

In-person participation by the public will be permitted. In addition, remote public participation is available in the following ways:

1. Livestream online at www.atwater.org (Please be advised that there is a broadcasting delay. If you would like to participate in public comment, please use the option below).
2. Submit a written public comment prior to the meeting: Public comments submitted to cityclerk@atwater.org by 2:00 p.m. on the day of the meeting will be distributed to the Audit and Finance Committee, and made part of the official minutes but will not be read out loud during the meeting.

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Persons requesting accommodation should contact the City in advance of the meeting, and as soon as possible, at (209) 812-1056.

NOTICE OF SPECIAL MEETING CITY OF ATWATER AUDIT AND FINANCE COMMITTEE

NOTICE IS HEREBY GIVEN that a special meeting of the Audit and Finance Committee of the City of Atwater will be held on **Monday, October 28, 2024 at 5:00 PM**, or as soon thereafter as may be held. This meeting will be held in the City Council Chambers located at the Atwater Civic Center, 750 Bellevue Road, Atwater, California.

SPECIAL AGENDA

SPECIAL MEETING CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

Ambriz ___, Button ___, Borba ___



PUBLIC COMMENT: Pursuant to Government Code Section 54954.3, residents wishing to address the Audit and Finance Committee regarding **only the items on the agenda may do so when the item is read for consideration**. You may state your name and address for the record; however, it is not required. Please limit comments to three (3) minutes or less. Under the provisions of the California Government Code, the Audit and Finance Committee may not discuss or take action on any item that is not on the agenda.

MINUTES:

1. September 23, 2024 – Special Meeting

Staff's Recommendation: Motion to approve minutes as listed.

FUNDING AND BUDGET MATTERS:

2. **Treasurer's Report (unaudited) for the month ending August 31, 2024** (City Treasurer Borba)

Staff's Recommendation: Motion to recommend that the City Council accept the Treasurer's Report for the month ending August 31, 2024.

REPORTS AND PRESENTATIONS FROM STAFF:

3. **Verbal presentation regarding 2nd Quarter 2024 Report on Sales Tax and Business Activity for the City of Atwater** (Finance Director Nicholas)

No action requested. Informational item only.

FINANCE DIRECTOR UPDATES:

4. **Finance Director Verbal Updates**

ADJOURNMENT:

Dated this 25th day of October 2024.



Danny Ambriz, Committee Chair

pc: Chair and Commissioners
Atwater Signal/Merced Sun Star
Atwater New Times



CITY OF ATWATER

SPECIAL MEETING AUDIT AND FINANCE COMMITTEE

ACTION MINUTES

September 23, 2024

The City of Atwater Audit and Finance Committee met in Special Session this date at 5:04 PM in the City Council Chambers located at the Atwater Civic Center, 750 Bellevue Road, Atwater, California; Committee Chair Ambriz presiding.

PLEDGE OF ALLEGIANCE OF THE FLAG: ***Deferred to Regular Council Meeting.***

ROLL CALL:

Present: ***Committee Chair Ambriz, Committee Member Borba***
Absent: ***Committee Vice Chair Button***
Staff Present: ***City Manager Hoem, Finance Director Nicholas, Administrative Assistant Peralta***

PUBLIC COMMENT:

Notice to the public was read.

No one came forward to speak.

MINUTES:

September 23, 2024 – Special meeting

MOTION: ***Committee Member Borba moved to approve the minutes as listed. The motion was seconded by Committee Chair Ambriz and the vote was: Ayes: Ambriz, Borba; Absent: Button; Noes: None. The motion passed.***

FUNDING AND BUDGET MATTERS:

Treasurer's Report for the months ending July 31, 2024 (City Treasurer Borba)

Item was removed due to lack of quorum.

FINANCE DIRECTOR UPDATES:

Finance Director Verbal Updates

Finance Director Nicholas gave an update on workshops for business owners, California Debt and Investment Advisory Commission (CDIAC), and gave a shout-out to the Human Resources department for the CalPERS 457 plan.

ADJOURNMENT:

Committee Chair Ambriz adjourned the meeting at 5:11 PM.

