



**CITY OF OAKDALE
CITY COUNCIL
SPECIAL MEETING MINUTES**

Gene Bianchi Community Center
110 South Second Avenue
Oakdale, California

Thursday, June 1, 2017

6:00 PM

Large Conference Room

1. CALL TO ORDER:

Mayor Paul called the meeting to order at 6:06 p.m.

2. CITY COUNCIL MEMBERS PRESENT/ABSENT:

Present: Mayor Paul
Mayor Pro Tem Dunlop (Arrived at 6:16 p.m.)
Council Member Bairos
Council Member McCarty
Council Member Murdoch

Staff Present: City Manager Whitemyer
Finance Director Avila
Interim Public Services Manager Black
Police Lieutenant Carrillo
Accounting Manager Dias
Public Services Director Gravel
Police Chief Scott Heller
Interim Public Services Manager Odom
City Clerk Teixeira

3. ADDITIONS/DELETIONS:

No items were added or deleted

4. PUBLIC COMMENTS:

Pursuant to California Government Code Section 54954.3(a), members of the public wishing to address the Council may do so, and such comments shall be limited to the Special Meeting topic(s).

No public comments were received.

6. FISCAL YEAR 2017/2018 BUDGET WORKSHOP:

City Manager Whitemyer presented a comprehensive PowerPoint Presentation (attached hereto and incorporated herein as Exhibit A to the minutes) on the Preliminary Fiscal Year (FY) 2017-2018 Annual Budget. scheduled for public hearing on Monday, June 5, 2017.

6. ADJOURNMENT:

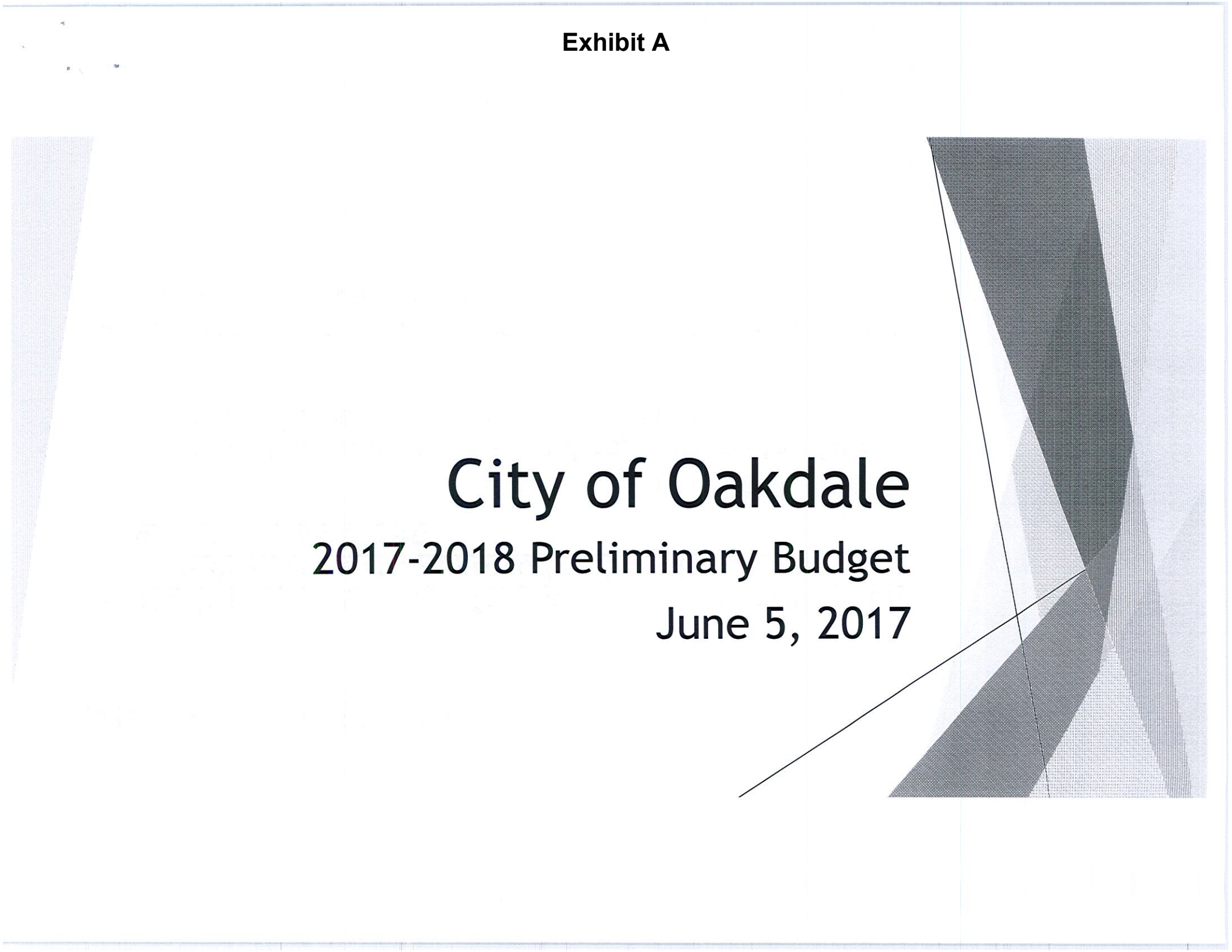
There being no further business, Mayor Paul adjourned the meeting at 7:15 p.m.

ATTEST:

/s/Kathy Teixeira
Kathy Teixeira, CMC
City Clerk

APPROVED:

