

City of Atwater Budget Workshop #2

March 28, 2026



Purpose

- ▶ Fiscal status
- ▶ Review current city priorities
- ▶ Discuss upcoming projects and policy decisions
- ▶ Responses to previous discussion points

Fiscal Status

- ▶ General Fund reserve goal = 25%
- ▶ General Fund budgeted balance = 68.5%

- ▶ Measure B Fund reserve goal = 25%
- ▶ Measure B Fund budgeted balance = 44%

- ▶ FY 25-26 Budget ~\$400k structural deficit

City Priorities

- ▶ Broad categories/options:
 - ▶ Add positions (ongoing cost)
 - ▶ Add programs (one time and/or ongoing cost)
 - ▶ Add projects (one time cost, possible ongoing)
 - ▶ Balance budget (more status quo)

Upcoming Projects/Equipment

- ▶ Road overlays and restriping = \$1,219,000
- ▶ Osborn Park Expansion = \$2,000,000
- ▶ Downtown Pedestrian Improvements = \$4,595,722
- ▶ New Ladder Truck (estimate) = \$2,000,000
- ▶ Castle Sewer Interceptor Completion = \$2,002,899
- ▶ Citywide Traffic Signal Synchronization = \$1,351,000
- ▶ SB 707 Audio Visual upgrades in Council Chambers = \$20,000-\$60,000

Upcoming Policy Decisions

- ▶ CalFIRE Agreement Renewal
- ▶ Evaluate City-owned real estate for revenue
- ▶ Evaluate vacant commercial building issues
- ▶ Housing Element Update
- ▶ General Plan Update

Responses to Previous Discussion Points

- ▶ Infrastructure Projects
- ▶ Parks and Community Projects
- ▶ Recreation Programs Evaluation
- ▶ Public Safety Initiatives
- ▶ Economic Activity and Outreach
- ▶ Financial Discussion
- ▶ Department Spending and Transparency

Infrastructure Projects

- ▶ Road striping and street maintenance
 - ▶ Gas tax
 - ▶ SB1
 - ▶ RSTP
 - ▶ Grant funding
- ▶ Street name signs
 - ▶ 13 out of 20 Tickets left, SB1 Funds; will complete by end of the year
- ▶ Water use rollover policy discussion
 - ▶ Budgeting Water Rate Study; will ask consultant to evaluate

Parks & Community Projects

- ▶ Inclusive and accessible parks initiatives
 - ▶ Possible grant
 - ▶ Inspecting example site in Sacramento/Marina
- ▶ Dog park planned in Osborn Park expansion area
- ▶ Future park development will continue to have public workshops

Recreation Programs Evaluation

- ▶ Which city programs have been the most successful? Basketball (212 participants)
- ▶ Which recreation programs need adjustments?
 - ▶ Adding indoor pickleball
 - ▶ Adding an additional youth volleyball season
 - ▶ Maybe additional youth basketball season

Public Safety Initiatives

- ▶ Police Department - additional officer cost
 - ▶ Cost per officer = \$181,389
 - ▶ For two officers = \$362,778
 - ▶ For three officer = \$544,167
 - ▶ For four officers = \$725,556
 - ▶ Exploring the potential for full or partial funding by Measure B funds
- ▶ Improved signage at the Police Station
 - ▶ Obtaining quotes from sign company
 - ▶ Building façade sign: approximately \$15,000
 - ▶ Pole sign: approximately \$20,000-\$25,000 (depending on options)

Economic Activity & Outreach

- ▶ Infrastructure supporting business growth
 - ▶ Widening Green Sands = \$2,663,024
- ▶ Business roundtable discussions
- ▶ Improving attractiveness of Atwater Blvd
 - ▶ \$16,000 for rock material at underpass
- ▶ Supporting land development and housing
- ▶ Volunteerism initiatives (Love Atwater, \$1k for new program sponsorship)

Financial Discussions

- ▶ Property tax agreement with the County
- ▶ Franchise fees:
 - ▶ Comcast = \$141,073
 - ▶ PG&E = \$358,534
 - ▶ Merced Irrigation District = \$222,432
- ▶ CalPERS Unfunded Accrued Liability (UAL)
 - ▶ Tutorial

CalPERS Actuarial Valuation Reports

▶ <https://www.calpers.ca.gov/employers/actuarial-resources/public-agency-actuarial-valuation-reports>

▶ Type City of Atwater in the Name field:

	CalPERS ID ↕	Name
	<input type="text" value="Search CalPERS ID"/>	<input type="text" value="City of Atwater"/>
<input checked="" type="checkbox"/>	1114344965	City of Atwater
<ul style="list-style-type: none">1. Miscellaneous 2022 (PDF)2. Miscellaneous 2023 (PDF)3. Miscellaneous 2024 (PDF)4. Miscellaneous Second Tier 2022 (PDF)		

Department Spending & Transparency

- ▶ Tracking departmental spending
- ▶ Ensuring funds align with priorities
- ▶ Monitoring program outcomes

Next Steps

- ▶ Departmental budgeting efforts
- ▶ Review by City Manager and Finance Director
- ▶ Presentation of draft Final Budget on May 26
- ▶ Adoption of Final Budget at the June 8 City Council meeting
- ▶ Implementation of FY 26-27 Budget