# TUOLUMNE COUNTY FINANCE COMMITTEE
## Agenda

**Date/Time:** Wednesday, November 12, 2025, at 9:30 AM
**Location:** Board of Supervisors Chambers; 2 S. Green Street. 4th Floor, Sonora, 95370

**Voting Members**
*Supervisor Mike Holland (Chair)*
*Supervisor Anaiah Kirk (Vice Chair)*

**Staff**
*Liz Peterson, Deputy CAO*
*Sean Cole, Administrative Analyst*

1. Call to Order

2. Public Forum
   - *The public may speak on any item not on the agenda. No action may be taken by the Committee.*

3. Approval of Meeting Minutes from July 30, 2025

4. Discussion and recommendation on updating the Board's budget policy related to annually allocating an amount equivalent to the amount of Transient Occupancy Tax (TOT) for County services

5. Discussion and recommendation on the FY 26-27 Budget Calendar

6. Discussion and recommendations on growth amounts to be included in the Tuolumne County Budget Trends and Projections presentation to be given to the Board of Supervisors in December 2025

7. Future items for consideration:
   - Recommendations on Updated Budget Policy, including use of General Fund fund balance
   - In-Depth Review PERS unfunded liability
   - Financial Strategy

8. Adjournment

*In accordance with Government Section 54954.3(a), the public may comment on any item on the agenda. In accordance with the Americans with Disabilities Act, if you need special assistance (i.e., auxiliary aids or services) in order to participate in this public meeting, please contact the County Administrator's Office, (209-533-5511). Notification 48 hours prior to the start of the meeting will enable staff to make reasonable accommodations to ensure accessibility to this public meeting.*

Tuolumne County
Administration Center
2 South Green Street
Sonora, California 95370
Phone (209) 533-5521
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Heather Ryan
*Deputy Clerk of the Board of Supervisors*

**BOARD OF SUPERVISORS**
**COUNTY OF TUOLUMNE**

Michael Holland, *First District*
Ryan Campbell, *Second District*
Daniel Anaiah Kirk, *Third District*
Stephen A. Griefer, *Fourth District*
Jaron E. Brandon, *Fifth District*



# MINUTES

## Finance Committee

Wednesday, July 30, 2025 @ 3 p.m.
Board of Supervisors Chambers
2 South Green Street, 4th Floor, Sonora, CA 95370

**1. CALL TO ORDER:**

Supervisor Michael Holland called the meeting to order at 3:01 p.m.

**2. PUBLIC FORUM:**

Supervisor Holland asked for any general public comment. None was heard.

**3. APPROVAL OF MINUTES:**

Supervisor Anaiah Kirk made a motion to approve the minutes of the August 7, 2023 meeting. Supervisor Mike Holland seconded the motion. The minutes were approved unanimously.

**NEW BUSINESS:**

**7. Discussion and recommendation on using unsecured property tax collected from airplanes toward the County airport fund.**

Supervisor Holland read the item and turned it over to Liz Peterson, Deputy County Administrator. Mrs. Peterson provided an overview of the unsecured property tax collected from Airplanes, with additional information provided by Kaenan Whitman, Assessor/Recorder for the taxes assessed by his office. Mrs. Peterson provided additional information on the current use of funds from these collected taxes to support County airports and the amount of general fund revenues contributed to the airport's operations. Debi Bautista, Retired Annuitant-Auditor/Controller, provided information on the recommendation from the FY 23/24 Grand Jury to allocate those funds to the specific enterprise funds based on the residency of those airplanes. Sarah Carrillo, County Counsel, provided information on the Board's ability to allocate the funds going forward until a future Board action changes that practice.

Public Comment:

Jim Stenger, Airport Advisory Committee member, provided comments regarding the allocation of revenues generated by the airplanes at the County Airports to the general fund, creating the perception that the Airports are not generating enough money to run themselves, and support for allocation of the funds to each airport based on residency.