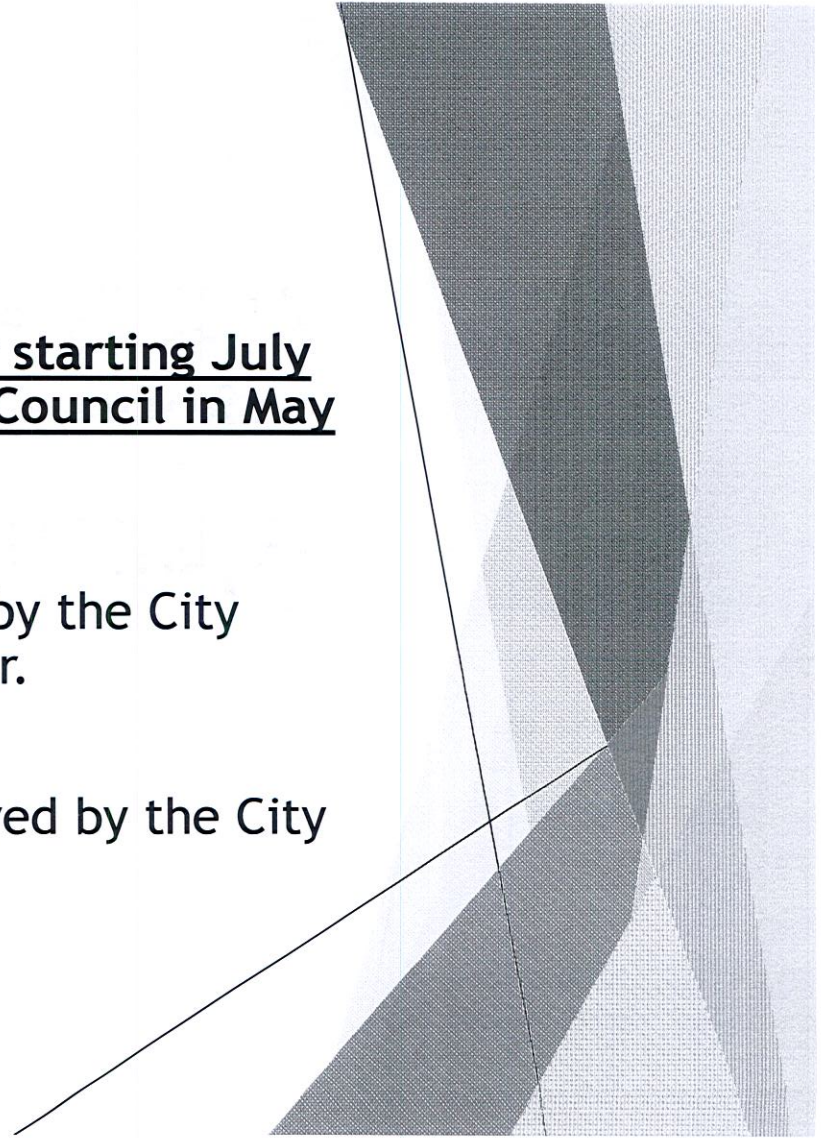
/s/Tom Dunlop
Tom Dunlop
Mayor Pro Tem



City of Oakdale
2017-2018 Preliminary Budget
June 5, 2017

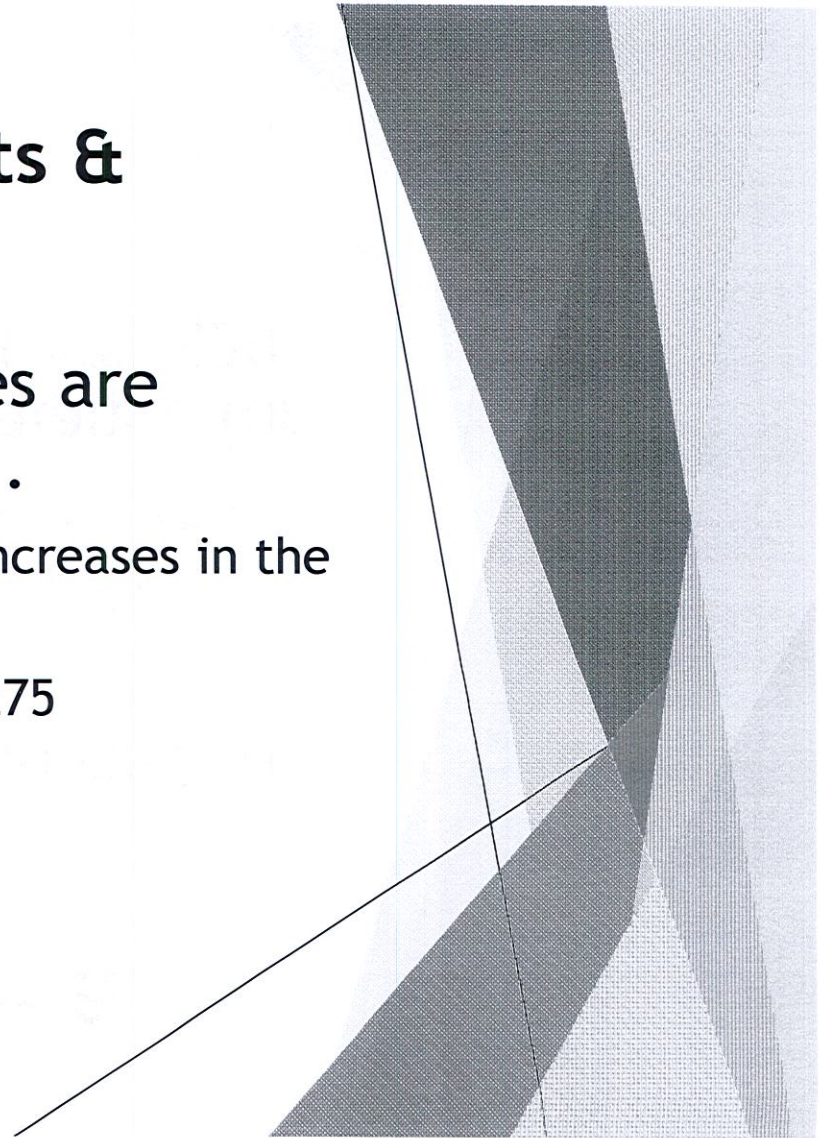
Annual Budget Process

- ▶ 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.
- ▶ The Final Budget is reviewed and approved by the City Council in October or November of each year.
- ▶ The Mid-year Budget is reviewed and approved by the City Council in February of each year.



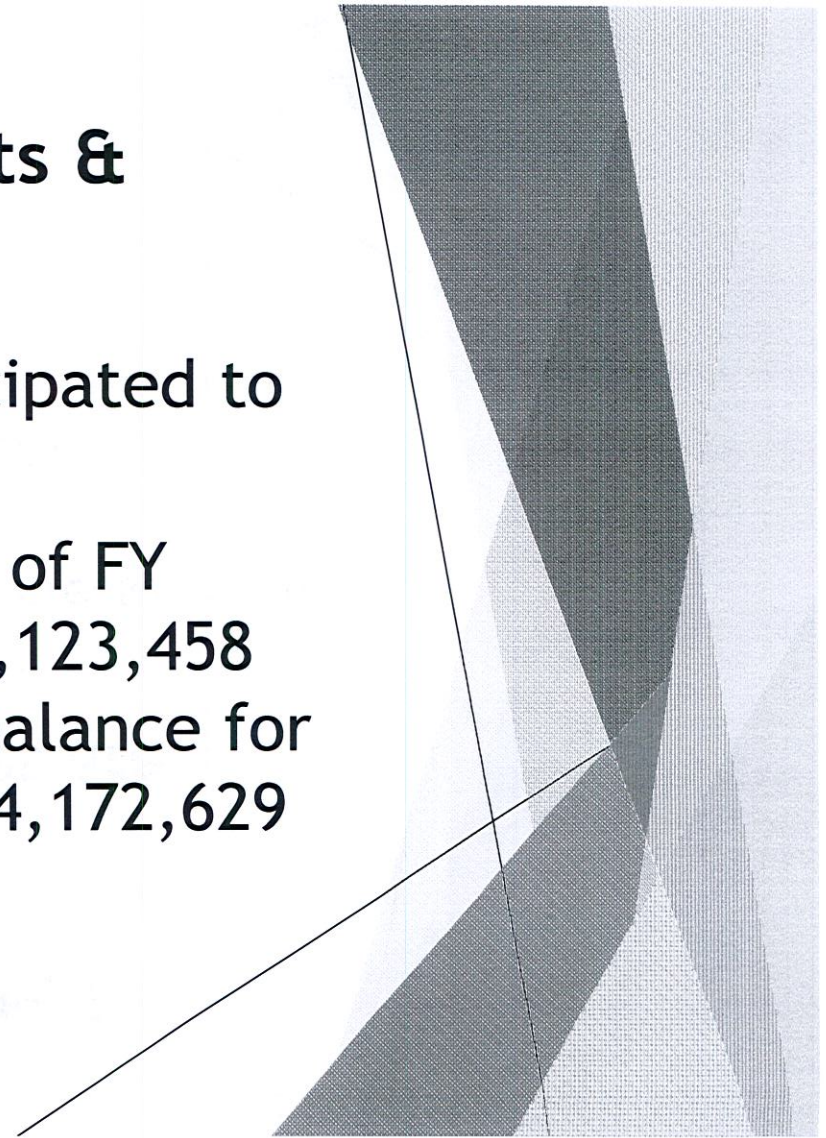
FY 2017/2018 Budget Highlights & Concerns

- ▶ **Fiscal Year 2017/2018 expenditures are projected to increase by \$557,981.**
 - ▶ **The majority of the increases are due to increases in the following areas:**
 - ▶ **CalPERS pension cost increases - \$258,275**
 - ▶ **Fire Dispatch cost increases - \$34,920**
 - ▶ **Fire Contract cost increases - \$245,045**



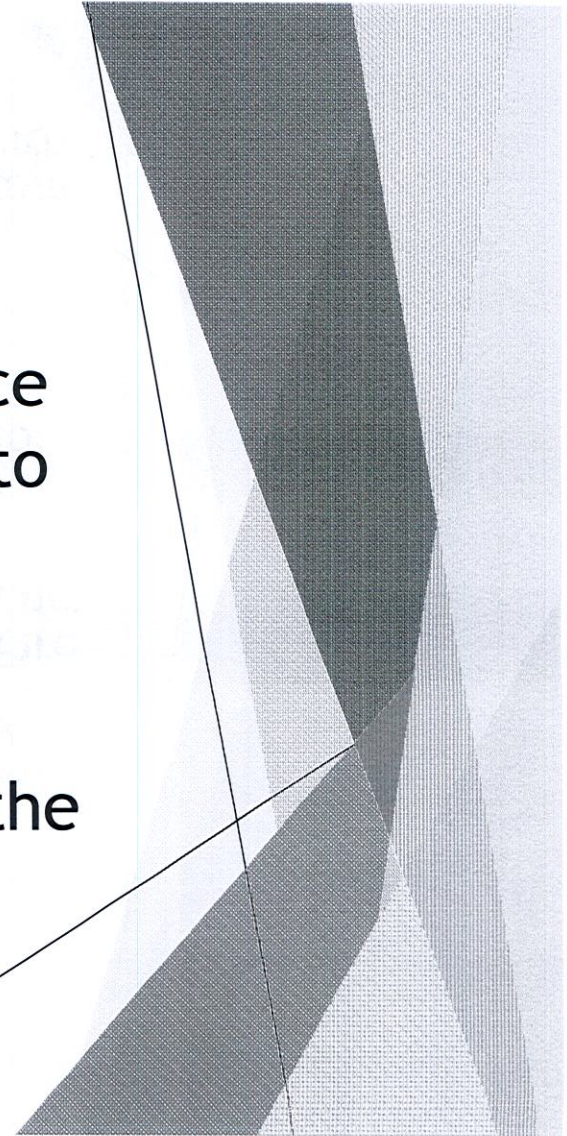
FY 2017/2018 Budget Highlights & Concerns

- ▶ The General Fund Balance is anticipated to grow by \$49,081 in FY 2017-2018.
- ▶ The projected balance at the end of FY 2016/2017 is anticipated to be \$4,123,458 on June 30, 2017 while the fund balance for FY 2017-2018 is projected to be \$4,172,629 on June 30, 2018.



