



Winters City Council Meeting
City Council Chambers
318 First Street
Tuesday, February 19, 2019
6:30 p.m.
AGENDA

Members of the City Council

*Bill Biasi, Mayor
Wade Cowan, Mayor Pro-Tempore
Harold Anderson
Jesse Loren
Pierre Neu*

*John W. Donlevy, Jr., City Manager
Ethan Walsh, City Attorney
Tracy Jensen, City Clerk*

PLEASE NOTE – The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Mayor or Councilmembers. Public comments time may be limited and speakers will be asked to state their name.

Roll Call

Pledge of Allegiance

Approval of Agenda

COUNCIL/STAFF COMMENTS

PUBLIC COMMENTS

At this time, any member of the public may address the City Council on matters, which are not listed on this agenda. Citizens should reserve their comments for matter listed on this agenda at the time the item is considered by the Council. An exception is made for members of the public for whom it would create a hardship to stay until their item is heard. Those individuals may address the item after the public has spoken on issues that are not listed on the agenda. Presentations may be limited to accommodate all speakers within the time available. Public comments may also be continued to later in the meeting should the time allotted for public comment expire.

CONSENT CALENDAR

All matters listed under the consent calendar are considered routine and non-controversial, require no discussion and are expected to have unanimous Council support and may be enacted by the City Council in one motion in the form listed below. There will be no separate discussion of these items. However, before the City Council votes on the motion to adopt, members of the City Council, staff, or the public may request that specific items be removed from the Consent Calendar for separate discussion and action. Items(s) removed will be discussed later in the meeting as time permits.

- A. Minutes of the Regular Meeting of the Winters City Council Held on Tuesday, February 5, 2019 (pp. 4-9)
- B. City Appointee to Library Advisory Board (pp. 10)
- C. Resolution 2019-05, a Resolution of the City Council of the City of Winters Awarding a Contract for the Wastewater Treatment Facility Influent Screening Improvements, Proj. 16-03; and Approve the Revised Project Budget Sheet (pp. 11-14)

DISCUSSION ITEMS

1. Comprehensive Annual Financial Report (CAFR) (pp. 15-18)
(To View the Report, please go to: http://www.cityofwinters.org/wp-content/uploads/2018/12/CAFRFY2017-18_Bookmarked.pdf)

CITY OF WINTERS AS SUCCESSOR AGENCY TO THE WINTERS COMMUNITY DEVELOPMENT AGENCY

1. None

CITY MANAGER REPORT

ADJOURNMENT

I declare under penalty of perjury that the foregoing agenda for the February 19, 2019 regular meeting of the Winters City Council was posted on the City of Winters website at www.cityofwinters.org and Councilmembers were notified via e-mail of its' availability. A copy of the foregoing agenda was also posted on the outside public bulletin board at City Hall, 318 First Street on February 14, 2019, and made available to the public during normal business hours.



Tracy S. Jensen, City Clerk

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Staff recommendations are guidelines to the City Council. On any item, the Council may take action, which varies from that recommended by staff.

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Minutes of the Regular Meeting of the Winters City Council
Held on February 5, 2019

Mayor Bill Biasi called the meeting to order at 6:30 p.m.

Present: Council Members Harold Anderson, Wade Cowan, Jesse Loren, Pierre Neu, and Mayor Bill Biasi

Absent: None

Staff: City Manager John W. Donlevy, Jr., Police Chief John Miller, City Attorney Sigrid Asmundson, Human Resources Manager Crystal Zaragoza, Economic Development/Housing Manager Dan Maguire, Fire Captain Brad Lopez, Police Sergeant Jose Ramirez, Police Officers David Gonzalez, Jose Hermosillo and Alan Pinette, Chaplain Robert Duvall, and City Clerk Tracy Jensen.

Valerie Whitworth led the Pledge of Allegiance.

