



## City of Woodland

### Meeting Agenda

#### City Council

City Hall  
Council Chambers  
300 First Street  
Woodland, CA 95695

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March 26, 2019  
6:00 PM

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#### CITY COUNCIL

#### CITY COUNCIL SPECIAL MEETING

6:00 PM

##### A. CALL TO ORDER

##### B. ROLL CALL

##### C. PLEDGE OF ALLEGIANCE

##### D. COMMUNICATIONS - PUBLIC COMMENT

*This is an opportunity for the public to speak to the Council on any item other than those listed for public hearing on this agenda. Speakers are requested to use the microphone in front of the Council and to begin by stating their name, whether they reside in Woodland and the name of the organization they represent if any. The Mayor may impose a time limit on any speaker depending on the number of people wanting to speak and time available for the rest of the agenda. In the event comments are related to an item scheduled on the agenda, speakers may be required to wait to make their comments until that item is considered.*

##### E. COMMUNICATIONS - COUNCIL/STAFF STATEMENTS AND REQUESTS

*This is an opportunity for the Council Members and Staff to make comments and announcements, to express concerns, or to request Council's consideration of any items a Council Member would like to have discussed at a future Council meeting.*

##### F. REPORTS OF THE CITY MANAGER

1. SUBJECT: Spring Budget Workshop

RECOMMENDATION FOR ACTION: Staff recommends that the City Council conduct a workshop to inform the development of the City's upcoming FY2019/20 Annual Budget

##### G. ADJOURN

*I declare under penalty of perjury that the foregoing Agenda for the City Council Special Meeting of the City of Woodland scheduled for March 26, 2019 was posted on March 22, 2019 in the outside display case at City Hall, 300 First Street, Woodland, CA, and was available to the public during normal business hours.*



Ana B. Gonzalez  
City Clerk

**Upon request, agendas and documents in the agenda packet will be made available in appropriate alternative formats to persons with a disability, as required by law. Any such requests must be made in writing to the Office of the City Clerk of the City of Woodland. Requests will be valid for the calendar year in which the request is received, and must be renewed prior to January 1st.**

**Persons needing disability-related modifications or accommodations in order to participate in public meetings, including persons requiring auxiliary aids or services, may request such modifications or accommodations by calling the Office of the City Clerk (530-661-5806) at least 48 hours prior to the meeting.**



TO: THE HONORABLE MAYOR AND CITY COUNCIL  
AGENDA: City Council Special Meeting  
DATE: March 26, 2019  
ITEM #: F.1.  
SUBJECT: Spring Budget Workshop

**Recommendation for Action:** Staff recommends that the City Council conduct a workshop to inform development of the City's upcoming annual FY2019/20 Budget

**Staff Contact:**

Evis Morales, Senior Management Analyst, (530) 661-5923, [evis.morales@cityofwoodland.org](mailto:evis.morales@cityofwoodland.org)

**Background:**

Tonight's workshop is a follow-up to the Mid-Year Budget Update presented on February 26th, and is intended to provide the City Council with a review of the baseline budget for fiscal year 2019/20, as well as an update to the General Fund five-year forecast. In addition, staff will review additional areas of the overall city budget that may require refinement within the context of the city's long-term financial plan designed to support and sustain priority City programs and services.

The primary focus of the workshop will be a discussion of the General Fund revenue and expenditure trends as well as the assumptions used to inform development of both the 2019/20 budget as well as the updated financial forecast. Staff will also review the current budget framework being implemented to maintain a balanced budget, manage prudent reserve levels and advance the City Council's goal of long-term fiscal stability.

In many respects, the short-term budget outlook has improved in comparison to past fiscal years as local jobs, housing and business climate reflect continued momentum. The budget outlook also benefits from the community's support for extending voter-approved sales tax measures, as well as the enactment of statewide funding to support local investments in streets and roads (SB1 / Prop 6).

At the same time, the city (like many across the state) continues to project revenue growth that lags expenditure growth projections beyond FY2019/20, resulting in growing operating deficits through the remainder of the five-year forecast. A major factor in this regard continues to be impact of increases in the city's cost of CalPERS retirement benefits. These costs may increase more rapidly as CalPERS continues to struggle to achieve its assumed rate of return on its investments designed to support future cost of benefits.

Once again, this year, staff anticipates limited budget flexibility within the upcoming budget to support new ongoing expenditures. The majority of the funding flexibility remains within the City's excess reserves, which are generally limited to use for one-time expenditures. Use of reserves, however, need to be balanced with the need to buffer impacts on economic uncertainties and anticipation of the next recession.

It is within this context, that Council feedback is being sought requested to inform development of staff recommendations that will be included in the City Manager's FY2019/20 Proposed Budget, scheduled to be presented to the City Council on May 21st. Formal adoption of the FY2019/20 Annual Budget by the City Council is scheduled for June 18th.

Prepared By: Evis Morales, Senior Management Analyst

Reviewed By: Kimberly McKinney, Finance Officer



Paul Navazio  
City Manager

**Attachments:**

1. Spring Budget Workshop Outline

# **Spring Budget Workshop**

## **March 26, 2019**

### **OUTLINE**

#### **PART 1: BUDGET BASELINE**

- **Revenue Assumptions**
  - Top 10 Revenues
  - Property Tax / Sales Tax
- **Expenditure Assumptions**
  - **Personnel Costs**
    - Salaries
    - CalPERS Pension/Retiree Medical (OPEB)
  - **Non-Personnel Expenditure Assumptions**
- **Other Funds**
- **Five-Year Forecast**
  - Baseline Assumptions/Projections
  - General Fund Reserves
  - Sensitivity to Major Assumptions

#### **PART II: FINANCIAL PLANNING FOR FISCAL STABILITY**

- **Budget Framework**
- **Priority Needs**
  - Progress-to-Date
  - Unfunded Needs / Budget Requests
    - Programs / Services
    - Operations & Maintenance
    - Capital Projects
- **Voter-Approved Sales Tax Measures**
  - Measures F
  - Measure J
- **Council Feedback**
- **NEXT STEPS**