APPROVED:

DANNY AMBRIZ
COMMITTEE CHAIR

ATTEST:

GI SELA PERALTA
RECORDING SECRETARY

STATEMENT OF CHANGES IN CASH BALANCE, UNAUDITED
BY FUND
AS OF 8/31/2024

	FUND	BEG. BALANCE	CASH DEBITS	CASH CREDITS	ENDING BAL.
0001	General Fund	17,303,267.99	1,827,789.50	2,344,093.92	16,786,963.57
0003	General Fund Capital	(121,507.38)	86,669.98	2,188.55	(37,025.95)
0004	Public Safety Trans & Use Tax	2,072,026.87	480,028.07	192,532.34	2,359,522.60
0005	Ferrari Ranch Project Fund	2,360.27	0.00	0.00	2,360.27
0007	Measure V Fund	5,164,865.06	71,538.58	0.00	5,236,403.64
0008	Measure V 20% Alternative Modes	871,096.06	17,884.64	1,362.87	887,617.83
0009	Abandoned Veh Abatement Fund	(10,062.46)	5,762.34	1,626.27	(5,926.39)
0010	Measure V Regional Fund	(120,841.94)	0.00	2,966.75	(123,808.69)
1005	Police Grants Fund	97,374.48	0.00	0.00	97,374.48
1010	ARPA-American Rescue Plan Act	2,770,309.18	0.00	10,382.81	2,759,926.37
1011	Gas Tax/Street Improvement	(416,803.16)	88,095.72	77,554.46	(406,261.90)
1013	Local Transportation Fund	585,960.50	0.00	0.00	585,960.50
1015	Traffic Circulation Fund	1,549,199.25	3,659.20	0.00	1,552,858.45
1016	Applegate Interchange	796,512.17	0.00	0.00	796,512.17
1017	RSTP-Regional Surface Transp Prog	2,707,192.35	0.00	10,607.50	2,696,584.85
1018	SB1-Road Maint & Rehab RMRA	2,346,501.38	76,704.88	678,758.29	1,744,447.97
1019	LPP-Local Partnership Prg Fund	0.00	0.00	0.00	0.00
1020	Parks and Recreation Fund	2,030,690.78	4,764.00	0.00	2,035,454.78
1021	Parks Grants Fund	0.00	0.00	0.00	0.00
1040	General Plan Update-Housing Element	(10,800.00)	0.00	0.00	(10,800.00)
1041	General Plan Update Fund	1,913,933.03	0.00	18,187.50	1,895,745.53
1055	Neighborhood Stabilization	228,103.85	0.00	0.00	228,103.85
1059-80	Housing Grant Funds	993,838.86	51,000.00	0.00	1,044,838.86
1091	Police Facility Impact Fee	196,972.06	1,114.08	0.00	198,086.14
1093	Fire Facility Impact Fee	271,184.80	1,444.20	0.00	272,629.00
1095	Government Building Facility	289,646.64	1,203.55	0.00	290,850.19
3064-67	Redevelopment/Successor Agency Funds	1,793,856.08	868.04	425.00	1,794,299.12
4020	Performance Bond Trust	226,761.79	0.00	0.00	226,761.79
4030	Narcotics Program Trust	2,141.71	0.00	0.00	2,141.71
4060	Section 125 Medical	2,144.49	70.00	0.00	2,214.49

