



City Finances

How did the City get to this point?

City revenues have not kept pace with expenditures.

Over the past decade, the City’s sales tax revenue has increased ~ 20% or an additional \$307,000 per year.

In stark contrast, city expenditures have increased dramatically requiring the city to make more and more cuts over the past ten years.* The following table is a brief example of cost increases the city has experienced during this same time frame:

Item Description	2014 Cost	2024 Cost	% Increase
Minimum Hourly Wage (in California) Source: California Department of Industrial Relations	\$9	\$16	78%
One Gallon of Gas (in California) Source: U.S. Energy Information Administration	\$3.63 (average)	\$4.47 (average)	23%
Ladder Truck City’s ladder truck has been in service since 2004. A new one should have been ordered in 2024 (to receive in 2027). Source: City of Orland and Pierce Manufacturing	\$890,000 (2016)	\$2.1 million (Three year wait, if ordered this year.)	136%
Dump Truck City’s dump truck was purchased in 1999. No longer complies with State air quality emission standards. Source: Online Dealership	\$76,847	\$139,900	82%
Street Sweeper City’s sweeper was purchased in 2013. Sweepers typically last five years. Source: Timco Dealer	\$201,375	\$300,354	49%
Sprinklers for Parks City uses approximately seven cases per year. Source: City Records and Ewing Irrigation (Chico)	\$25.01 per case	\$42.16 per case	69%
Concrete Source: Online Search	\$107.78 per yard	\$170 per yard	58%
Average Annual Car Insurance Source: The Zebra	\$1431	\$1810	26.5%

*Please note, there are currently only 17 full-time City employees including five at City Hall (e.g., City Manager, two Finance staff, one Building Technician, and one Community Development Director), four in the Fire Department, two in the Library, and six in Public Works.



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Is an additional sales tax really needed?

The cost of providing public safety and other City services continues to increase:

- ◆ The City plans to rebuild its police department. The cost is projected to exceed **\$10 million**.
- ◆ The City needs a new Fire Engine 2 and ladder truck estimated to cost **\$1.2 and \$2.1 million**, respectively.
- ◆ The City's current law enforcement contract with the Glenn County Sheriff's Office is **\$2 million** this year. By 2025, it will be more than **\$2.3 million**.
- ◆ Sewage Enterprise Funds may not be used to fund public safety and/or street repairs, park maintenance, library and recreation services. These must be funded by the City's General Fund or other Special Funds.
- ◆ The State does not provide funding for law enforcement, fire protection and emergency medical services, as well as Public Works, Building, Planning, Engineering and other general services. Cities must provide those services with their General Fund monies.

For more information
about the City's Finances
and Measure I:



- ◆ In FY 2023-24, the City's total General Fund **revenue was \$6,085,375**. The City's total **expenses were \$6,843,369** (for public safety, public works and library and recreation services).
- ◆ At the current rate, the city is using more than \$750,000 per year of General Fund Reserve to balance the budget. Without an increase in revenue, the city will run out of money before the end of FY 2025-26.