Committee recommendation to the Board of Supervisors:
Funds shall be allocated to the Enterprise Funds for each County Airport for their operational costs based on Airplane residency.

**6. Presentation and discussion on Transient Occupancy Tax (TOT) enforcement.**

Supervisor Holland read the item and turned it over to Justin Birtwhistle, Treasurer/Tax Collector, and Jessica Miller, Assistant Treasurer/Tax Collector. Mr. Birtwhistle provided a report on the current status of TOT enforcement, including options for payment of taxes and penalties for operators in the County. One issue noted with prior implementation of the TOT enforcement plan was staffing. Supervisor Kirk asked if there were any further barriers to moving forward with the enforcement plan that needed the Board of Supervisors' assistance, and Mr. Birtwhistle confirmed that they have already fixed the staffing issue and will begin work on TOT enforcement immediately. Mr. Birtwhistle provided additional details on the technology that their program uses to estimate unpaid TOT taxes for enforcement and how his staff will conduct in-depth reviews for accuracy prior to requesting payments.

Public Comment:
A member of the public submitted questions on all of the websites that their program collects its data from, and provided additional potential sites to add to the program for data collection.

Committee Direction to Treasurer/Tax Collector Staff:
Return to the Board in late October/early November with an update on the revenues received through TOT enforcement.

**8. Discussion and recommendation on reducing leased spaces for county operations.**

Supervisor Holland read the item and turned it over to Liz Peterson, Deputy County Administrator. Supervisors Kirk and Holland submitted questions on the items listed on the handout of Leased Spaces. Assistant Health and Human Services Agency Directors, Wendy Hoffman-Brady and Michelle Clark, provided responses to questions on their funding sources for the Health and Human Services Agency buildings and the building needs at the Tuolumne General Hospital before departments could move into that facility. Roger Root, Interim County Administrator, provided additional information on spaces available for departments to move into once minimum updates are made to those facilities. Mr. Root provided general estimates for immediate costs to move equipment and staff to create cost savings in future years.

Committee recommendation to the Board of Supervisors:
Move staff from rented spaces to county-owned buildings based on the priorities as described and consider an amendment to the Columbia College Fire Services building rental agreement.

**4. Discussion and recommendation on moving County Fire and Sheriff-Coroner with all associated cost centers, out of the general fund into separate special revenue funds.**

Supervisor Holland read the item and turned it over to Liz Peterson, Deputy County Administrator.

Mrs. Peterson provided a brief presentation on the cost centers under the Sheriff's Office and County Fire, including general revenue numbers and general fund contributions. Debi Bautista, Retired Annuitant-Auditor/Controller, provided additional information regarding the end-of-year balances for these funds and the ability for the department heads to potentially better manage their budgets going forward while providing additional transparency to the public. Discussion was held regarding the failure of multiple tax measures due to public distrust in the management of their additional taxes, potentially due to a lack of specialized revenue funds for the Sheriff and County Fire departments, allowing the funds to go to the General fund before being allocated to those departments. David Vasquez, Sheriff, provided comments in support of special revenue funds for the Sheriff's Office to provide additional transparency to the public and build trust around where the money is going. Nick Casci, Tuolumne-Calaveras Unit Fire Chief, provided comments regarding current practices with revenues received and how those are allocated within the cost center and offset general fund contributions. Kaenan Whitman, Assessor/Recorder, submitted a question regarding the Board's ability to share funds with these special revenue funds in an economic crisis for the county. Roger Root, Interim County Administrator, provided comments in support of the special revenue funds in order to better understand their costs for services.

Public Comment:
A member of the public provided comments on the failure of Measure V, specifically for Fire Services.

A member of the public provided comments on the failure of past tax measures and suggestions for the Board if they attempt a future tax measure.

A member of the public provided comments on what the potential reporting differences would be if the changes were put into effect and how that would create additional transparency.