Approval of Agenda: City Manager Donlevy said there were no changes to the agenda. Motion by Council Member Neu, second by Council Member Loren to approve the agenda. Motion carried with the following vote:

AYES: Council Members Anderson, Cowan, Loren, Neu, Mayor Biasi

NOES: None

ABSENT: None

ABSTAIN: None

COUNCIL/STAFF COMMENTS

PUBLIC COMMENTS: Bruno Pitton, 623 Snapdragon, spoke regarding the flooding that took place on 1/16/19 when the detention pond overflowed and caused property damage to area residents. Mr. Pitton said the City should have an emergency plan, personnel should be trained, and in the future, residents should be alerted to potential disasters.

Bethany Gale, 623 Snapdragon, said she would like to see transparency and communication from the City in an open forum setting regarding the events of 1/16/19. She added that she was disappointed by the lack of communication following the flood.

Kate Laddish, 400 Morgan, said she was very happy to hear the pool was opening on March 1st for Adult Lap Swim. For more information, please check the pool's Facebook page or call City Hall.

CONSENT CALENDAR

- A. Minutes of the Joint Meeting of the Winters City Council and the Successor Agency to the Winters Community Development Agency Held on Tuesday, January 15, 2019
- B. Final Acceptance of Well 2 Rehabilitation Project
- C. Resolution 2019-02, a Resolution of the City Council of the City of Winters Approving Certain Errata to the Implementing Agreement for the Yolo Habitat Conservation Plan/Natural Community Conservation Plan

City Manager Donlevy gave an overview. Motion by Council Member Loren, second by Council Member Neu to approve the Consent Calendar. Motion carried with the following vote:

AYES: Council Members Anderson, Cowan, Loren, Neu, Mayor Biasi
NOES: None
ABSENT: None
ABSTAIN: None

PRESENTATIONS

Police Chief John Miller said it was a pleasure to introduce Officer Jose Hermosillo for his ceremonial swearing-in. Jose enrolled in the Police Academy in 2007 and after graduating worked as a Reserve Sheriff for Colusa County, a Reserve Police Officer for the City of Williams before becoming a full-time Police Officer for the City of Winters in January, 2014. Officer Hermosillo, who was officially promoted to Sergeant on 1/14/2019, is the Reserve Coordinator, received the MADD award twice for DUI enforcement, was selected as Officer of the Year two times by his peers, and is a positive role model for the younger police officers. Chief Miller said Sergeant Hermosillo will play a vital role as a working Sergeant in the department by assuming administrative duties and responsibilities including Force Options Supervisor for range and defensive tactics, responding to calls for service and engaging with the community. Jose was then sworn in as Sergeant and his father pinned on his new badge. Jose thanked the Council and said he applied with Winters Police Department four

times, went on many ride-alongs, and although the position was frozen, he kept in touch and was encouraged to re-apply. He concluded by saying he will continue to do his best for the City of Winters.

Liz Romero, Gerontological Specialist and Community Ambassador from Yolo Hospice said she worked with members from the Winters Participation Gallery, the Winters High School Art Club, Winters Healthcare, and the City of Winters to deliver the Before I Die (BID) wall, a participatory art exhibit to the City of Winters. There will be two walls (English and Spanish) erected at Railroad & Main, with the unveiling and ribbon-cutting ceremony to occur on February 8th @ 4pm. Valerie Whitworth thanked the City for being participants and introduced three students from the WHS Art Club who said they hoped the community and visitors will express interest in the wall and also hoped the project will have a good outcome by bringing the community together. Irene Tweedt from Winters Healthcare read aloud Yolo Hospice's Mission Statement and Winters resident Wally Pearce said this is a wonderful way to incorporate the entire community into one project. City Manager Donlevy said Yolo Hospice is a universal organization and those who have experienced their level of care appreciates the services that Yolo Hospice provides. It took two seconds to say yes to this project! Mayor Biasi said he was looking forward to seeing the BID wall in the City's downtown.

DISCUSSION ITEMS

1. Request for Matching Funds for Vehicle Purchase

City Manager Donlevy gave an overview and said the City has received Clean Air funds to replace a City vehicle and staff is recommending a Hybrid Chevrolet Volt. During the next fiscal year, staff plans to remodel the old Police Department that will include electrical upgrades for charging units. Staff is requesting Council approval for matching funds of \$8,000.