STATEMENT OF CHANGES IN CASH BALANCE, UNAUDITED
BY FUND
AS OF 8/31/2024

FUND	BEG. BALANCE	CASH DEBITS	CASH CREDITS	ENDING BAL.
4070 Section 125 Dependent Care	0.00	0.00	0.00	0.00
4080 Pension Rate Stblztn 115 Trust	525,861.26	9,460.56	0.00	535,321.82
4090 CFD No. 1 Trust	135,211.57	0.00	0.00	135,211.57
5001-55 All Maintenance Districts	1,342,227.91	7,150.81	37,811.45	1,311,567.27
5050 CFD Districts	(78,894.63)	9,898.71	35,559.80	(104,555.72)
6000 Water Enterprise Fund	14,817,646.71	764,307.24	396,299.19	15,185,654.76
6001 Water Fund Capital Replacement	(1,871,974.26)	0.00	109,168.82	(1,981,143.08)
6002 DBCP Settlement	21,241.78	0.00	0.00	21,241.78
6004 Water Well- Buhach Colony	190,160.05	314.84	0.00	190,474.89
6005 Water Capital Impact Fees	2,787,123.74	25,003.50	0.00	2,812,127.24
6006 Water Operating Reserve Fund	186,143.27	0.00	0.00	186,143.27
6007 1,2,3-TCP Fund	14,333,595.63	170,223.32	6,596.04	14,497,222.91
6010 Sewer Enterprise Fund	14,936,824.14	968,084.07	917,101.29	14,987,806.92
6011 Sewer Fund Capital Replacement	3,883,345.23	22,041.40	0.00	3,905,386.63
6020 Sanitation Enterprise	2,414,149.40	330,061.89	3,773.31	2,740,437.98
7000 Internal Service Fund	684,510.43	3,680.98	152,340.73	535,850.68
7001 ISF Equipment/Bldg Replacement	206,143.88	0.00	0.00	206,143.88
7010 Employee Benefits Fund	731,917.15	4,979.89	79,206.72	657,690.32
7020 Risk Management	(291,831.80)	0.00	0.00	(291,831.80)
7030 Information Technology	520,248.07	0.00	42,903.79	477,344.28
9090 Accrued Interest Fund	744,961.13	2,088.54	0.00	747,049.67
TOTAL	99,754,535.37	5,035,892.53	5,121,447.40	99,668,980.50

Prepared by: _____

Jared Moua, Accountant I

Approved by: _____

Mark Borba, City Treasurer

**Statement of Changes in Cash Balance
by Bank
As of 8/31/2024**

	Beg. Period Balance	Cash Debits	Cash Credits	End Period Balance
City - LAIF	66,150,153.13			66,150,153.13
City - RMA Long-Term Investment Fund	1,196,310.00	2,088.54		1,198,398.54
City Checking & Investment Accounts	2,841,079.37	4,854,109.90	4,750,763.54	2,944,425.73
Wastewater Checking	5,780,627.33		370,683.86	5,409,943.47
RA Obligation Retirement Fund	25,583.84	10.21		25,594.05
US Bank/Chandler Asset Mgt.	23,234,920.44	170,223.32		23,405,143.76
PARS Post-Employment Benefits Trust	525,861.26	9,460.56		535,321.82
Totals	<u>99,754,535.37</u>	<u>5,035,892.53</u>	<u>5,121,447.40</u>	<u>99,668,980.50</u>

Prepared by: _____

Jared Moua, Accountant I

Approved by: _____

Mark Borba, City Treasurer

(The following statements are required by California Govt. Code Section 53646 (b) (2,3))

Investments are made pursuant to the City Council approved Investment Policy and Guidelines.

The City of Atwater has the ability to meet its pooled expenditure requirements for the next six months.

Bank Account Detail			
City LAIF	66,150,153.13	Chase General Checking	2,867,354.58
Chandler Asset Mgt.	1,198,398.54	Chase Wastewater Checking	5,409,943.47
US Bank/Chandler Asset Mgt.	23,405,143.76	Chase Redevelopment Checking	25,594.05
PARS Post-Employment Benefits Trust	535,321.82	Chase Savings Account	0.00



Quarterly Report on Sales Tax and Business Activity

Top 25 Sales Tax Remitters

ARCO AM/PM MINI MARTS
 BOOT BARN
 CHEVRON SERVICE STATIONS
 CIRCLE K SERVICE STATIONS
 FOOD 4 LESS
 HUNT & SONS
 JIM BRISCO ENTERPRISES
 MARSHALL'S STORES
 MAXI MART & GAS
 MCDONALD'S RESTAURANTS
 NCI GROUP
 O'REILLY AUTO PARTS
 PANDA EXPRESS
 ROYAL CROWN SERVICE STATIONS
 SAVE MART SUPERMARKETS
 SHELL SERVICE STATIONS
 STAGE STOP SPORTING GOODS
 SUNBELT RENTALS
 TACO BELL
 TARGET STORES
 TRACTOR SUPPLY COMPANY
 VALERO SERVICE STATIONS
 WAL MART STORES
 WALGREEN'S DRUG STORES
 WEST-MARK