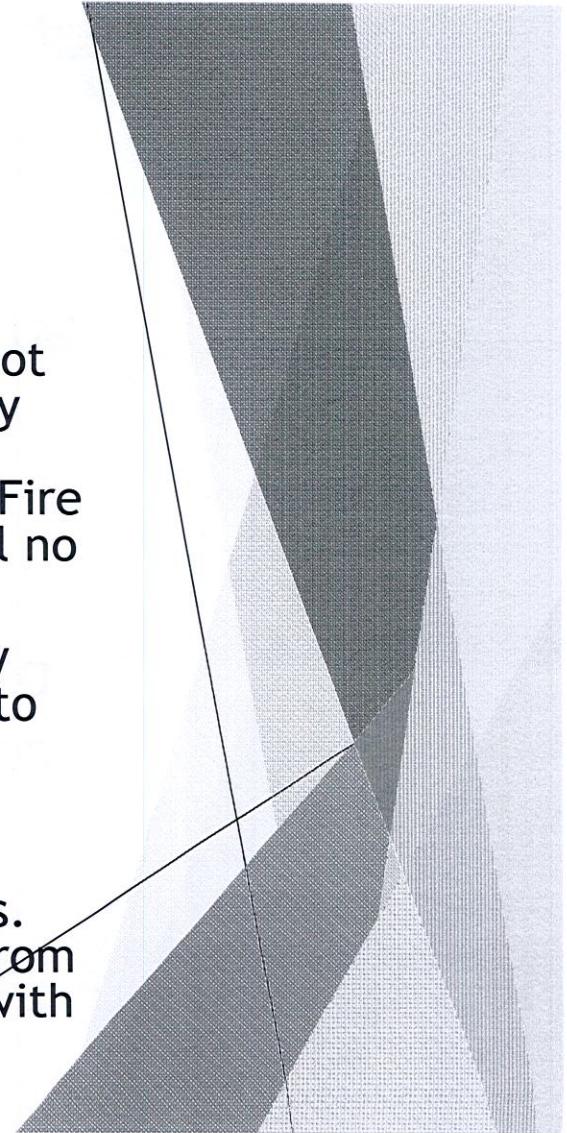
FY 2017/2018 Budget Highlights & Concerns

- ▶ The projected General Fund Ending Balance (Reserve) on June 30, 2018 is anticipated to be \$4,172,629 or 39% of the \$10,745,568 General Fund expenditures for FY 2017-2018.
- ▶ The ending balance is slightly lower than the council goal of 40% due to the significant PERS and fire cost increases.



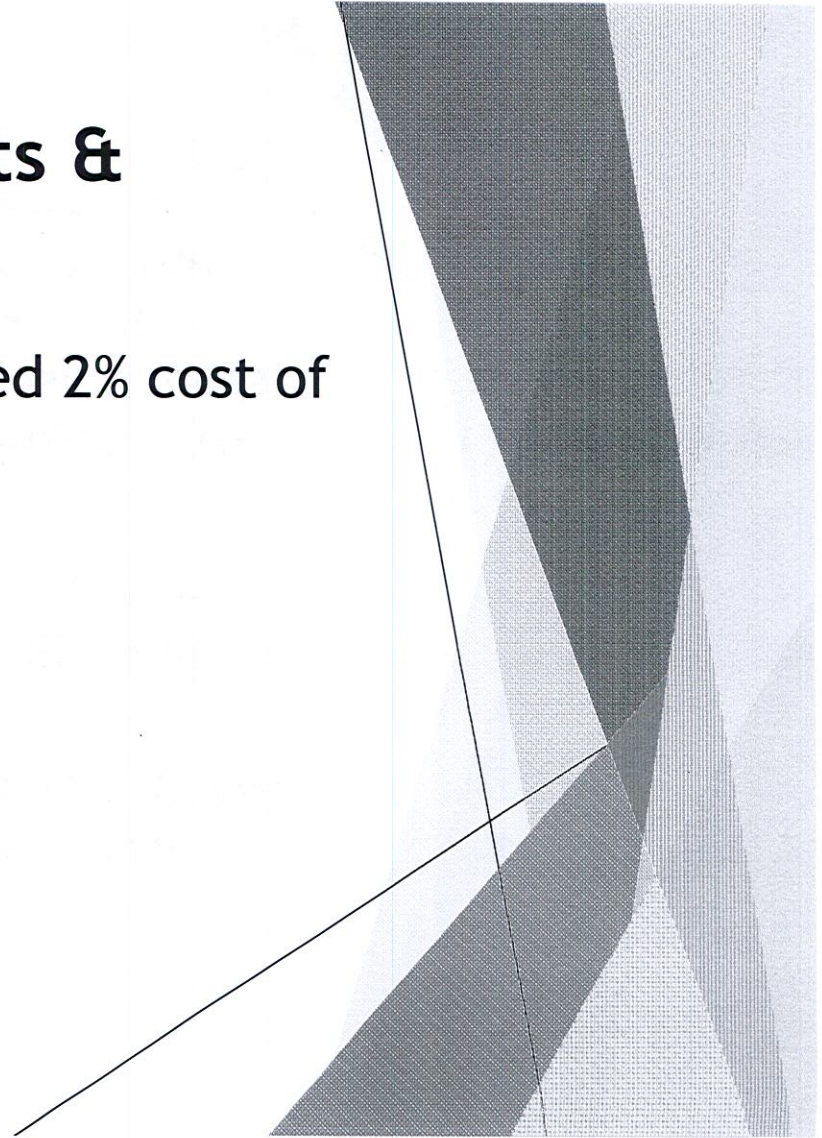
FY 2017/2018 Budget Highlights & Concerns

- ▶ Fire SAFER Grant - This budget assumes that the City will not renew the current Fire SAFER Grant when it expires in early 2018. Costs are currently shared with the Oakdale Fire Protection District (OFPD) and the Stanislaus Consolidated Fire Protection District (SCFPD). OFPD has indicated that it will no longer be able to cover its share of the costs.
- ▶ Since fire service costs for Oakdale are projected to rise by \$363,942 the preliminary budget does not include funding to continue staffing those grant positions in 2018.
- ▶ Staffing level at Station 28 (G Street) will be two fire personnel when the grant expires in early 2018. Currently, that station is staffed with three fire personnel at all times. Station 28 was previously staffed with two fire personnel from 2013 to 2015. Station 27 (Willowood) is currently staffed with two fire personnel.