Motion by Council Member Cowan, second by Council Member Neu to approve up to \$8,000 in matching funds for the purchase of a plug-in hybrid vehicle.
Motion carried with the following vote:

AYES: Council Members Anderson, Cowan, Loren, Neu, Mayor Biasi
NOES: None
ABSENT: None
ABSTAIN: None

2. Animal Services Joint Powers Agency - Agreement Development

City Manager John Donlevy said the City of Winters participates with the cities of Woodland, Davis, West Sacramento and Yolo County for the development of a Joint Powers Agency (JPA) for animal services within the County. In 2013, LAFCo (Sacramento Local Agency Formation Commission) started a process towards an overall comprehensive review and analysis of animal services including shelter service and overall management and put together a governance study. A JPA was recommended to allow the cities more input. Reports show that in some years, costs more than doubled and services steadily decreased. In 2016, Yolo County took the lead and presented a proposal for a new animal shelter facility due to the age and deficiency of the existing building. In November 2018, the four cities and the County reconvened and determined the four point plan for the development of the JPA, which are included in the staff report. "Unleashing the Possibilities" is a local organization who is committed to raising \$5-\$8 million dollars to build a new animal shelter. City Manager Donlevy said he can't overstate how important volunteers are in the process. <http://unleashingyolo.org/>

Mayor Wade Cowan said when this subject was discussed in 2013, there was no private interest at the time and it literally fell flat. Now that these groups are involved, they need to be sitting at the table and should be included in the governance.

Council Member Anderson asked how animals will be transported and whether there will be satellite locations. City Manager Donlevy said for key stakeholders, the idea of satellite systems will be discussed. The location for a central facility is critical and Davis has the largest contingent of volunteers. The current service is unacceptable and costs are doubling. Comparatively, so many increases have buried us and we get fewer services.

Mayor Biasi said this discussion has been going on for a long time and actually seeing a structured plan going forward is a good step. Council Member Loren said she was all-in and excited about moving forward. Based on resident Tina Lowden's inquiry about cost increases, City Manager Donlevy agreed to forward the "Split by Total Program Cost" table to her that will reflect the increased costs.

Motion by Council Member Neu, second by Council Member Loren to approve the City's participation with the Cities of Woodland, Davis, West Sacramento and Yolo County to begin the development of a JPA and a joint governance structure, and proceed with the initial step of developing a joint power agreement that will outline the scope and governance structure of the proposed JPA. Motion carried with the following vote:

AYES: Council Members Anderson, Cowan, Loren, Neu, Mayor Biasi
NOES: None
ABSENT: None
ABSTAIN: None

3. Information Item - General Plan Health and Safety Element

City Manager Donlevy gave an overview and said this report of the General Plan Health and Safety element is the first part of a nine-part series that will be presented to Council each month. The City is required to have a General Plan, which was adopted in 1992. The Governor's Office of Planning and Research (OPR) is a policy agency that works to help communities in planning related issues throughout the state. OPR is statutorily required by GC 65040.2 to adopt and periodically revise the State General Plan Guidelines (GPG) for the preparation and content of general plans for all cities and counties in California.

City Manager Donlevy read aloud the OPR statement and identified the main policies from the City's General Plan: Housing, Land Use, Health & Safety (Noise & Safety), Community Design, Transportation Circulation, Recreational and Cultural Resources, Public Facilities Services, and Natural Resources (Conservation and Open Space.) City Manager Donlevy identified key documents, including the 738-page Yolo County Multi-Hazard Plan that was approved by Council in December, 2018 that includes building, fire and housing codes. City Manager Donlevy said the City of Winters is a member of many key agencies, including Yolo Emergency Medical Services Agency (YEMSA), Yolo Emergency Communications Agency (YECA), and Joint Emergency Management Systems (JEMS.) During emergencies, there is a linear process: Federal, State, Region, City. In 2016, the noise ordinance was updated to conform to state requirements and the staff report includes links to various documents and reports.

Mayor Biasi said this element of the City's General Plan is in pretty good shape. Resident Kate Laddish thanked staff for working to get the grant to refresh the General Plan. The ongoing process with strategic planning workshops has produced some fantastic meetings. Kate asked within the larger process if there was an opportunity for the public to come together in a workshop setting. She also asked how the City plans to address the reality of climate change within the various elements. With the increase of heat emergencies, fires, daytime heat with no nighttime cool, she would be interested in an ongoing discussion. She said she appreciates the work that has gone into the process.

City Manager Donlevy said there will be opportunities for public input. Staff is currently working on the Economic Development Advisory Committee's (EDAC) recommendations. The City's General Plan vision is incremental and evolutionary. The refresh will not look at expansions, but will look only at existing documents, ie: Downtown Master Plan, Flood Overlay Plan, Climate Action Plan, and the Housing Element. City Manager Donlevy and Environmental Services Manager Carol Scianna recently went through all 171 action items of the draft Climate Action Plan, pared it down significantly and came up with key elements that a city our size could do. This draft Climate Action Plan will be brought before Council. Carol is the City's representative on a heat resiliency forum for Yolo

County. City Manager Donlevy has also been working with Fire Chief Art Mendoza on a Community Wildfire Protection Plan (CWPP), including Golden Bear and Casitas, to come up with an overall Fire Protection Plan. Council Member Loren asked whether the information received by Council Member Neu, our representative at SACOG regarding greenhouse gases could dovetail into the Climate Action Plan and be reflected in our update.

CITY OF WINTERS AS SUCCESSOR AGENCY TO THE WINTERS
COMMUNITY DEVELOPMENT AGENCY

1. None

CITY MANAGER REPORT: Winters P.D. is preparing to implement parking regulations in the downtown. Letters will go out next week to the downtown business district with a map that includes parking times and locations for employees to park. 30-minute parking zones are being stenciled. Met with Council Member Neu and James Corliss, Executive Director from SACOG; also attended an RHNA (Regional Housing Needs Allocation) meeting with Dan & Dago. Numbers are very important, so information will be put together and shared with Council, the Planning Commission and the general public. Governor Newsom's report in the Sacramento Bee indicated housing production is tied to transportation dollars. The City's housing element expired in 2021 and the expectation is the State will want cities to set standards and start working toward them. Council Member Neu brought in \$400,000 from "Green Means Go", a program from SACOG that includes smart growth principles. The SACOG rep said the City of Winters would be the perfect recipient for these funds. Will be working with Carol on a draft of the Climate Action Plan to bring to Council. The Buck Truck is parked on the corner today. The Planning Commission did a great job reviewing it, Council approved it, and a permit was completed. The Buckhorn employees who started this independent business worked hard and were patient throughout the process.

ADJOURNMENT: Before adjourning the meeting at 8:06 p.m., Mayor Biasi said the Chamber has a new business. Hooby's Brewing will have their Grand Opening on February 15-17.

Bill Biasi, MAYOR

ATTEST:

Tracy S. Jensen, City Clerk



CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers
DATE: February 19, 2019
THROUGH: John W. Donlevy, Jr., City Manager
FROM: Carol Scianna, Environmental Services Manager *CS*
SUBJECT: City Appointee to Library Advisory Board (LAB)

RECOMMENDATION: Staff recommends Council approve appointment of Margaret Bailey as the City of Winter's representative to the Yolo County Library Advisory Board (LAB).

BACKGROUND: The Library Advisory Board advises the Board of Supervisors and the County Librarian and reviews library services and facilities. It studies and reviews plans and programs for the long-term development of county libraries.

The Board consists of eight members. Each Supervisor appoints a local resident from their District to the Board. In addition, the cities of Winters, Davis and West Sacramento each appoint a local resident to the Board. Duties include review of Library operations, services and facilities. Developing long range plans for ongoing and improving the above. And also review and make recommendations regarding Library budgets.