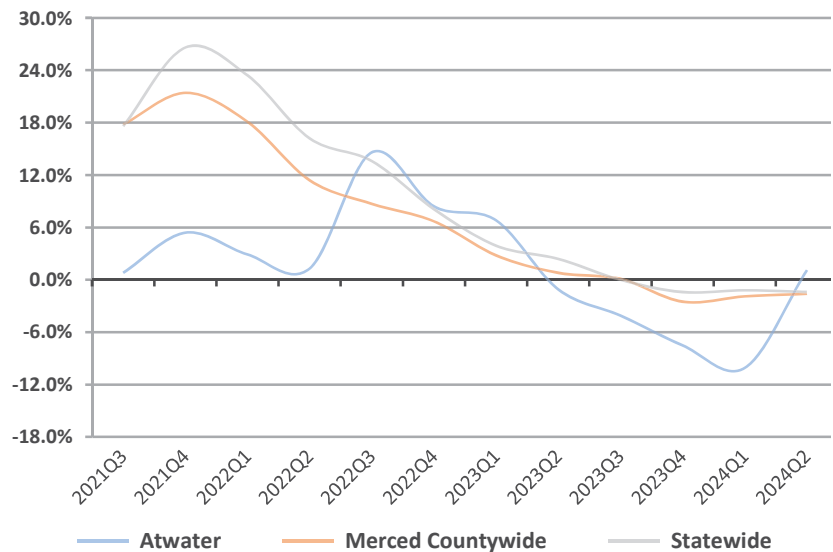
2nd Quarter 2024 in Review

California sales tax cash receipts decreased by 1.7% from the same quarter last year. In this jurisdiction sales tax cash receipts increased by 30.3% from the same quarter last year due to a increase of \$31,153,000 in Taxable Sales.

Cash Receipts

	Quarter	Annual
Atwater	30.3%	1.1%
Merced Countywide Pool	9.8%	-3.9%
Merced Countywide	-2.5%	-1.6%
Central Valley Region	-0.7%	2.0%
Statewide	-1.7%	-1.4%

Annualized Percent Change in Sales Tax Cash Receipts



Business Activity

General Retail
 Food Products
 Transportation
 Construction
 Business To Business
TOTAL LOCAL BUSINESS ACTIVITY
COUNTYWIDE POOL ACTIVITY

Atwater		California	
Quarter	Annual	Quarter	Annual
-4.0%	-2.3%	0.1%	0.0%
4.8%	1.0%	0.3%	0.1%
-2.3%	0.9%	-5.8%	-6.2%
14.2%	-4.8%	-1.3%	-2.3%
-39.3%	-13.6%	-2.6%	-3.9%
-0.7%	-1.4%	-1.8%	-2.4%
46.8%	-1.7%	1.1%	-4.4%





News

- Economic Activity:** Real Gross Domestic Product (GDP) increased at an annual rate of 2.8% in the second quarter of 2024. U.S. inflation slowed to 2.9% in July of 2024, down 6.2 percentage point from its most recent peak of 9.1% in June 2022. California's headline inflation stayed constant at 3.3% year over year as of June 2024, down from 3.5% in December of 2023. (DIR, BEA, BLS, August Finance Bulletin)
- Employment:** The U.S. unemployment rate increased to 4.3% in July of 2024. California's unemployment rate decreased slightly to 5.2% in July of 2024, .5 percentage point higher than July of 2023 rate of 4.7%. (EDD, BLS, August Finance Bulletin)
- Personal Income:** U.S. personal income increased by 4.4% for the second quarter of 2024, compared to same quarter previous year. Compensation of employees increased by 4.8%, while personal current taxes increased by 11.0% from the previous period, resulting in a net gain of 3.6% in disposable income. The increase in personal outlays such as personal consumption and expenditures (PCE), personal interest payments, and personal current transfer payments resulted in a decrease of 29.9% in US personal savings for the second quarter of 2024, compared to same quarter previous year. (BEA)

Atwater

Annual Per Capita Sales Tax

Adjusted for Inflation

(Constant 2020 \$)