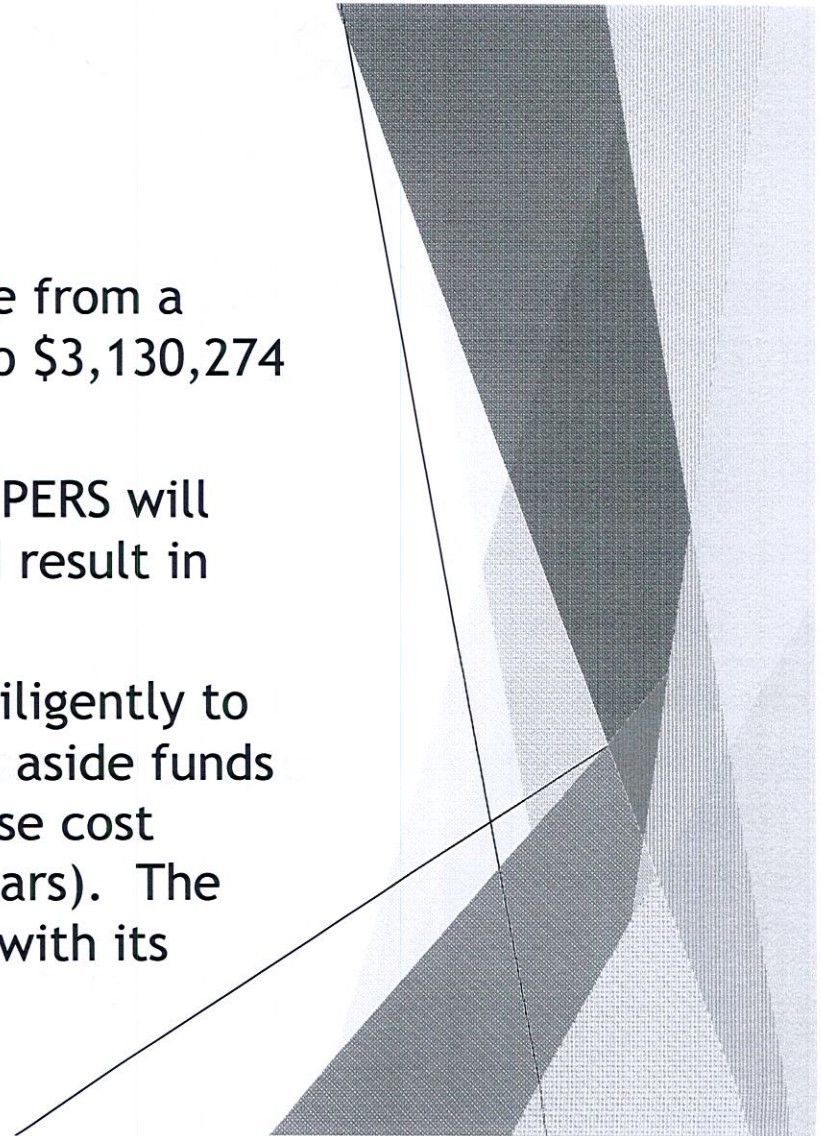
FY 2017/2018 Budget Highlights & Concerns

- ▶ The budget proposal includes negotiated 2% cost of living increases for City employees.



CalPERS Pension Cost Increases

- ▶ Pension costs are anticipated to 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.



CalPERS Pension Cost Increases

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

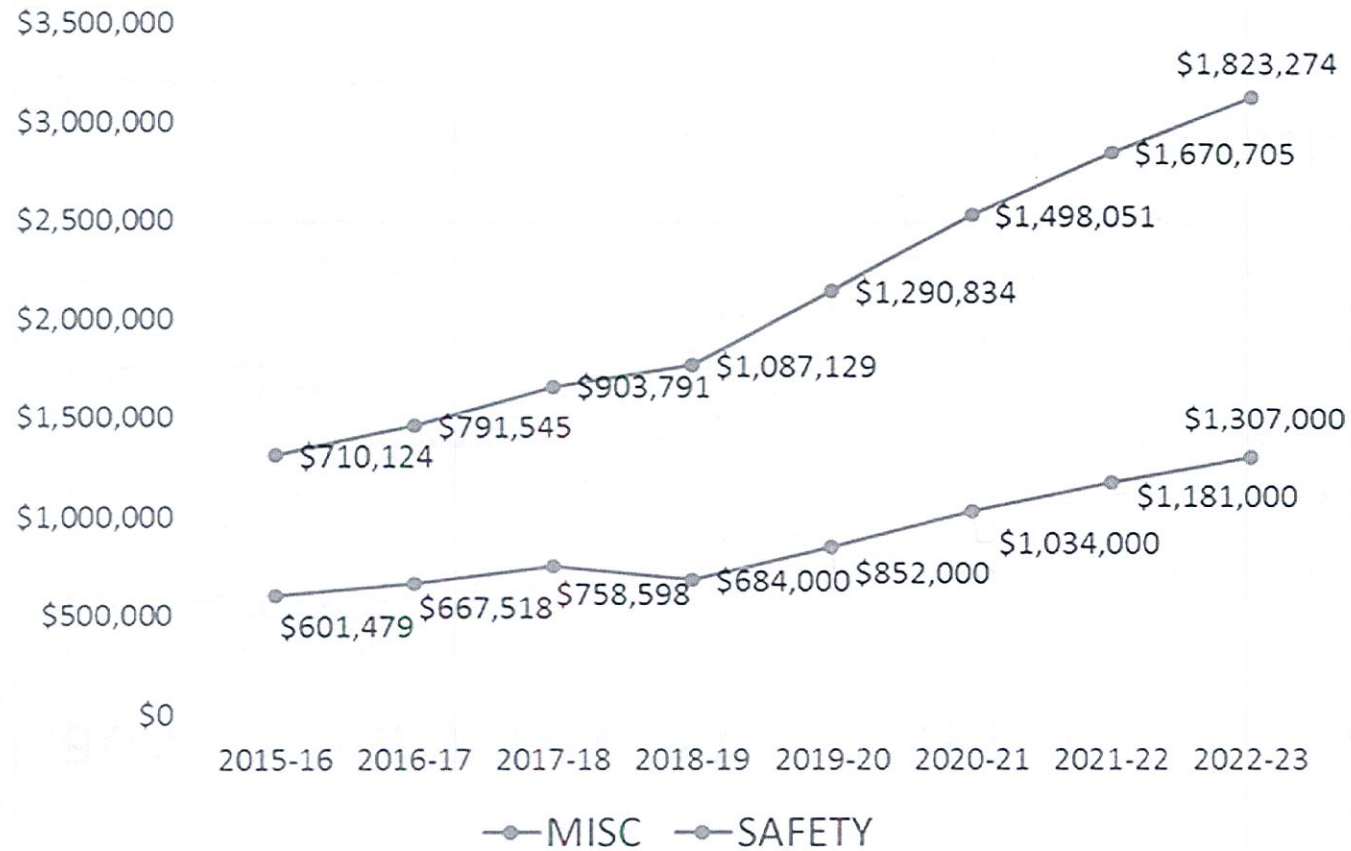
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Misc T1	\$0	\$0	\$0	\$33,115	\$74,130	\$179,341	\$241,896	\$303,850
Safety T1	\$0	\$0	\$0	\$29,121	\$70,340	\$171,508	\$233,965	\$301,144
	\$0	\$0	\$0	\$62,236	\$144,470	\$350,849	\$475,861	\$604,994
% INCREASE		0%	0%	0%	132%	143%	36%	27%
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