Rebecca Fridae has been the City of Winters representative to the Board for over thirty years; she resigned this position early this summer. The LAB meets every other month. The Winters Friends of the Library believe that it is important for the City's representative on this Board, be someone who is actively involved with Winters Library programs and services, and an active WfoL member would certainly meet that goal. Margaret has been an active member with WfoL for several years and would do a good job of representing the City's interest on the LAB. The length of this term is up to the Council's discretion and appointee's availability.

FISCAL IMPACT: None



**CITY COUNCIL
STAFF REPORT**

TO: Honorable Mayor and Council Members
DATE: February 19, 2019
THROUGH: John W. Donlevy, Jr., City Manager *CS*
FROM: Carol Scianna, Environmental Services Manager
SUBJECT: Resolution No. 2019-05 authorizing the City Manager to execute a contract with Syblon Reid for the construction of the Waste Water Treatment Facility(WWTF) Influent Screening Improvements, Project No. 16-03 and Approve Revised Project Budget

RECOMMENDATION: Staff recommends the City Council:

1) Adopt Resolution No. 2019-05 authorizing the City Manager to execute a construction contract with Syblon Reid, for the construction of the WWTF Influent Screening Improvements, Project No. 16-03, in the amount of \$673,000, and authorize the City Manager to approve Change Orders not to exceed \$67,300.

2) Approve Revised Project Budget

BACKGROUND: The West Main sewer pump station which was required as part of the Conditions of Approval, for the Stones Throw (Winters Highlands) and Callahan Developments has been completed. This new pump station will direct sewage from these developments directly to the Wastewater Treatment Facility (WWTF), rather than through the East Street Pump Station (ESPS). Some of the existing flows from the northwest part of town will be re-directed through the new pump station eventually as well. These changes will significantly increase available capacity at ESPS.

The new pump station does not include influent screening, like the ESPS does, so staff determined that a new influent screen facility was necessary at the WWTF, in order to remove rags and other debris prior to discharging into the ponds. Eventually, this screening facility will be expanded to handle all current and future flows, resulting in an efficient and reliable WWTF system.

West Yost was hired to design the Influent Screen Improvements. The estimated cost for the project was \$435,000 however when the City went out for bids in August 2018, bids exceeded available funds by more than \$200,000. In an effort to move this project forward staff was able to identify additional funds of \$390,900 from the sewer impact account to assist in completing the screen project. Staff regrouped with our design and engineering staff, it was decided that by reducing the scope of the project to include just the manual screening at this time, we could stay within our current budget. The mechanical aspect of the Screening Improvements can be

added at a later time when more funds become available. With this approach the basic infrastructure can be completed and we will be able to get the project online when the flows from the new housing developments are ready to be processed at the WWTF.

The City went out to bid again on December 6, 2018 with the new engineer estimate of \$700,000. Bids were opened on January 31, 2019. Staff received the 4 bids listed below:

- Syblon Reid \$673,000
- W.M.Lyles \$695,000
- Anderson Pacific \$732,000
- Abide Builders \$921,000

The low bidder was Syblon Reid from Folsom, with a bid of \$673,000. There will also be an additional set aside of \$67,300 for contingencies. This will leave us with approximately \$85,600 remaining from our budget. If feasible we will be discussing with contractor the possibility of adding additional tasks to the project scope to move us closer to the ultimate mechanical screening capability.

Therefore, staff recommends the City Council approve revised project budget and adopt Resolution No. 2019-05 authorizing City Manager to execute contract with Syblon Reid

FISCAL IMPACT: The revised PBS includes \$825,900 for construction, with a \$67,300 contingency (10%). The funding will come from Sewer Operations & Maintenance Funds and Sewer Impact Fees

Attachments: Revised PBS
Resolution No. 2019-05

RESOLUTION NO. 2019-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH SYBLON REID FOR THE CONSTRUCTION OF THE WASTEWATER INFLUENT SCREEN IMPROVMENTS, PROJECT NO. 16-03, IN THE AMOUNT OF \$673,000, AND AUTHORIZE THE CITY MANAGER TO APPROVE CHANGE ORDERS NOT TO EXCEED \$67,300.

WHEREAS, the City Council approved Resolution 2018-35, and authorized the City Engineer to advertise the plans and specs for bid; and

WHEREAS, on January 31, 2019, the City Clerk received and opened four bids, and Syblon Reid was deemed the lowest responsive and responsible bidder; and

WHEREAS, the City of Winters chooses to award a contract to Syblon Reid, for the WasteWater Influent Screen Project No. 16.03 the amount of \$673,000; and

WHEREAS, a contingency in the amount of \$67,300.00, for the Waste Water Influent Screen Project No. 16.03, is reserved for change orders; and

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Winters as follows:

1. Approve the revised Project Budget Sheets for Waste Water Influent Screen Project No. 16.03; and
2. The City Manager is authorized to execute a construction contract with Syblon Reid, for the construction of WasteWater Influent Screen Project No. 16.03, in the amount of \$673,000; and
3. The City Manager is authorized to approve Change Orders not to exceed \$67,300.

PASSED AND ADOPTED by the City Council of the City of Winters, on this 19th day of February by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tracy Jensen, City Clerk

Approved as to form:

Ethan Walsh, City Attorney

CITY OF WINTERS
WWTF Influent Screening Improvements
Project Budget Sheet (Pre-Design Only)

CIP#: 16-03
Last Updated: February-18
Project Owner: Public Works
Project Manager: Alan Mitchell

MTIP #
Original Approval: Jan. 2016
Project Resource: Consultant

Description:

Design and Construction for WWTF Influent Screening System

Authority:

The City needs to ensure that rags and other debris is screened prior to entering the WWTF ponds

Budget:						
Item	%	Amount	Item	%	Amount	
Project Management		\$12,000	Design		\$94,530	
Testing and Inspection		\$25,294	Permits			
Pre Design		\$9,000	Construction		\$758,600	
Construction Support		\$5,000	Contingency		\$67,300	
CEQA/NEPA			Project Total:		\$971,724	

Financing Schedule:							
Phases: Design, Construction		Project Start: 2016	Project Completion: 2019				
Fund Code:	621	418					
Name:	O & M	Impact	Blank	Blank	Blank	Blank	FY Totals
Previous	\$ 9,000						\$ 9,000
FY 17/18:	\$ 102,824						\$ 102,824
FY18/19	\$ 435,000	\$ 390,900					\$ 825,900
Fund Totals:	\$ 546,824	\$ 390,900	\$ -	\$ -	\$ -	\$ -	\$ 937,724

Recommended for Submittal

Recommended for Approval

Finance Department Approval

City Manager Approval

 2/13/19
 Carol Scianna, Public Works (date)
 Alan Mitchell, City Engineer (date)
 Shelly Gunby, Director of Finance (date)
 John Donlevy, City Manager (date)



CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers
DATE: February 19, 2019
THROUGH: John W. Donlevy, Jr., City Manager
FROM: Shelly A. Gunby, Director of Financial Management *Shelly*
SUBJECT: Comprehensive Annual Financial Report (CAFR)

RECOMMENDATION:

Staff recommends that the City Council receive the 2017-2018 Comprehensive Annual Financial Report (CAFR).

BACKGROUND:

Every year the City of Winters has an independent audit performed by an outside auditing firm. The audit was performed by Van Landt and Fankhenal LLP for the 2017-2018 fiscal year. Upon completion of the audit, a Comprehensive Annual Financial Report, or CAFR is prepared by staff and the auditors to provide useful financial information for the City Council, Staff and Citizens regarding the operations of the City of Winters.

This year's CAFR contains information about factors affecting the financial condition of the City, the effect of the economy on our ability to adhere to certain financial policies, information about the capital projects and information about the awards that have been received by the City. This information is contained in the transmittal letter.

Included in the Management Discussion and Analysis (MD&A) is a discussion prepared by staff about the financial highlights for the year, a guide to the financial statements, analysis of the Government Wide Financial Statements and Governmental Activities, other major funds, budgetary highlights, capital and debt administration and economic factors impacting future budgets.

Page 26 of the report includes the Balance Sheet for the Governmental Funds of the City of Winters; these are all funds with the exception of the Water and Sewer Funds and the Trust Funds for the former redevelopment agency.

The Balance Sheet for the General Fund includes the following items:

Description	Revenue in Excess of Expenditures	Fund Balance
General Fund	(7,937.07)	941,733.94
Community Development Dept	(105,674.14)	(1,305,854.47)
Fireworks	(2,090.17)	(12,431.97)
Senior Fund Donations	4.95	353.12
Winters Swim	24.36	1,739.89
Park Maintenance Committee	32.48	2,318.50
Koda Camp	10,412.16	26,406.26
Canine Program	(8,789.08)	8,502.85
Police Cadet Program	1,036.49	3,090.63
Community Garden	23.81	23.91
General Fund Capital	6,751.39	482,055.54
Capital Equipment Replacement	9,691.47	488,053.95
Service Reserve Fund	3,392.78	1,059,022.10
General Plan Deficit	12,826.00	(383,044.56)
General Debt Service	810.87	57,896.37
Total	(79,483.70)	1,369,866.06

The funds are combined into the General Fund for Financial Reporting purposes due to the fact that the items are not restricted by law for their use, but, rather restricted for use by decisions made by the City Council, or for ease of determining how a particular program is performing over time.

Included in the CAFR is Note 9 on page 54-56, Post-Retirement Health Insurance Benefits. The City of Winters provides retired employees the opportunity to continue their health insurance with CALPERS. When a retiree elects to continue their health insurance coverage with CALPERS, a portion of the cost is paid by the City of Winters. For 2018 this amount was \$133 per month per employee, for 2019 the amount is \$136 per month per employee. Prior to the 2017-2018 CAFR, the City implemented and reported based on GASB 45 (Governmental Accounting Standards Board Statement number 45. GASB 45 requires that the City calculate the estimated liability to provide this benefit to employees. In 2017-2018 the City of Winters implemented GASB Statement number 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. The City engaged an OPEB (Other Post Employment Benefits) actuarial to provide the required calculations and information as required under GASB 75. The assumptions used to provide the OPEB liability are detailed on Page 55.

The result of the actuarial is an increase in the OPEB liability from the prior year. Under the Plan Description on page 54, the note references a trust that meets the criteria in paragraph 4 of Statement 75. Staff has begun researching the various options that are available to a small jurisdiction and will bring forward a recommendation to begin providing funding for the OPEB liability in late spring 2019.

Note 10 on page 58-63 discusses the CALPERS Defined Benefit Pension Plan as of June 30, 2016. Pension Reform, known as PEPRA began in January 2013. We have new tiers of retirement for any new CALPERS members, and all new CALPERS members must pay 50% of the normal cost of the defined benefit plan. The City has changed some of our recruitment information based on whether potential employees are current CALPERS members or not. Beginning in 2018 the City may require existing employees to pay 50% of the normal cost of the defined benefit plan. This will impact salary and benefit negotiations with employees in the future. Staff is exploring opportunities to begin pre-funding, or paying down the unfunded liabilities that exist in the CalPERS plans the City is a member of. Recommendations will be forthcoming in the late summer 2019.

The CAFR includes a comparison of the proposed budget to actual results for certain funds. These are called Major Funds and in 2016-2017 the City had 4 Governmental (not Water and Sewer) major funds, the General Fund, The Revolving Loan Fund(which is a combination of 5 funds grouped together) , the Roundabout Project, and the Home-Choc Grant Fund. The Revolving Loan Fund had a fund balance of \$1,441,607 as of 6-30-18. The actual to budget information for the General Fund can be found on page 64. The original budget projected a \$72,498 change in fund balance, the actual change in fund balance from operations was (\$79,483), however a prior period adjustment for \$121,164) created a change in fund balance of (\$200,646). The Budgeted amount included funds 101-General Fund and fund 102-Community Development. The actual change in fund balance for these two funds was (\$113,611) or \$135,103 less than budgeted. The difference in the budgeted amount and the final results is due to the failure of projects to move forward, specifically, the Freeway Hotel and the Blue Mountain Terrace projects. To date, only the Freeway Hotel has actually paid the building permit fees in the current year. The table included above in the discussion of the makeup of the balance of the fund balance of the General Fund shows how each fund contributed to the \$200,646 decrease in General Fund balance. The decrease in fund balance of \$200,646 is similar to the use of a savings account to continue to pay for expenses that continue to occur. Additional economic development needs to be implemented in order for the revenues of the City to be at a level to sustain, and hopefully, expand services provided to the citizens of the City,

Page 81-88 shows the results of the various special revenue funds operated by the City. The first column includes information on the City Wide Assessment District. This fund is responsible for funding the costs of the services performed to maintain all of the parks within the City. Currently the fund is operating at a deficit, and this deficit is funded by the General Fund. The City has recently completed the park close to the Orchard Village Apartments, Walnut Park. Completion of the Putah Creek Nature Trail and Walnut Park have added significant new service requirements for park maintenance. Funding for the park maintenance is now \$82.50 per residential unit per year, and \$41.25 per non-residential unit per year. Currently there is no anticipated increase in the rate per unit, and the only way to increase the available funding for park maintenance is to add additional units to the city (both residential and non-residential). Without additional funding sources, the general fund will continue to subsidize park maintenance.

Beginning on page 120 is the Statistical Section of the CAFR. This section compares results for the prior 10 years for various operating results. These are required to be included in specific formats for inclusion in the CAFR. Page 127 compares the Governmental Fund Balances for the last 10 years, the story of the General Fund is a continual reduction in fund balance from 2012 to

present. This shows the impact of using our “savings” account to continue operations. This also shows that while we prepared for the economic “slowdown” by committing to reserve fund balances, we now need to look to increasing fund balances in the future to be prepared for the next “slowdown”. This will be accomplished by looking to economic development and housing construction in the next few years.

Page 132 shows the fluctuation in General Fund tax revenues of the City. The impact of the increase in the Utility User tax in 2010-2011 is clearly evident in the Other Taxes column. Also illustrated is the impact of the housing values in the decrease of property taxes from a high in 2009 of \$1,395,538 to the 2010 amount of \$1,121,922, a 19% decrease in one year. We are now rebounding from the 2011 low, but still see some volatility in the property taxes as 2017 receipts were 2% lower than 2016, but see a significant increase in 2018 due to the new homes added by the Winters Ranch Subdivision. Additional retail outlets have helped in providing an increase in Sales tax.

Page 125 and 126 show the changes in net position for Governmental Funds over the past 10 years. This can be somewhat deceptive, due to the fact that included in the Governmental Funds include all the special revenue funds, and most especially the Grant Funds. The use of Grant Funds typically has a negative impact on the Governmental Fund Balances. This is due to the fact that most Grants are handled on a reimbursement basis, that is, the City advances the funds to pay for the services that are grant funded, and then we receive a reimbursement from the Grant for the amounts that we have advanced. This means that most of the time, until the grant is completed, we have always paid more out for grant projects than we have received.

Page 133 includes information on Assessed Values for the last 10 years, and clearly shows how our Assessed values were reduced with the housing crisis, and the associated foreclosures and are now beginning to rebound somewhat but are still significantly lower than the high in 2010 for properties outside of the former redevelopment project area. The assessed values in the former redevelopment project area have increased significantly in the last few years. This is due to the sale of property formerly held by the former Redevelopment Agency having been sold to private persons/developers to be developed, and the build out of the Winters Ranch subdivision which was completely inside the former project area. Once property transfers from the former Redevelopment Agency or Successor Agency to a private individual or company, it becomes subject to property taxes once again. As development is undertaken and improvements are made, such as homes and/or businesses such as hotels and offices are completed, the assessed value increases and will provide additional revenues on an recurring basis to the City of Winters.

The CAFR (Comprehensive Annual Financial Report) is posted on the City of Winters website for the public to have access to read and review.

FISCAL IMPACT:

None by this action

ATTACHMENTS

Comprehensive Annual Financial Report (CAFR) under separate cover.