Committee recommendation to the Board of Supervisors:
Provide staff direction on August 5th to make changes in the FY25/26 Adopted budget.

**5. Discussion and recommendation on creating a Grants special revenue fund and moving all large grants with grant-funded employees, out of the general fund.**

Supervisor Holland read the item and turned it over to Roger Root, Interim County Administrator. Mr. Root provided a presentation on which grants would be included in this special revenue fund and how that could increase transparency with the public. Liz Peterson, Deputy County Administrator, provided additional information on exclusively grant-funded employees being incorporated in this special revenue fund and the transparency that could provide. Supervisor Kirk inquired as to the reporting of costs to the general fund for these grants and the staffing required to implement them. Debi Bautista, Retired Annuitant-Auditor/Controller, provided additional information regarding the billing practices for internal services departments for these larger grants for non-grant-funded employees.

Committee recommendation to the Board of Supervisors:
In favor of creating a Grants special revenue fund and moving all large grants with grant-funded employees, out of the general fund in the FY25/26 Adopted budget.

**9. Review options to reduce reliance on beginning fund balance to balance operations in the general fund.**

Supervisor Holland read the item and provided an introduction to the topic for discussion. Liz Peterson, Deputy County Administrator, provided additional information on staff observations of where fund balance typically comes from and the current practice of utilizing that fund balance for future operating expenses. Roger Root, Interim County Administrator, provided comments in favor of better tracking spending, making sure that departments are responsible for why their budgets are not being spent as planned, and encouraged better budgeting practices. Debi Bautista, Retired Annuitant-Auditor/Controller, provided comments in support of utilizing a portion of the fund balance to positively impact operations with one-time expenses and pay down liabilities.

Public Comment:
A member of the public provided comments on how the Board members determine where to place that fund balance and in favor of increasing savings and reducing liabilities.

Committee recommendation to the Board of Supervisors:
Amend the current Board of Supervisors budget policy to reflect no use of fund balance for ongoing operations.

**FUTURE/CONTINUED BUSINESS:**

A. Review PERS unfunded liability in depth

**ADJOURNMENT:**

Supervisor Holland adjourned the meeting at 5:04 p.m.

## Measure U—Increase TOT from 10% to 12%

"For the continued funding of general services impacted by tourism, such as fire safety, road maintenance, law enforcement, animal control, libraries and parks, shall the measure increasing the existing Transient Occupancy Tax ("Tourism Tax") from 10% to 12%, applying only to guests of hotels and other short-term lodging in the unincorporated areas of Tuolumne County, and expanding its application to campgrounds and recreational vehicle parks, generating an estimated $1,850,000 annually, be adopted? (Duration: until repealed) Yes ____ No ____"

## Argument in Favor of Measure U

A **YES** vote on Measure U means tourists pay their fair share when they use County services. When visitors enjoy the scenic vistas and natural wonders Tuolumne County has to offer, they use local roads, emergency services, parks and other amenities that cost money to maintain. Transient Occupancy Tax (known as TOT or "Tourist Tax") is a way to make sure everyone who uses our public services helps pay for them.

Most other counties in the state have a Tourist Tax and tourists are accustomed to paying it. The current Tourist Tax in the unincorporated area of Tuolumne County is 10%, which is lower than our neighboring counties. Voting **YES** on Measure U will increase the Tourist Tax to 12%—the same as Mariposa and Calaveras Counties. A **YES** vote on Measure U also allows this Tourist Tax to be collected from those who stay in campgrounds and RV parks for 30 days or less.

All of the revenue raised by Measure U will stay in Tuolumne County for general services like improved roads, fire protection, law enforcement, libraries and parks. Without a Tourist Tax, these costs would be borne mostly by local taxpayers. Tourist Taxes are a common and important source of unrestricted revenue for vacation hot spots like Tuolumne County. And unlike other taxes, none of the Tourist Tax revenues will go to the State.

A **YES** vote on Measure U will help Tuolumne County's tourism and hospitality industry. Revenues from Measure U will help fund efforts to promote tourism and improve infrastructure, which will make Tuolumne County a more attractive destination.

Please join the undersigned partners in voting **YES** on Measure U and help protect our important county services.

Signed,

The Tuolumne County Board of Supervisors
Bill Pooley, Tuolumne County Sheriff
Daniel Hawks, Tuolumne County Chief Probation Officer
CAL FIRE Local 2881, Tuolumne Calaveras Chapter
The Friends of the Tuolumne County Library

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | Current GF Contribution | | Difference | |
| FY 25-26 TOT Est. | $ | 9,796,656 | | | | |
| 16% for VTC | $ | 1,567,465 | $ | 1,567,465 | $ | - |
| 28% Fire | $ | 2,743,064 | $ | 3,193,041 | $ | 449,977 |
| 28% Sheriff | $ | 2,743,064 | $ | 26,383,594 | $ | 23,640,530 |
| 28% Roads | $ | 2,743,064 | $ | 775,018 | $ | (1,968,046) |
| Road Maintenance / Materials | $ | 500,000 | $ | - | $ | (500,000) |
| Library | | | $ | 1,239,352 | | |
| Standard Park | | | $ | 426,968 | | |
| County Recreation | | | $ | 783,939 | | |
| | | | $ | 2,450,259 | | |

# Tuolumne County Finance Committee

**November 12, 2025**

# General Revenues Review

## Property Tax, Sales Tax, TOT, A-87 and PILT make up 95% of all General Revenues

| | FY 25-26 Budget |
|---|---|
| Property Tax | $37,338,066 |
| Sales Tax | $6,600,000 |
| TOT (Transient Occupancy Tax) | $9,796,656 |
| A-87 | $7,280,208 |
| PILT (Payment In-Lieu of Taxes) | $3,363,499 |
| 23 other categories | $3,761,667 |
| TOTAL | $68,140,096 |

# General Revenues Review for FY 25-26

- Property Tax—4.17% growth projected for FY 25-26
  - Small decline from FY 24-25 growth of 4.31%
  - Property Tax growth is relatively stable
- Sales Tax—2.02% decrease projected for FY 25-26
  - 2.58% growth for FY 24-25, but previous years saw 0.13% increase and 5.78% decrease
  - Sales Tax is still lower than in 2022 and long-term growth is seen as very muted
- Transient Occupancy Tax (TOT)—4.00% growth projected for FY 25-26
  - Small decline from FY 24-25 growth of 4.66%
  - $1,700,000 projected in future development over next 2 years
- A-87—4.36% decrease projected for FY 25-26
  - Large growth from FY22 to FY25 of 222% ($5,244,247)
  - A-87 revenue projected to decrease below current levels due to reductions in General Fund
- PILT—4.00% growth projected for FY 25-26
  - Previous years saw growth of 3.35%, 7.82% and 3.64%
  - Extremely unpredictable, based on what Congress approves

# General Revenues* Growth, 2008-2026

| Year | General Revenues Received* | % increase |
|---|---|---|
| 2008 | $38,481,320 | |
| 2009 | $36,269,939 | -5.75% |
| 2010 | $35,903,090 | -1.01% |
| 2011 | $34,953,966 | -2.64% |
| 2012 | $34,957,798 | 0.01% |
| 2013 | $35,447,852 | 1.40% |
| 2014 | $35,229,170 | -0.62% |
| 2015 | $37,565,193 | 6.63% |
| 2016 | $39,056,267 | 3.97% |
| 2017 | $40,306,270 | 3.20% |
| 2018 | $43,542,866 | 8.03% |
| 2019 | $46,250,382 | 6.22% |
| 2020 | $46,799,495 | 1.19% |
| 2021 | $50,676,265 | 8.28% |
| 2022 | $54,352,247 | 7.25% |
| 2023 | $58,366,854 | 7.39% |
| 2024 | $62,543,727 | 7.16% |
| 2025 | $66,996,972 | 7.12% |
| 2026 Budget | $68,140,096 | 1.71%** |

| General Revenues Growth | |
|---|---|
| 18-year average annual increase | 3.31% |
| 5-year average annual increase | 6.12% |
| 3-year average annual increase | 5.33% |

*Pass through for Realignment/MOEs not included

**Smaller % growth in FY 25-26 due primarily to lack of growth in A-87

**5% growth used for projection**

# General Fund
# Departmental Revenue
### Excluding Grants/allocations
### "Core Revenue"
## 2019-2026

| Year | GF Departmental Revenues* | % increase |
|---|---|---|
| 2019 | $7,397,620 | |
| 2020 | $7,702,052 | 4.12% |
| 2021 | $7,303,244 | -5.18% |
| 2022 | $7,299,953 | -0.05% |
| 2023 | $7,398,265 | 1.35% |
| 2024 | $7,750,606 | 4.54% |
| 2025 | $8,152,617 | 5.15% |
| 2026 Budget | $8,580,711 | 5.25% |

| Multi-Year Revenue Growth | |
|---|---|
| 18-year average annual increase | |
| 5-year average annual increase | 3.30% |
| 3-year average annual increase | 4.99% |

*Excludes grants, state and federal revenues/allocations

**5% growth used for projection**

# General Fund All Salaries & Benefits*, 2019-2026

| Fiscal Year | GF Salaries & Benefits | % increase by Year |
|---|---|---|
| 2019 | $25,717,574 | |
| 2020 | $25,906,145 | 0.73% |
| 2021 | $26,488,565 | 2.25% |
| 2022 | $29,006,224 | 9.50% |
| 2023 | $32,279,907 | 11.29% |
| 2024 | $34,927,815 | 8.20% |
| 2025 | $35,285,835 | 1.03% |

| General Fund Salaries & Benefits | |
|---|---|
| 5-year average annual increase | 6.45% |
| 3-year average annual increase | 6.84% |

* Includes Workers Compensation & PERS Fixed, which remain the same regardless of the size of workforce

**2% growth used for projection**

## General Fund
## Services & Supplies, 2019-2026

| Fiscal Year | GF Services & Supplies* | % increase by Year |
|---|---|---|
| 2019 | $10,959,183 | |
| 2020 | $10,317,332 | -5.86% |
| 2021 | $11,344,227 | 9.95% |
| 2022 | $12,938,298 | 14.05% |
| 2023 | $14,932,518 | 15.41% |
| 2024 | $16,834,241 | 12.74% |
| 2025 | $17,046,409 | 1.26% |

| General Fund Services & Supplies | |
|---|---|
| 7-year average annual increase | 8.02% |
| 5-year average annual increase | 10.40% |
| 3-year average annual increase | 7.51% |

**5% growth used for projection**

# Budget Projection Components

Revenue
- General Revenues
- Departmental Revenue

Expense
- Salaries and Benefits
- Services and Supplies
- Debt Service
  - Elevator
- Transfers Out
  - County Fire
  - Sheriff
  - MOEs
  - Capital Improvements
- Contingencies
- Reserves
- Fund Balance

# Assumptions in Creating Projections—Revenues

## General Revenues projected to increase annually by 5%

- $700,000 for new resort in FY26-27
- $1,000,000 for new resort in FY27-28

## Departmental Revenues projected to increase annually by 5%

- Based on historic trends, excluding grants

# Assumptions in Creating Projections—Expenses

GF Salaries & Benefits increase by 2%

Sheriff Salaries & Benefits increase by 4.5%

no compensation adjustments

Services & Supplies increase by 5%

4.5% growth in Transfer Out to Sheriff

County Fire fully funded in FY 26-27

4.5% annual growth in FY 27-28 & FY 28-29

Fund Balance only used for refunding contingencies, capital, elevator payment and reserves