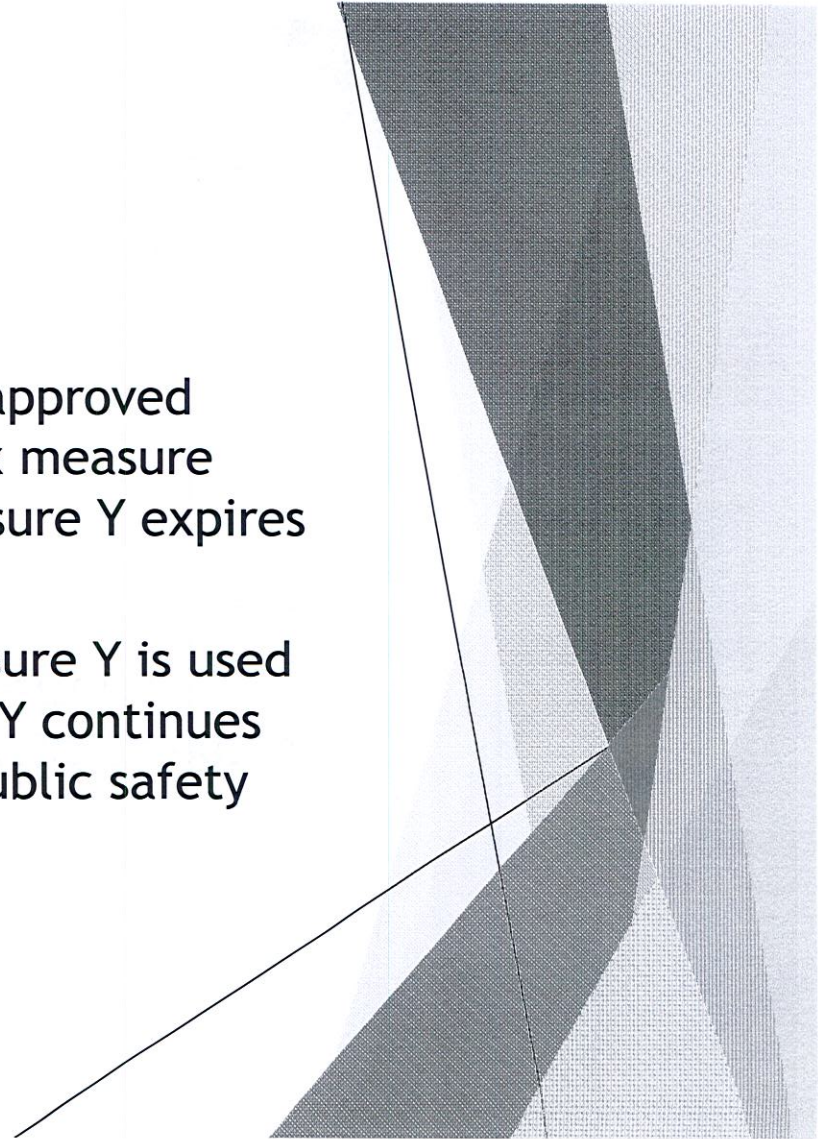
CalDFRC Pension Cost Increases

Projected PERS Cost Increases



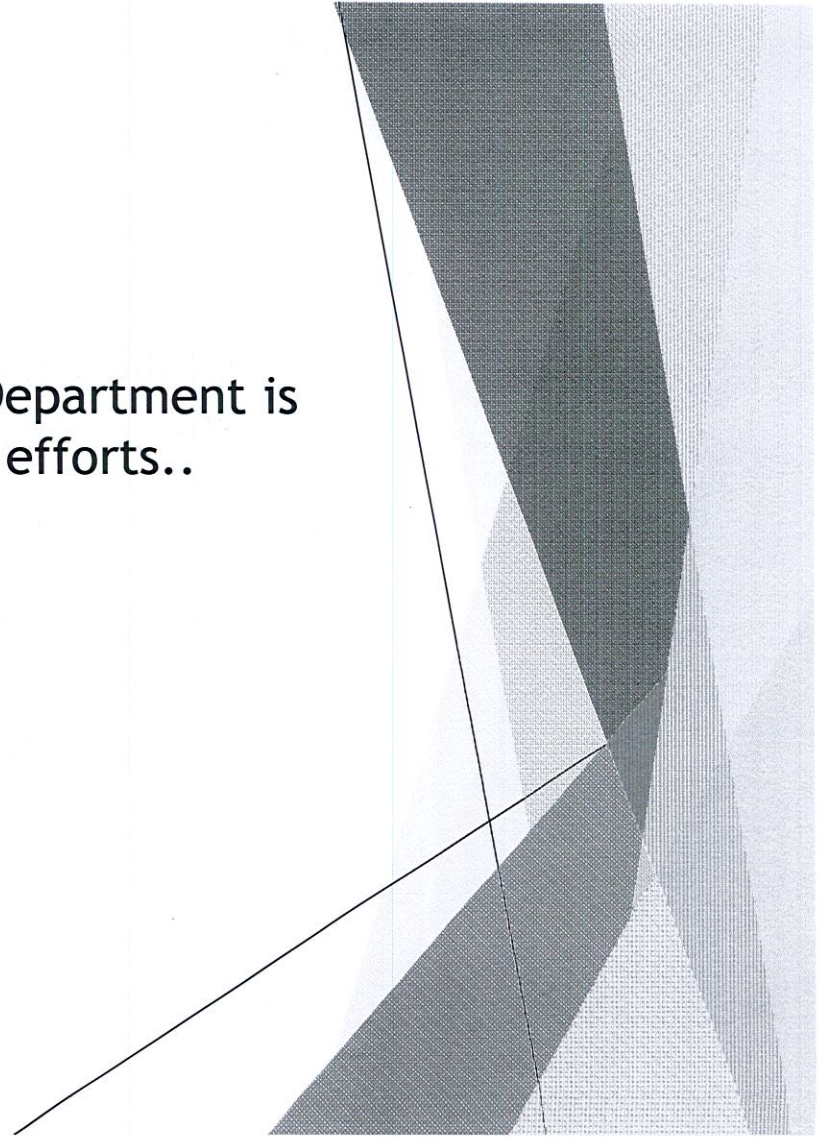
Measure Y

- ▶ 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.

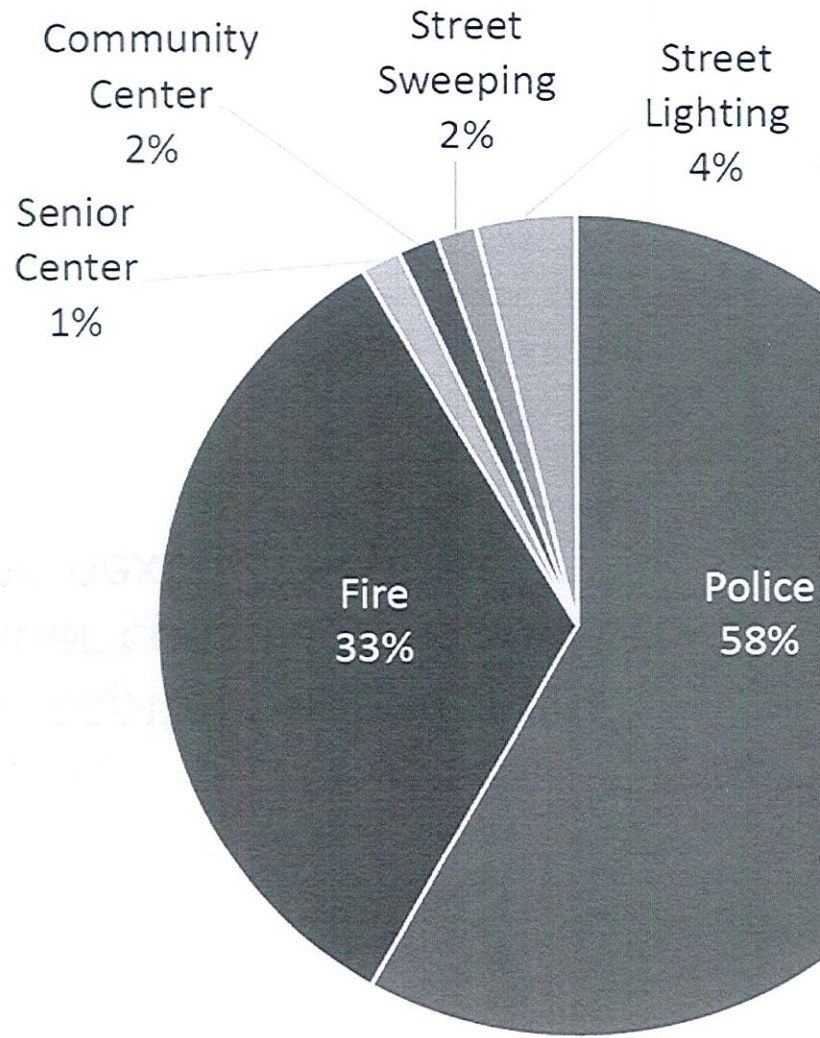


Measure Y

- ▶ As a result of Measure Y, the Oakdale Police Department is once again able to provide proactive policing efforts..

