining (illustrated in the chart below). A significant and immediate increase in revenue is required to ensure continued city operations beyond June 30, 2025.

- General Fund Financial Forecast -

General Fund Balance:

