



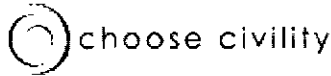
CITY OF OAKDALE

MEASURE Y RESIDENTS OVERSIGHT COMMITTEE SPECIAL MEETING

Friday, June 8, 2018

2:00 p.m.

City Council Chambers
277 North Second Avenue
Oakdale, California



The City of Oakdale recognizes and supports the Choose Civility program, an initiative of the Stanislaus County Office of Education. For more info, visit their website: <http://www.stancoe.org/civility/>

Committee Members

Mike Eggener, Dawn Reece, Paul Speers

Vice Chairperson David Thompson and Chairperson George Vieths

Note: California law prohibits the Measure Y Residents Oversight Committee from taking action on any matter that is not on the posted agenda unless it is determined to be an emergency by the Council. All items will be referred to staff for follow-up and placed on a future agenda.

AGENDA

1. Call to Order
2. Public Comment: *This is the time of the meeting to address the Committee on any municipal matter not listed on the Agenda.*
3. Approve Minutes of November 9, 2017.
4. Review and Discuss the Expenditures of Measures "Y" Funds for Fiscal Year 2017-2018 and Projected Measure "Y" Expenditures for Fiscal Year 2018-2019.
5. Adjournment

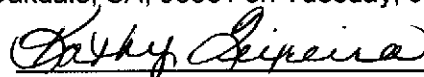
In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact City Hall, 209-845-3571. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.102-35.104 ADA Title II).

Any documents produced by the City and distributed to a majority of the Committee regarding any item on this agenda will be made available in the City Clerk's office at City Hall located at 280 North Third Avenue, Oakdale, California.

DECLARATION OF POSTING

I, Kathy Teixeira, City Clerk for the City of Oakdale, certify that I caused to be posted a copy of the City of Oakdale Measure Y Residents Oversight Committee Special Meeting for June 8, 2018, at the City Council Chambers, 277 North Second Avenue, Oakdale, CA, 95361 on Tuesday, June 5, 2018.

Dated: June 5, 2018


Kathy Teixeira, CMC City Clerk



**City of Oakdale
City Council Staff Report**

Date: June 4, 2018
To: Mayor and City Council
From: Bryan Whitemyer, City Manager
Subject: Consider Approval of the Fiscal Year 2018-2019 Preliminary Budget

I. BACKGROUND

The City conducts multiple budget reviews during the fiscal year to ensure that expenditures and revenues are tracking as anticipated. In the event that expenditures or revenues are not following the original budgetary projections, this process provides the opportunity to make necessary course corrections.

Typically the budget review process is as follows:

- 1) The Preliminary Budget for the Fiscal year starting July 1st is developed and approved by the City Council in May or June of each year.
- 2) The Final Budget is reviewed and approved by the City Council in October or November of each year.
- 3) The Mid-year Budget is reviewed and approved by the City Council in February of each year.

This report presents the Fiscal Year 2018-2019 proposed Preliminary Budget for the City of Oakdale.

II. Budget Structure and Overview:

The Operating Budget for the City of Oakdale is a complex document that manages the revenues and expenditures of over 80 separate Fund Accounts. A summary of these accounts is found on page 4 and 5 of the FY 2018-2019 Preliminary Budget document. Many of these fund accounts have specific rules and requirements that dictate how these funds can be used.

For example, funds collected from the water bills that are paid for by residents each month can only be used to cover the costs associated with maintaining and operating the water system. These funds cannot be used to cover public safety or any other non-water related expense.

The three largest and most familiar Fund Accounts in the budget are 1) General Fund; 2) Sewer Fund; and 3) Water Fund.

- 1) **General Fund** – This fund accounts for all general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in other funds.
- 2) **Sewer Fund** – This fund accounts for the revenues and expenses of the City's sewer operations.



**CITY OF OAKDALE
City Council Staff Report**

3) **Water Fund** – This fund accounts for the revenues and expenses of the City's water operations.

2018-2019 Budget Summary By Fund

CITY OF OAKDALE
BUDGET SUMMARY BY FUND - PROJECTED BALANCE
2018-19

FUND # OLD NEW	FUND NAME DESCRIPTION	FUND	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		BALANCE 07/01/2018	REVENUES	TRANSFERS IN	TRANSFERS OUT	EXPENDITURES	ENDING BALANCE 06/30/2019
110 110	GENERAL FUND	4,623,814	9,691,290	3,027,352	(1,401,840)	11,313,548	4,627,068
115 115	MEASURE Y	562	1,901,200	0	(1,901,762)	0	0
		<u>4,624,376</u>	<u>11,592,490</u>	<u>3,027,352</u>	<u>(3,303,602)</u>	<u>11,313,548</u>	<u>4,627,068</u>
217 117	FACILITIES	0	96,000	121,024	0	217,024	0
218 118	RECREATION	0	39,000	154,153	0	193,153	0
219 119	ENGINEERING & PW ADMINISTRATION	0	28,300	149,868	0	178,168	0
220 120	DEVELOPMENT SERVICES	44,054	559,150	26,795	0	603,204	26,795
		<u>44,054</u>	<u>722,450</u>	<u>451,840</u>	<u>0</u>	<u>1,191,549</u>	<u>26,795</u>
SPECIAL REVENUE FUNDS							
201 201	ALCOHOL BEVERAGE CONTROL GRANT	0	0	0	0	0	0
203 203	SUPPLEMENTAL LAW ENFORC	110,781	150,750	0	(50,000)	125,000	86,531
205 205	OFFICE TRAFFIC SAFETY - DUI GRANT	0	0	0	0	0	0
206 206	OFFICE TRAFFIC SAFETY - ENFORCE GRANT	0	0	0	0	0	0
209 209	FEDERAL ASSET SEIZURE	(1,474)	0	0	0	0	(1,474)
210 210	AB 109 - PUBLIC SAFETY REALIGNMENT	26,261	300	0	0	2,500	24,061
211 211	NON JUDICIAL FORFEITURE	1,294	900	0	0	0	2,194
214 214	SAFETY SALES TAX (PROP 172)	54,339	155,800	0	(160,000)	0	50,139
215 215	GAS TAX	19,843	581,091	0	(380,590)	0	220,344
216 216	SBI-ROAD MAINTENANCE	129,525	377,140	0	0	0	506,665
221 221	LOCAL TRANSPORTATION	76,281	5,000	0	0	0	81,281
222 222	MEASURE L	(550,000)	1,002,000	0	0	0	452,000
613 229	SOLID WASTE	54,875	500	0	0	5,000	50,375
230 230	GENERAL PLAN	(252,678)	65,000	0	0	0	(187,678)
241 241	HOUSING	4,178,594	4,456	0	0	0	4,183,050
242 242	HOME LOAN CONSORTIUM	3	2,500	0	0	2,500	3
243 243	HOME LOAN REUSE	490,658	3	0	0	0	490,661
244 244	HOME CONSORTIUM REUSE	2,458,342	5,000	0	0	50,000	2,413,342
245 245	ECONOMIC DEVELOPMENT	484,044	5,000	0	0	10,000	479,044
248 248	CAL HOME LOAN REUSE	452,581	200	0	0	0	452,781
252 252	BRIDLE RIDGE STREET MAINT	122,068	41,500	0	0	0	163,568
265 265	NEIBORHOOD STABILIZATION	42,933	400	0	0	0	43,333
266 266	COMM DEVELOPMENT REUSE	751,150	1,000	0	0	23	752,127
267 267	COMMUNITY DEVELOPMENT BG	4,208	52,050	0	0	44,009	12,249
268 268	ABANDONED VEHICLE	113,176	19,200	0	(10,000)	500	121,876
270 270	EDUCATION/GOVT CTV	22,974	40,180	0	0	40,000	23,154
284 284	BRIDLE RIDGE LLMD	(91,658)	511,278	0	0	525,437	(105,817)
285 285	BURCHELL HILL LLMD	45,117	207,300	0	0	205,580	46,837
286 286	VINEYARDS LLMD	343,702	225,410	0	0	250,605	318,507
288 288	LIVE OAK LLMD	19,781	4,550	0	0	2,760	21,571
	REINMAN CT LLMD	17,040	7,570	0	0	10,710	13,900
	SUNSET MEADOWS LLMD	79,754	16,000	0	0	29,629	66,125
	STERLING HILLS LLMD	66,537	21,080	0	0	36,690	50,927
	MURDOCK ESTATES LLMD	(2,093)	1,340	0	0	1,065	(1,818)
291 291	FIRE SERVICES CFD 2003-1	28,923	394,859	0	(350,000)	0	73,782
292 292	PUBLIC SAFETY CFD 2007-1	8,514	191,689	0	(150,000)	0	50,203
293 293	MAINTENANCE SERVICES CFD 2015-01	99,471	57,714	0	0	8,000	149,185
	TOTAL SPECIAL REVENUE FUNDS	<u>9,404,878</u>	<u>4,148,760</u>	<u>0</u>	<u>(1,100,590)</u>	<u>1,350,008</u>	<u>11,103,040</u>
CAPITAL PROJECT FUNDS							
316 316	SURFACE TRANSPORTATION	(1,414,570)	1,146,324	0	0	0	(268,246)
331 331	S. YOSEMITE PARK	0	0	0	0	0	0
343 343	PARKS CAPITAL FACILITIES	3,202,313	349,000	0	0	600	3,550,713
344 344	STREETS CAPITAL FACILITIES	(888,149)	160,000	0	0	21,000	(749,149)
349 349	STORM CAPITAL FACILITIES	456,454	94,000	0	0	5,000	545,454
354 354	ADMINISTRATION CAPITAL FACILITIES	62,208	16,100	0	0	1,000	77,308
355 355	FIRE CAPITAL FACILITIES	(806,470)	90,000	0	0	0	(716,470)
356 356	POLICE CAPITAL FACILITIES	183,196	41,200	0	0	0	224,396
357 357	GENERAL GOVT CAPITAL FACILITIES	632,054	35,000	0	0	2,500	664,554
360 360	PLAN AREA FEE	505,816	153,500	0	0	0	659,316
623 623	SEWER CAPITAL FACILITIES	776,345	161,500	0	0	5,000	932,845
626 646	WATER CAPITAL FACILITIES	1,893,392	400,000	0	0	5,000	2,288,392



CITY OF OAKDALE
City Council Staff Report

2018-2019 Budget Summary By Fund (cont.)

CITY OF OAKDALE
BUDGET SUMMARY BY FUND - PROJECTED BALANCE
2018-19

FUND #		FUND NAME DESCRIPTION	FUND	PROJECTED	PROJECTED	PROJECTED	PROJECTED
OLD	NEW		BALANCE	PROJECTED	TRANSFERS		EXPENDITURES
			07/01/2018	REVENUES	IN	OUT	06/30/2019
DEBT SERVICE FUNDS							
465	465	FIRE STATION DEBT SERVICE	91,426	500	160,000	0	162,285
467	467	2015 PENSION BONDS DEBT SERVICE	1,352	438,199	0	0	419,776
TOTAL DEBT SERVICE FUNDS			92,778	438,699	160,000	0	582,061
INTERNAL SERVICE FUNDS							
510	510	DENTAL INSURANCE	43,666	55,400	0	0	54,500
512	512	EMPLOYEE FLEXIBLE SPENDING	288	18,200	0	0	18,200
515	515	RISK MANAGEMENT	121,746	109,806	0	0	110,000
520	520	EMPLOYEE LIABILITY FUND (OPEB)	1,155,219	36,720	300,000	0	152,500
525	525	INFORMATION TECHNOLOGY	34,338	189,600	0	0	200,000
530	530	VEHICLE REPLACEMENT	56,212	51,500	0	0	100,000
232	532	FIRE EQUIPMENT REPLACEMENT	306,844	303,000	0	0	0
535	535	PERS LIABILITY	2,342,436	20,000	500,000	(185,000)	0
540	540	FACILITY MAINTENANCE FUND	941,317	6,000	150,000	0	40,000
342	542	EQUIP REPLACEMENT FUND	85,583	19,825	0	0	0
545	545	POLICE EQUIPMENT REPLACEMENT	18,308	23,650	0	0	23,500
	547	ANIMAL CONTROL EQUIPMENT REPLACEMENT	0	18,966	0	0	18,966
	565	LLMD LANDSCAPE MAINTENANCE	21,889	356,000	0	0	365,749
			5,105,957	833,701	950,000	(185,000)	698,700
ENTERPRISE FUNDS							
620	620	SEWER SRF RESERVE	533,700	5,000	116,508	0	0
621	621	SEWER CAPITAL REPLACEMENT	1,276,423	35,000	2,000,000	0	207,000
622	622	SEWER FUND	5,075,668	7,010,000	0	(2,116,508)	4,505,510
631	631	PARKING FUND	46,368	21,750	0	0	10,000
624	644	WATER CAPITAL REPLACEMENT	23,988	20,000	1,000,000	0	135,980
625	645	WATER FUND	1,196,307	4,277,500	0	(1,000,000)	2,597,860
627	657	AVIATION FUND	107,325	296,300	0	(35,000)	261,036
628	658	AIRPORT CAPITAL IMPROVEMENT	23,208	0	20,000	0	0
629	659	AIRPORT CAPITAL REPLACEMENT	3,300	0	15,000	0	0
TOTAL ENTERPRISE FUNDS			8,286,287	11,665,550	3,151,508	(3,151,508)	7,717,386
REDEVELOPMENT							
363	363	REDEVELOPMENT SUCCESSOR AGENCY	164,684	254,174	0	0	250,000
364	364	REDEVELOPMENT 2011 BONDS	0	0	0	0	0
460	460	REDEVELOPMENT DEBT SERVICE	19,989,034	1,745,540	0	0	1,685,540
			20,153,718	1,999,714	0	0	1,935,540
TRUST/AGENCY FUNDS							
720	720	DEVELOPER DEPOSITS	146,439	125,000	0	0	125,000
722	722	SIERRA POINT SPECIFIC PLAN	(71,157)	0	0	0	0
730	730	HERITAGE OAKS (CFD 2007-1) TRUST	52,013	500	0	0	17,035
733	733	TESORO 1 SAFEGUARD TRUST	0	0	0	0	0
740	740	BRIDLE RIDGE SOUTH TRAIL DEPOSITS	1,093,631	15,000	0	0	0
741	741	CRANE PATTERSON SIGNAL	207,995	2,000	0	0	0
742	742	ANIMAL CONTROL TRUST	26,952	16,500	0	0	25,000
743	743	K-9 UNIT TRUST FUND	10	2,010	0	0	2,000
744	744	SENIOR CENTER TRUST FUND	4,956	35,070	0	0	35,000
745	745	POLICE RANGE TRUST FUND	30,558	8,050	0	0	20,000
746	746	SENIOR OUTREACH TRUST FUND	68,254	500	0	0	3,500
747	747	POLICE EQUESTRIAN UNIT FUND	1,489	15	0	0	1,000
769	769	SENIOR HOUSING CORP FUND	20,178	200	0	0	0
784	784	G&J STREET BOND REFUND	34,137	500	0	0	0
790	790	BRIDLE RIDGE 2003-2 CFD	537,190	299,590	0	0	294,465
791	791	BRIDLE RIDGE 2004-1 CFD	193,178	117,670	0	0	115,198
792	792	BRIDLE RIDGE 2005-1 CFD	417,803	201,752	0	0	226,611
799	799	GARBAGE COLLECTIONS	225,235	1,900,000	0	0	1,900,000
TOTAL AGENCY FUNDS			2,988,862	2,724,357	0	0	2,764,809
ALL FUND TOTAL			55,303,500	36,772,345	7,740,700	(7,740,700)	27,593,701



CITY OF OAKDALE
City Council Staff Report

FUND 110 – General Fund

Budget Highlights/Concerns

On Tuesday, May 22, 2018, the City Council held a Budget Workshop to discuss the initial draft of the FY 2018-2019 General Fund Budget. At that time, the draft FY 2018-2019 General Fund Budget projected expenditures to increase by \$691,617.

- The projected expenditure increase was the result of the following:
 - CalPERS pension cost increases - \$207,474
 - Fire Contract cost increases - \$440,300
 - 2018 November Election costs - \$12,251
 - Riverbank Animal Control Services - \$31,592 (these costs are covered by the City of Riverbank)

These cost increases would cause the General Fund Reserve to decrease by \$581,908 or 12.5%. This would also drop the General Fund Reserve balance to 34.2% which is below the City Council target of 40%. The largest cost increase was tied to the expiration of the SAFER Grant that provided funding to offset the majority of the costs of having a third position staffing Fire Station 28 located at G Street and South Yosemite Avenue. Prior to receiving the grant in 2015, Station 28 was staffed with two firemen on the engine. The costs of these two positions were shared between the City of Oakdale (City) and the Oakdale Fire Protection District (OFFPD).

When the SAFER Grant was awarded the City and OFFPD shared the overhead costs that were associated with the grant. When the grant expired in February 2018, the City of Oakdale decided to continue funding of the third position for the remainder of the fiscal year at a cost of approximately \$147,000. As the initial draft of the FY 2018-2019 budget was being developed, staff contacted Stanislaus Consolidated Fire Protection District to determine what the cost would be to continue to staff the third position at Station 28. The response was that the cost of that third position with overhead costs would be \$505,061.55. City staff contacted the OFFPD to see if they would want to share in cost of the third position. They were interested but expressed that their current budget constraints would not enable them to do so.

The City Council expressed concern with these cost increases and the fact that funding these fire positions would cause the City to deplete approximately 12.5% of its reserve balance. With this in mind the City Council directed City Staff to build a revised FY 2018-2019 Preliminary Budget that modified the staffing at Station 28 (G Street) from the current three personnel staffing to two personnel.

As a result of this change and some other modifications the revised FY 2018-2019 Preliminary Budget now shows revenues exceeding expenditures by \$3,254.

- The major change from the draft FY 2018-2019 Preliminary Budget presented to the City Council at the May 22, 2018 Workshop is the reduction of \$505,061.65 in fire costs associated with the third position at Station 28.
- An additional transfer of \$85,000 from Fund 535 - PERS Liability to Fund 110 General Fund was made to help cover the increased CalPERS pension costs.