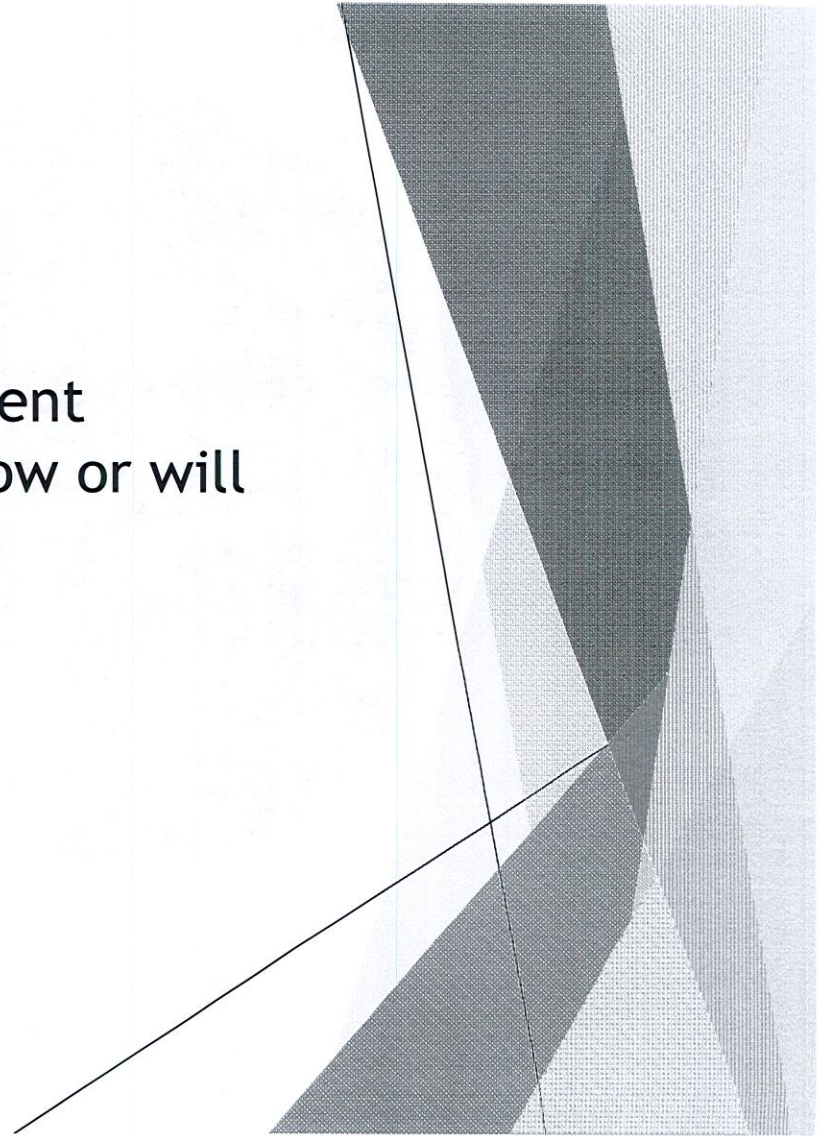


Measure Y



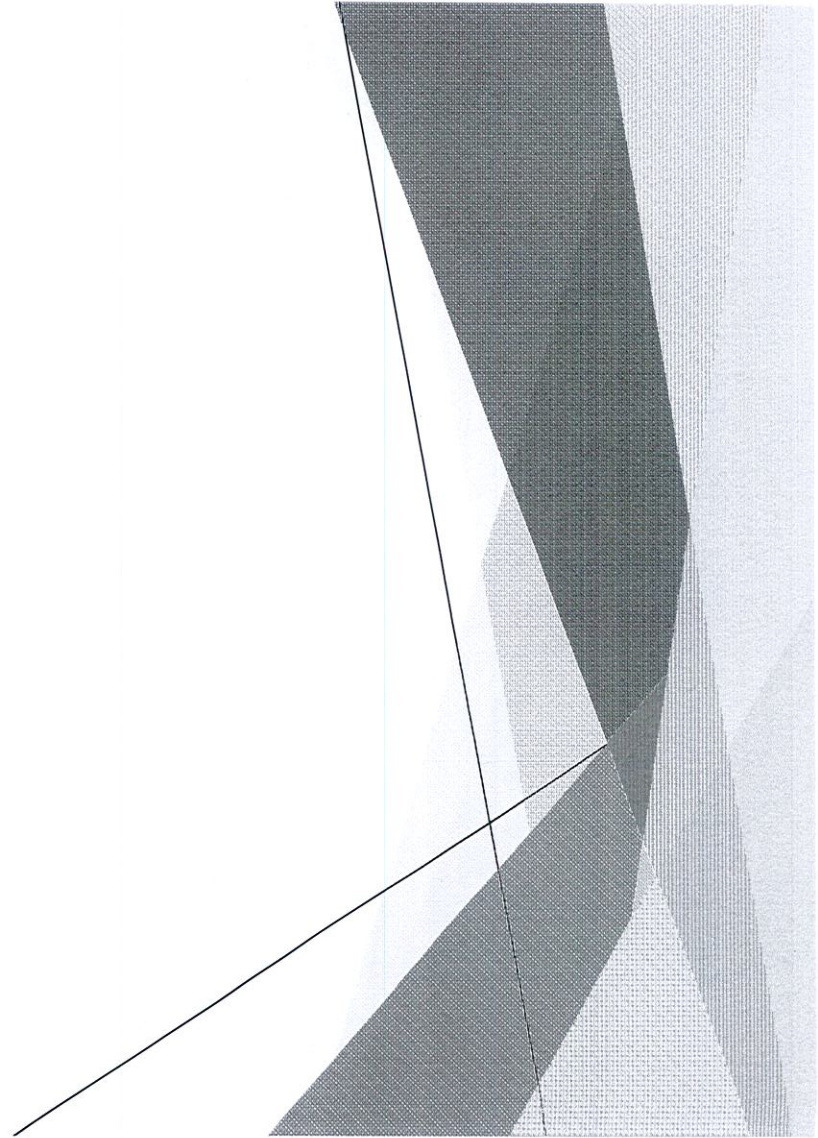
Capital Projects

- ▶ There are significant capital improvement projects that are under construction now or will be constructed in the next 12 months.



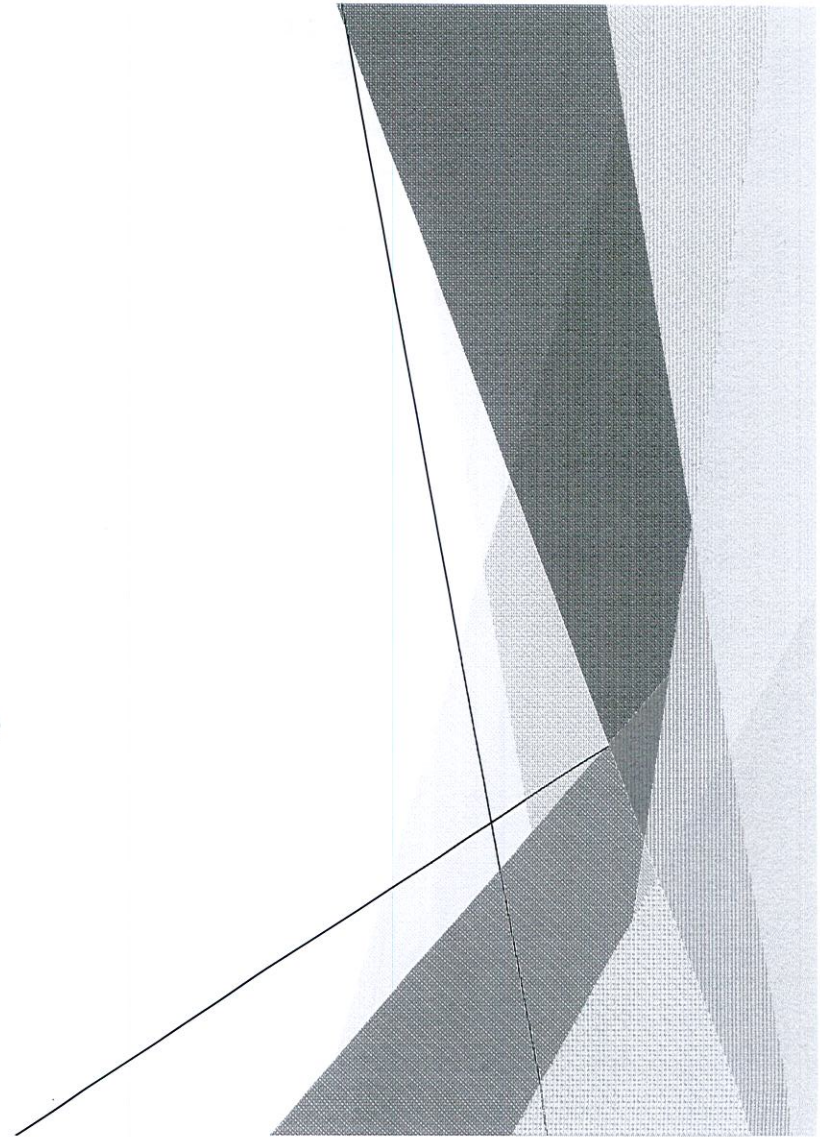
Gas Tax Fund (215)

- ▶ C Street Overlay 6th to 2nd Avenue
- ▶ C Street - Yosemite to First Avenue
- ▶ Yosemite Avenue - F Street to J Street



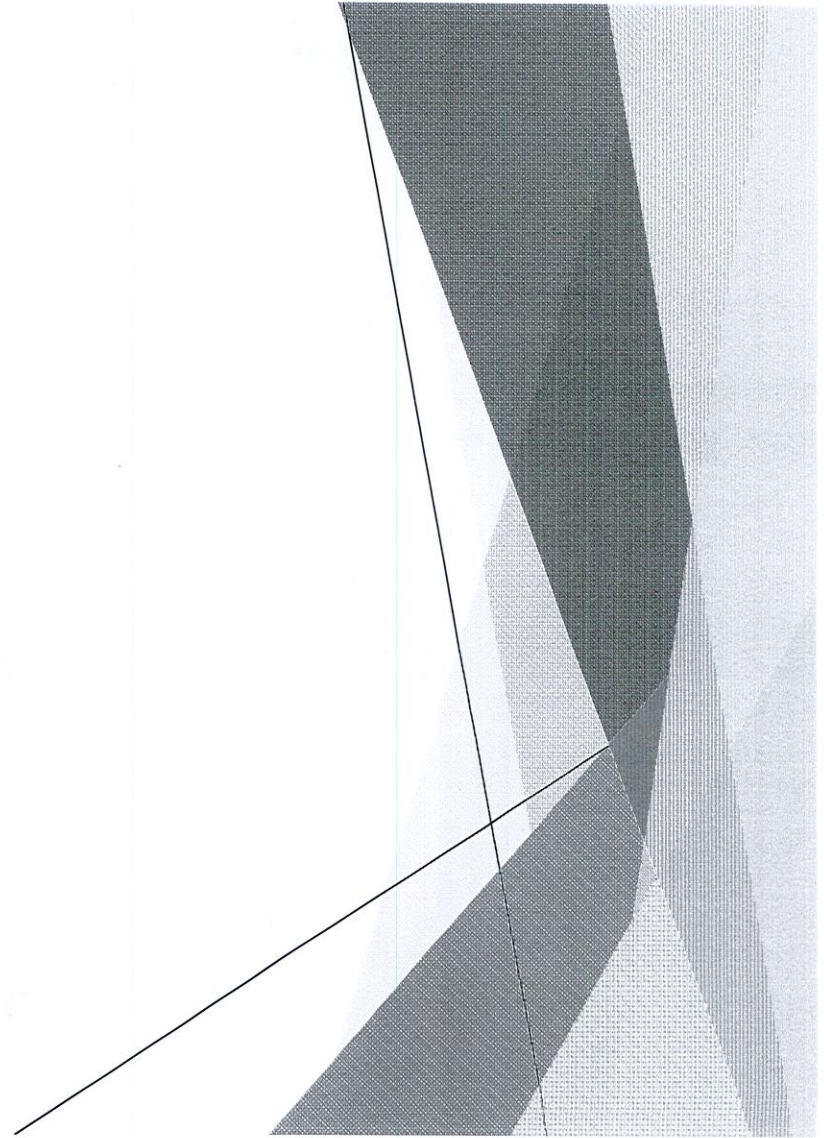
Local Transportation Fund (221)

- ▶ Ash Street Tunnel
- ▶ C Street 6th to 2nd (non-motorized)
- ▶ Yosemite Avenue - F Street to J Street
- ▶ North Maag Sidewalk
- ▶ 2017 Street Overlay Project - Johnson Avenue
- ▶ C Street - Yosemite Avenue to First Avenue



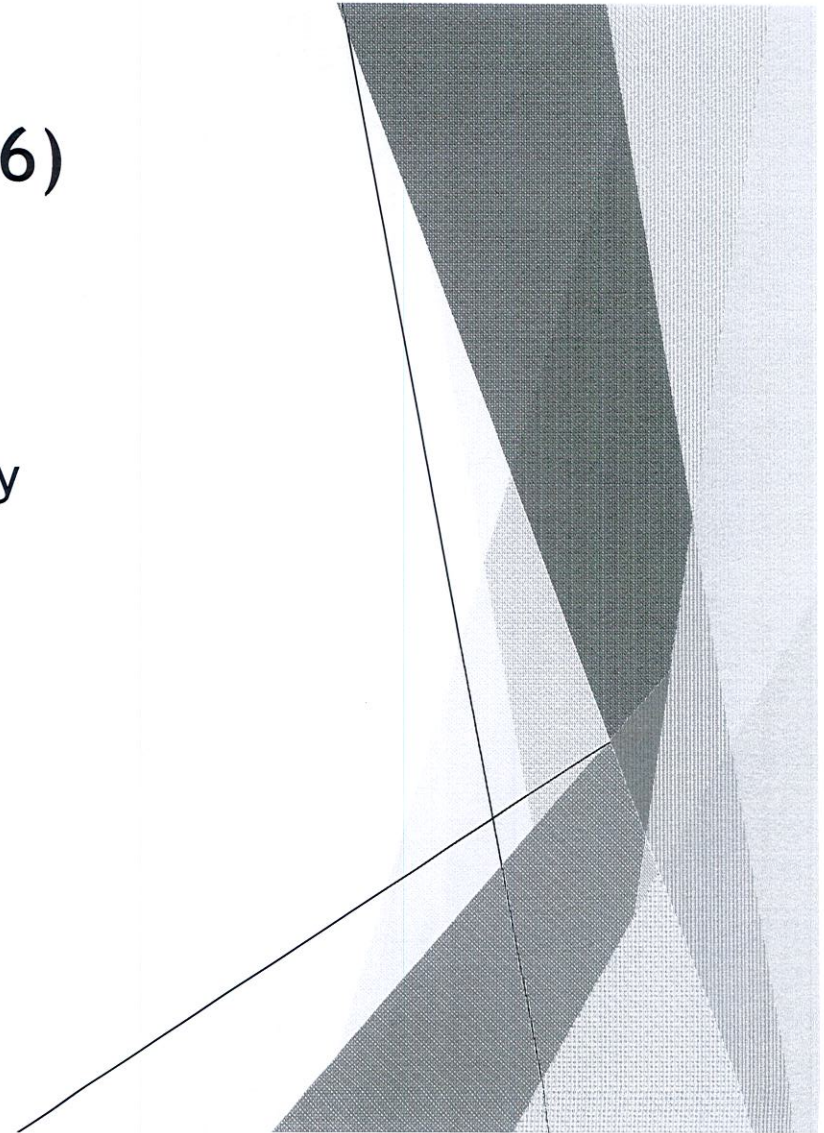
Measure L Fund (222)

- ▶ 2017 Street Overlay Project
 - ▶ Lee Avenue - F Street to Poplar
 - ▶ Pontiac - Oak to Lee



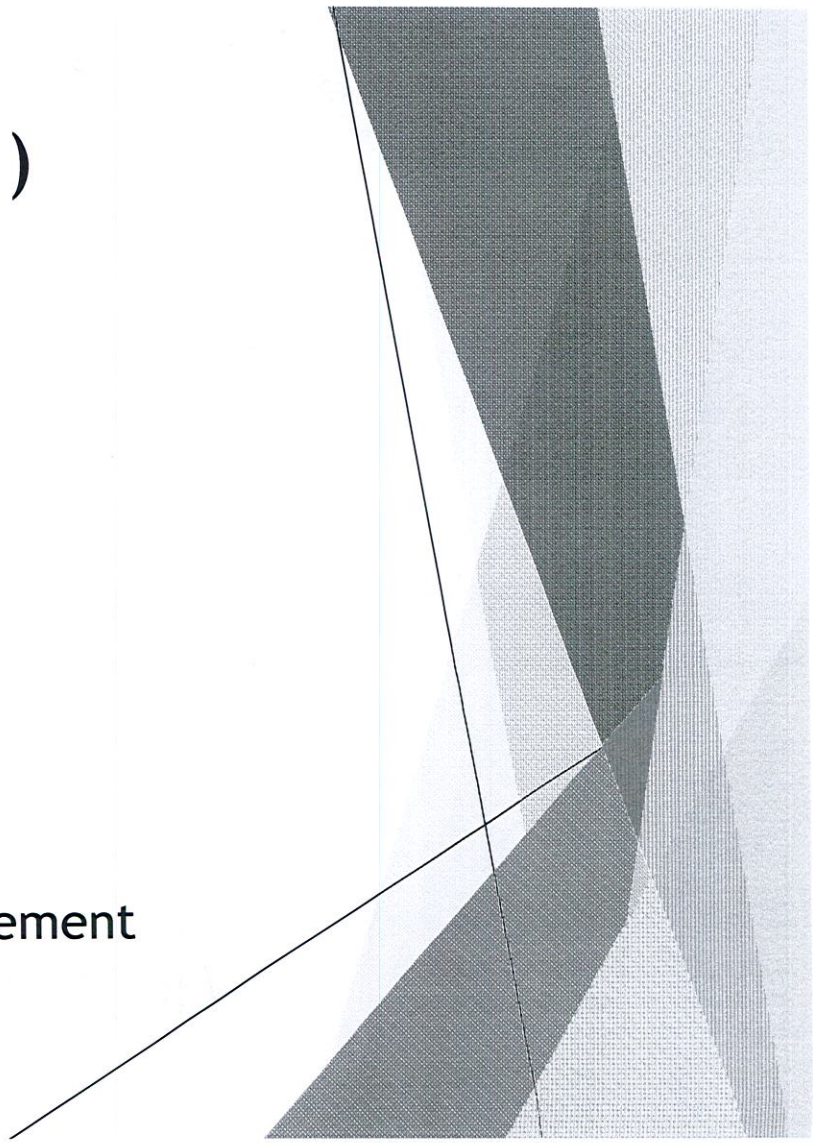
Surface Transportation Fund (316)