CITY OF OAKDALE
City Council Staff Report

- The General Fund Balance is anticipated to grow by \$3,254 in FY 2018-2019. The projected balance at the end of FY 2017/2018 is anticipated to be \$4,623,814 on June 30, 2018 while the fund balance for FY 2018-2019 is projected to be \$4,627,068 on June 30, 2019.
- The projected General Fund Ending Balance (Reserve) on June 30, 2018 is anticipated to be \$4,627,068 or approximately 41% of the \$11,313,548 General Fund expenditures for FY 2018-2019. The projected ending balance for the General Fund for FY 2018-2019 is projected to meet the City Council goal of 40%.
- The budget proposal includes negotiated 2% cost of living increases for City employees.
- Negotiations for new collective bargaining agreements with the Misc. Employees Bargaining Unit, Oakdale Police Officers Association, and Management/Confidential Employees is currently underway. When a new agreement is ratified any additional costs associated with that agreement will need to be added to the budget.

General Fund 2018-2019 Summary

	2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Adopted Mid Year Budget	2017/18 Projected	2018-19 Proposed Preliminary Budget
REVENUES									
PROPERTY TAXES	2,496,278	2,541,136	2,828,181	3,000,542	3,090,981	3,304,369	3,420,330	3,407,443	3,506,300
OTHER TAXES	4,002,675	4,006,296	4,213,730	4,631,919	4,916,340	5,094,231	4,872,300	4,866,490	5,051,600
LICENSES	25,296	28,203	26,444	30,152	27,850	28,882	25,000	25,000	25,000
FINES, FORFEITURES & PENALTIES	251,839	245,983	250,264	265,300	285,282	279,457	262,000	272,000	282,000
USES OF MONEY & PROPERTY	106,731	126,027	140,771	141,685	122,979	145,968	166,000	174,800	166,000
INTERGOVERNMENTAL	451,003	342,966	303,596	337,353	507,819	491,053	461,947	464,427	493,840
SERVICE REVENUES	239,999	128,874	145,451	184,918	173,601	176,193	159,400	158,387	166,550
TOTAL REVENUES	7,573,821	7,419,485	7,908,437	8,591,869	9,124,852	9,520,153	9,366,977	9,368,547	9,691,290
EXPENDITURES									
1010 1010 CITY COUNCIL	22,624	26,294	26,712	27,166	26,268	27,411	29,423	29,423	29,267
1110 1110 CITY MANAGER	235,588	290,195	198,598	224,432	240,523	251,464	262,901	262,901	267,584
1120 1120 HUMAN RESOURCES	61,973	68,538	22,815	26,504	55,755	51,123	60,405	60,405	61,675
1210 1130 CITY CLERK	155,248	121,694	126,484	153,638	178,970	183,750	191,145	191,145	216,609
1310 1310 FINANCE DEPARTMENT	142,158	182,416	151,967	155,676	191,116	179,182	234,039	234,039	240,493
1320 1320 CITY TREASURER	887	617	1,058	1,070	1,095	1,097	1,084	1,084	1,077
1610 1610 CITY ATTORNEY	91,233	114,562	138,440	112,522	116,103	164,505	165,000	165,000	143,000
1910 1910 GENERAL GOVERNMENT	346,810	471,367	466,994	456,505	540,482	466,688	512,429	512,429	514,506
2110 2110 POLICE ADMINISTRATION	920,280	907,389	883,486	884,178	880,090	877,272	892,996	892,996	922,037
2120 2120 POLICE DISPATCH	446,292	462,540	437,450	452,095	551,499	573,601	650,737	650,737	712,289
2130 2130 POLICE SPECIAL SERVICES	233,378	231,114	186,166	192,360	409,037	409,345	456,598	456,598	319,574
2140 2140 POLICE FIELD SERVICE	2,269,021	2,421,430	2,251,523	2,198,691	2,696,228	2,698,032	2,876,052	2,876,052	3,147,295
2160 2160 ANIMAL CONTROL	116,443	105,828	121,936	133,661	161,907	171,438	171,703	171,703	157,038
2161 2161 ANIMAL CONTROL-RIVERBANK	130,167	112,181	109,045	154,290	151,065	163,136	166,850	166,850	198,442
7216 2180 CROSSING GUARDS	24,002	19,722	12,423	15,795	11,823	13,999	18,040	18,040	15,163
2210 2210 FIRE DEPARTMENT	2,520,284	2,530,727	2,383,644	2,172,324	2,335,923	2,502,062	3,028,839	3,023,839	2,959,077
4120 4120 GARAGE DEPARTMENT	85,002	78,741	70,171	73,649	91,527	105,412	129,811	129,811	121,938
4140 4140 STREET MAINTENANCE	198,708	221,414	236,556	243,909	311,017	343,898	387,072	387,072	358,677
4141 4141 STREET SWEEPING	19,704	48,308	58,707	64,925	60,568	75,971	80,000	80,000	80,000
4142 4142 STREET LIGHTS/TRAFFIC SIGNALS	185,831	192,732	185,395	228,548	236,012	184,324	222,600	222,600	245,000
7210 7210 PARK MAINTENANCE	314,798	264,783	270,203	283,206	360,274	368,748	460,011	500,231	481,997
7213 7413 FACILITY MAINTENANCE	50,011	40,818	158	34,067	28,931	57,732	64,138	64,138	78,810
CAPITAL PROJECTS	0	0	0	0	0	18,116	25,000	25,000	40,000
TOTAL EXPENDITURES	8,570,442	8,913,410	8,339,931	8,289,211	9,636,213	9,888,306	11,086,873	11,122,093	11,313,548
REVENUES OVER (UNDER) EXPENDITURES	(996,621)	(1,493,925)	(431,494)	302,658	(511,361)	(368,153)	(1,719,896)	(1,753,546)	(1,622,258)
TRANSFER IN	917,835	2,445,954	2,700,226	1,984,949	2,882,617	3,036,141	3,234,912	3,234,912	3,027,352
TRANSFER OUT	(217,800)	(1,324,194)	(1,266,519)	(1,538,067)	(1,670,491)	(1,948,964)	(1,441,262)	(1,390,962)	(1,401,840)
NET	(296,586)	(372,165)	1,002,213	749,540	700,765	719,024	73,754	90,404	3,254



**CITY OF OAKDALE
City Council Staff Report**

Despite the cost increases projected for FY 2018/2019, the City is able to maintain most of its service levels at this time. However, in future years the City is expecting significant CalPERS pension cost increases that will make providing the same level of service to the community more and more difficult.

III. CalPERS Pension Cost Increases

There are four components that make up the current CalPERS pension cost rates that the City of Oakdale pays each year. They are labeled as follows: 1) Unfunded Accrued Liability, 2) Changes in the Discount Rate, 3) City Side Funds and 4) Normal Cost Contribution Rate.

The information below shows the anticipated cost impacts on the City through 2022-2023 in the areas of Unfunded Accrued Liability, Changes in the Discount Rate, and the City Side Funds. The financial impacts are significant. It is anticipated that the pension costs associated with these categories will nearly double from a contribution of \$1,662,389 in FY 2017/2018 to \$3,130,274 in FY 2022-2023. Additionally, there is still the chance that CalPERS will reduce the discount rate further which would result in additional costs to the City. City staff and the City Council have worked diligently to prepare for these cost increases and have set aside funds over the last three years to help weather these cost increases at least in the short term (3 to 5 years). The City of Oakdale will need to remain cautious with its expenditures going forward.

UNFUNDED ACCRUED LIABILITY, CHANGE IN DISCOUNT RATE AND SIDE FUND

UNFUNDED ACCRUED LIABILITY

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Misc	\$387,349.0	\$446,548.0	\$530,638.0	\$650,885.0	\$777,870.0	\$854,659.0	\$939,104.0	\$1,003,150.0
Safety T1	\$331,025.0	\$399,846.0	\$499,095.0	\$639,879.0	\$788,660.0	\$880,492.0	\$976,035.0	\$1,046,306.0
UAL Total	718,374	846,394	1,029,733	1,290,764	1,566,530	1,735,151	1,915,139	2,049,456
% INCREASE		18%	22%	25%	21%	11%	10%	7%

CHANGE IN DISCOUNT RATE

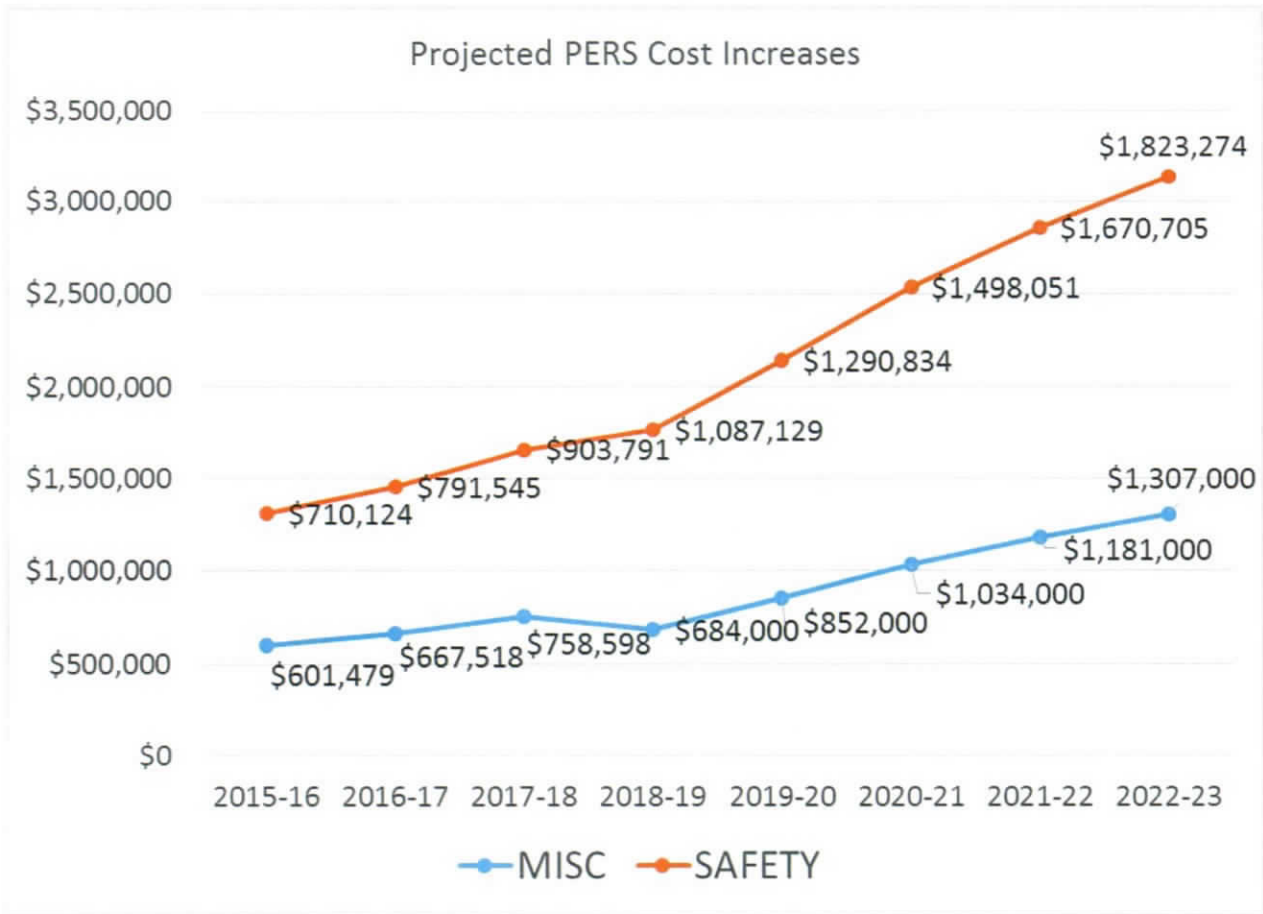
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Misc T1	\$0	\$0	\$0	\$33,115	\$74,130	\$179,341	\$241,896	\$303,850
Safety T1	\$0	\$0	\$0	\$29,121	\$70,340	\$171,508	\$233,965	\$301,144
	\$0	\$0	\$0	\$62,236	\$144,470	\$350,849	\$475,861	\$604,994
% INCREASE		0%	0%	0%	132%	143%	36%	27%
Discount Rate Total	\$718,374	\$846,394	\$1,029,733	\$1,353,000	\$1,711,000	\$2,086,000	\$2,391,000	\$2,654,450

SIDE FUND

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
MISC	214,130.00	220,970.00	227,960.00	0.00	0.00	0.00	0.00	0.00
SAFETY	379,099.00	391,699.00	404,696.00	418,129.00	431,834.00	446,051.00	460,705.00	475,824.00
Side Fund Total	593,229.00	612,669.00	632,656.00	418,129.00	431,834.00	446,051.00	460,705.00	475,824.00
PERS Cost Total	\$1,311,603	\$1,459,063	\$1,662,389	\$1,771,129	\$2,142,834	\$2,532,051	\$2,851,705	\$3,130,274



CITY OF OAKDALE
City Council Staff Report





**CITY OF OAKDALE
City Council Staff Report**

IV. Measure Y

In November 2014, the residents of Oakdale approved Measure Y which is a general ½ cent sales tax measure that provides revenue for City services. Measure Y expires on March 31, 2020. Over 91% of the revenue collected from measure Y is used to help fund public safety services. Measure Y continues to allow the City of Oakdale to improve its public safety services. As a result of Measure Y, the Oakdale Police Department is once again able to provide proactive policing efforts. Unlike other sales tax revenue, 100% of the Measure Y funds collected go directly to fund City of Oakdale services.

FY 2018/2019 Projected Measure Y Expenditures

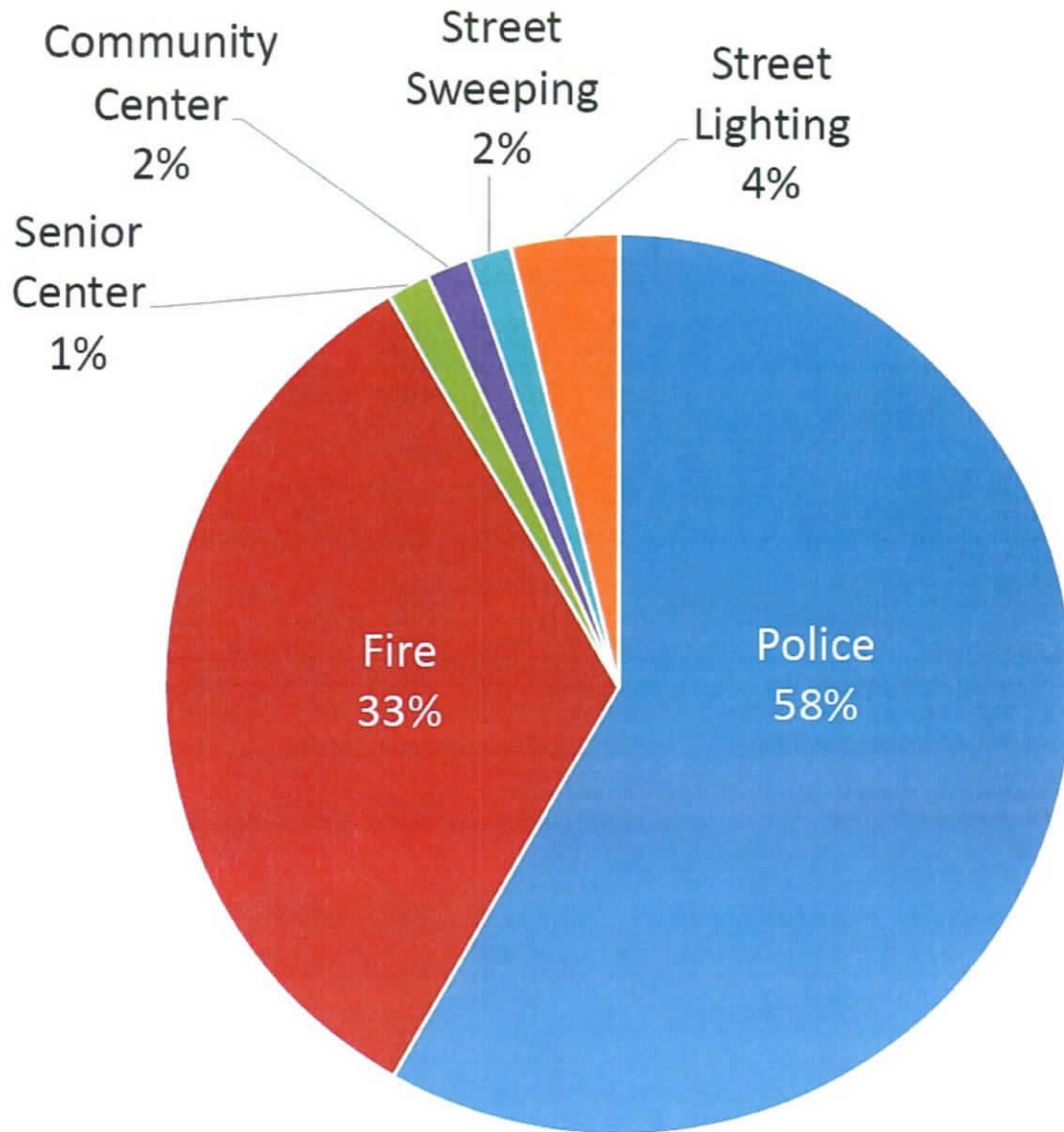
Monday, June 4, 2018

Measure Y Funds Available in Fiscal Year 2018-2019 = \$1,901,762

		Fiscal Year 2018-2019 Projected Expenses			
		2018/2019 Projected Expenses			
Police Administration		\$922,037		Available Measure Y Funds \$1,901,762	
Police Dispatch		\$712,289			
	Newman	\$189,000		Measure Y Funds Projected Expenses 18/19 \$1,106,101 58.16%	
	Oakdale	\$523,289			
Oakdale Dispatch		\$523,289			
Police Special Services		\$319,574		Measure Y Funds Projected Expenses 18/19 \$630,661 33.16%	
Police Field Services		\$3,147,295			
Police Total		\$4,912,195			
Fire Department		\$2,959,077		Measure Y Funds Projected Expenses 18/19 \$30,000 1.58%	
Fire Total		\$2,959,077			
Senior Center Operations (7460) net cost		\$32,441			
Senior Program Activities (7340) net cost		\$63,495		Measure Y Funds Projected Expenses 18/19 \$30,000 1.58%	
Senior Center Total		\$95,936			
Community Center (7460) net cost		\$14,358			
Community Center Total		\$14,358		Measure Y Funds Projected Expenses 18/19 \$30,000 1.58%	
Street Sweeping		\$80,000			
Street Sweeping Total		\$80,000			
Traffic Signals and Street Lighting		\$245,000		Measure Y Funds Projected Expenses 18/19 \$75,000 3.94%	
	Traffic Signals	\$35,000			
	Street Lighting	\$210,000			
Street Lighting Total		\$210,000			
Grand Total		\$8,271,566		\$1,901,762	100.00%



Breakdown of Measure Y Expenditures





**CITY OF OAKDALE
City Council Staff Report**

V. Fund 622 – Sewer Sanitation Fund

The budget details for Fund 622 can be found on page 119-121 of the budget document.

**SEWER SANITATION FUND (622)
SUMMARY OF REVENUES AND EXPENDITURES**

Old Account #	New Account #	Account/Description	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Budget	Adopted Mid Year Budget	2017/18 Projected	Proposed Preliminary Budget
REVENUES										
622-1910-305-01-00	622-1910-351100	INVESTMENT EARNINGS	2,046	16,976	19,066	17,103	19,950	50,000	50,000	50,000
622-4152-308-05-00	622-4152-378100	SEWER CONNECTION-INSTALL	42,811	44,775	41,878	64,344	53,768	50,000	50,000	50,000
622-4152-308-06-00	622-4152-378200	SEWER MAINTENANCE & OPERA	4,018,045	4,358,919	5,256,944	6,106,726	6,400,054	6,910,000	6,910,000	6,910,000
622-4152-308-07-00	622-4152-378300	MISCELLANEOUS REVENUE	13,150	6,735	0	0	0	0	0	0
399-90-00		TRANSFERS IN	0	0	291,383	0	0	0	0	0
TOTAL REVENUES			4,076,052	4,427,405	5,609,271	6,188,173	6,473,772	7,010,000	7,010,000	7,010,000
EXPENDITURES - BY DIVISION										
STORM DRAINS			13,831	16,464	29,380	26,496	21,671	54,000	54,000	54,000
WW CONTROL PLANT			1,031,697	1,100,965	959,888	1,157,293	1,212,454	1,391,572	1,391,572	1,355,386
SEWER LINE MAINTENANCE			960,070	871,158	952,838	1,061,139	970,188	1,315,559	1,315,559	1,388,626
SEWER ADMINISTRATION			492,937	473,659	483,269	525,866	553,286	663,346	663,346	678,629
CP1008 - DAVITT AVE - PHASE 1			0	10,000	0	0	0	0	0	0
DEBT SERVICE										
622-4158-451001	PRINCIPAL	130,000	135,000	0	161,605	169,514	170,613	170,613	176,509	
622-4158-451002	INTEREST	80,244	74,394	65,500	32,138	19,847	15,805	15,805	11,709	
622-4158-453001	PRINCIPAL (SRF LOAN)	0	0	0	171,008	262,361	361,580	361,580	533,347	
622-4158-453002	INTEREST (SRF Loan)	325,065	329,200	302,717	331,375	322,903	316,343	316,343	307,304	
INTERFUND TRANSFERS										
622-4158-499620	SRF RESERVE FUND	0	116,508	116,508	116,508	116,508	116,508	116,508	116,508	
622-4158-499621	SEWER CAPITAL REPLACEMENT FUND	0	0	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	
CAPITALIZED EQUIPMENT			(810,528)	(17,512)	554,167	119,100	(27,125)	0	0	0
TOTAL EXPENDITURES			2,223,316	3,109,836	5,464,267	5,702,528	5,621,607	6,405,326	6,405,326	6,622,018
REVENUES OVER (UNDER) EXPENDITURES			1,852,736	1,317,569	145,004	485,645	852,165	604,674	604,674	387,982
FUND BALANCE - BEGINNING (UNRESTRICTED)			(182,125)	1,670,611	2,988,180	3,133,184	3,618,829	4,470,994	4,470,994	5,075,668
FUND BALANCE - ENDING (UNRESTRICTED)			1,670,611	2,988,180	3,133,184	3,618,829	4,470,994	5,075,668	5,075,668	5,463,650
FUND BALANCE										
INVESTMENT IN CAPITAL ASSETS			(9,957,804)	(9,487,242)	(9,494,330)	(7,888,551)	(9,374,231)			
FUND BALANCE (UNRESTRICTED)			1,670,611	2,988,180	3,133,184	3,618,829	4,470,994			



CITY OF OAKDALE
City Council Staff Report

VI. Fund 645 – Water Fund

The budget details for Fund 645 can be found on page 127-128 of the budget document.

WATER FUND (645)

SUMMARY OF REVENUES AND EXPENDITURES

Old Account #	New Account #	Account/Description	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Adopted Mid Year Budget	2017/18 Projected	2018-19 Proposed Preliminary Budget
REVENUES										
625-1910-305-01-00	645-1910-351100	INVESTMENT EARNINGS	2,322	9,225	6,088	4,398	2,854	7,500	7,500	7,500
625-4160-308-01-00	645-4160-377100	WATER RECEIPTS	2,979,141	3,368,695	3,167,110	3,025,787	3,353,845	4,000,000	4,000,000	4,200,000
625-4160-308-02-00	645-4160-377200	WATER INSTALLATIONS	33,312	28,985	40,607	64,354	46,832	40,000	40,000	40,000
625-4160-308-03-00	645-4160-377300	WATER SERVICE CHARGES	24,915	20,574	29,055	27,348	26,659	30,000	30,000	30,000
625-4160-375-00-00		GRANTS	0	0		0	0	0	0	0
TOTAL REVENUES			3,039,690	3,427,479	3,242,860	3,121,887	3,430,190	4,077,500	4,077,500	4,277,500
EXPENDITURES - BY DIVISION										
WATER LINE MAINTENANCE			1,609,572	2,170,909	1,710,945	1,742,657	1,892,504	1,870,435	1,870,435	1,942,605
WATER ADMINISTRATION			442,675	443,869	468,495	521,186	564,754	658,558	658,558	630,255
CP0617 - CORP YARD PAVING			0	0	0	0	0	0	0	0
CP0828 - WATER TANK BURCHELL			0	1,017,650	0	0	0	0	0	0
CP1008 - DAVITT AVE			45	149,325	0	0	0	0	0	0
CP1404 - WELL 4 UPGRADES (moved to fund 624)			0	1,430	0	0	0	0	0	0
CP1617 - WATER CONSERVATION PROGRAM			0	0	0	17,308	42,396	35,961	35,961	25,000
CAPITALIZED EQUIPMENT			(57,786)	0	(39,113)	(49,087)	33,972	0	0	0
INTERFUND TRANSFER OUT										
645-4160-49964 CAPITAL REPLACEMENT FUND			0	0	1,840,920	1,600,000	600,000	1,000,000	1,000,000	1,000,000
TOTAL EXPENDITURES			1,994,506	3,783,183	3,981,247	3,832,064	3,133,626	3,564,954	3,564,954	3,597,860
REVENUES OVER (UNDER) EXPENDITURES			1,045,184	(355,704)	(738,387)	(710,177)	296,564	512,546	512,546	679,640
FUND BALANCE - BEGINNING (UNRESTRICTED)			1,146,281	2,191,465	1,835,761	1,097,374	387,197	683,761	683,761	1,196,307
FUND BALANCE - ENDING (UNRESTRICTED)			2,191,465	1,835,761	1,097,374	387,197	683,761	1,196,307	1,196,307	1,875,947
FUND BALANCE			8,357,424	10,498,506	10,552,091	9,092,958	11,052,216			
INVESTMENT IN CAPITAL ASSETS			(6,165,959)	(8,662,745)	(9,454,717)	(8,705,761)	(10,368,455)			
FUND BALANCE - UNRESTRICTED			2,191,465	1,835,761	1,097,374	387,197	683,761			



CITY OF OAKDALE
City Council Staff Report

VII. Fund 657 – Aviation Fund

The budget details for Fund 645 can be found on page 127-128 of the budget document.

AVIATION FUND (657)

SUMMARY OF REVENUES AND EXPENDITURES

Old Account #	New Account #	Account/Description	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Adopted Mid Year Budget	2017/18 Projected	2018-19 Proposed Preliminary Budget
REVENUES										
627-1910-305-01-00	657-1910-35110	INVESTMENT EARNINGS	95	431	910	1,314	993	1,300	1,300	1,300
627-4170-301-05-00	657-4170-31050	AIRCRAFT TAX	5,078	5,108	4,603	5,717	4,140	5,000	5,000	5,000
627-4170-305-02-00	657-4170-35020	RENTS	135,185	111,558	129,346	131,645	137,724	130,000	130,000	130,000
627-4170-305-02-10	657-4170-38510	FUEL SALES	108,550	150,253	161,626	179,821	149,697	150,000	150,000	150,000
627-4170-306-10-00	657-4170-36200	STATE AID FOR AVIATION	10,000	20,000	0	10,000	10,000	10,000	10,000	10,000
627-4170-306-22-00		FEDERAL GRANT	131,032	396,882	38,551	0	0	0	0	0
627-4170-307-27-00	657-4170-37412	MISCELLANEOUS	0	0	3,600	0	0	0	0	0
TOTAL REVENUES			389,940	684,232	338,636	328,497	302,554	296,500	296,300	296,300
EXPENDITURES - BY DIVISION			213,957	254,606	241,497	280,834	277,095	293,615	286,496	261,036
CAPITAL PROJECTS										
	CP1003	AIRPORT LAYOUT PLAN UPDATE	8,177	0	0	0	0	0	0	0
	CP1004	AIRPORT FENCE, GATES, TAXIWAY	78,406	0	0	0	0	0	0	0
	CP1302	AIRPORT FENCE/TAXIWAY CONSTR	298,586	106,107	0	0	0	0	0	0
		CAPITALIZED EQUIPMENT	0	0	0	0	(3,868)	0	0	0
INTERFUND TRANSFERS - OUT										
	657-4170-49965	CAPITAL IMPROVEMENT FUND	0	0	5,100	91,000	67,625	5,000	5,000	20,000
	657-4170-49965	CAPITAL REPLACEMENT FUND	0	0	0	0	31,124	30,000	30,000	15,000
TOTAL EXPENDITURES			599,126	360,713	246,597	371,834	371,976	328,615	321,496	296,036
REVENUES OVER (UNDER) EXPENDITURES			(209,186)	323,519	92,039	(43,337)	(69,422)	(32,315)	(25,196)	264
FUND BALANCE - BEGINNING (UNRESTRICTED)			38,908	(170,278)	153,241	245,280	201,943	132,521	132,521	107,325
FUND BALANCE - ENDING (UNRESTRICTED)			(170,278)	153,241	245,280	201,943	132,521	100,206	107,325	107,589
FUND BALANCE										
			2,737,109	3,100,732	3,192,771	3,214,026	3,470,119			
INVESTMENT IN CAPITAL ASSETS			(2,907,387)	(2,947,491)	(2,947,491)	(3,012,083)	(3,337,598)			
FUND BALANCE - UNRESTRICTED			(170,278)	153,241	245,280	201,943	132,521			



CITY OF OAKDALE
City Council Staff Report

VI. RECOMMENDATION

Staff recommends that the City Council review and discuss the Fiscal Year 2018 – 2019 Preliminary Budget, receive public comment, and continue this item for further discussion at the June 18, 2018 City Council meeting.

ATTACHMENTS:

EXHIBIT A: FY 2018-2019 PRELIMINARY BUDGET DOCUMENT