- ▶ C Street - 6th to Yosemite Overlay
- ▶ Yosemite Avenue - F Street to J Street Overlay
- ▶ C Street - Yosemite to First Avenue



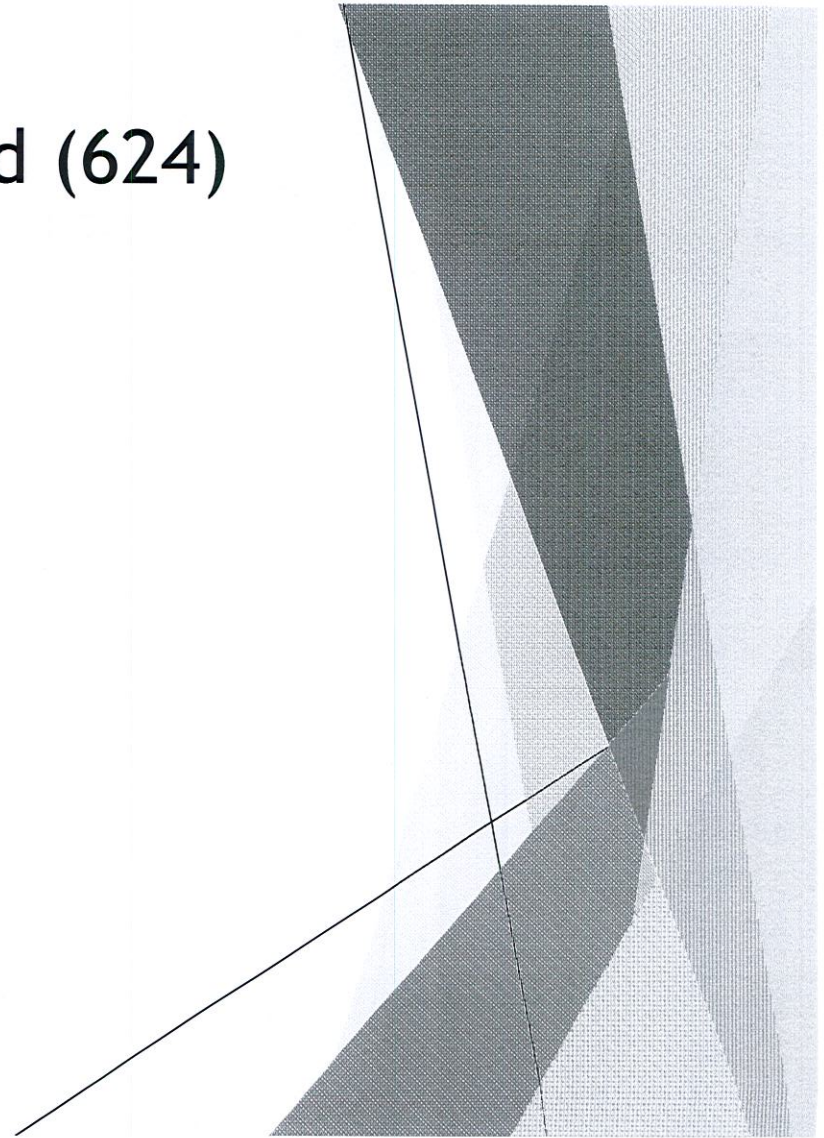
Sewer Capital Replacement (621)

- ▶ Sewer River Crossing
- ▶ Sierra and D Lift Station final construction
- ▶ WWTP - Rehab Drying Bed #1
- ▶ Clarifier #1 Rehab
- ▶ C Street - Yosemite to First
- ▶ Storm station #7 Rehab
- ▶ South Willowood Lift Station Upgrade
- ▶ First Street - E to F Street Sewer Main Replacement



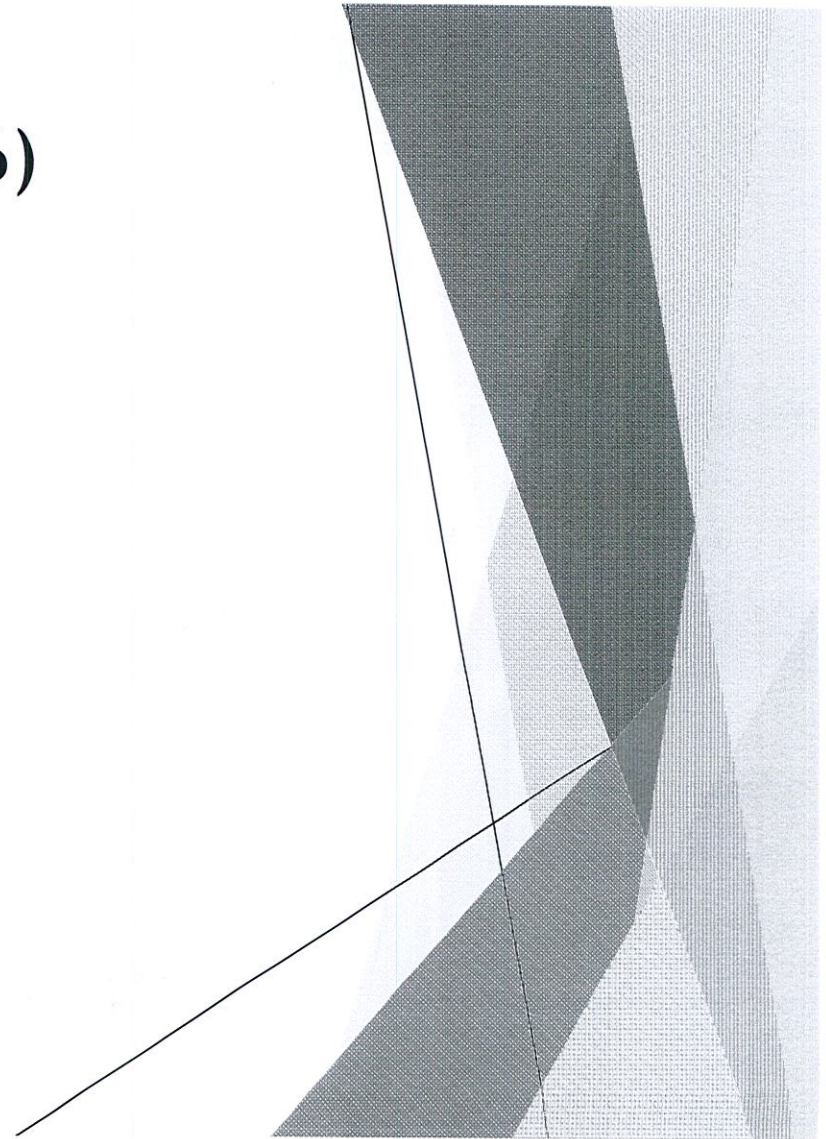
Water Capital Replacement Fund (624)

- ▶ C Street - 6th to Yosemite
- ▶ C Street - Yosemite to First Avenue
- ▶ Well #3 Desander



Water Capital Facility Fund (626)

- ▶ Well 10 Storage/Pumping



Questions / Comments / Direction to
Staff

