



Treasurer's Report & Cash Position Update

Oct. 9, 2025

Background

Gov. Code Section 41004 requires monthly
Treasurer's Report

- Check register must be filed with City Council as part of financial oversight



Cash report includes available cash balances
by fund type



Treasurer's Report prepared after bank
reconciliations

- Includes special revenue & debt service funds

Cash vs. Fund Accounting

Fund Accounting - Budget

- Planned revenues/expenditures by fund

Cash Position:

- Actual timing of receipts/disbursements

Both presented for Council review

Seasonal Cash Flow Trends

Lowest cash balances: July–December

Revenue Timing:

- Sales Tax & TOT: Monthly, variable, can be volatile
- Property Tax: 45% Dec, 45% Apr, 10% July

Large Expenditure Timing:

- CalPERS UAL, insurance premiums, and 911 JPA costs in July

Fund Balances & Reserves

General Fund: \$500K (~2% of \$21.2M budget)


Contingency Reserve: \$2.5M



Challenges:

Grant reimbursement lag

Pending FEMA/Cal OES
reimbursements



Major Projects Impacting Cash Flow

Jade Street Community Center

Treasure Cove Playground

- Both federally reimbursed

CIP Fund:

- Project delivery
- Negative due to outstanding FEMA / Cal OES reimbursements
- Impacted by reimbursement lag



Current Financial Position

- August 2 report: Temporary negative General Fund balance
 - Special revenue funds covering General Fund operations
 - Staff managing cash balances closely

Upcoming Revenues



FEMA Reimbursement: \$769,655 (Oct/Nov)



Cal OES: \$192,400 (~1 month later)



Friends of County Parks: \$985,000 (later FY)



FHWA: \$294,000 (later FY)

Revenue Allocation Priorities

Restore

Restore reserve funds

Rebuild

Rebuild General Fund balance by December

Strengthen

Strengthen CIP for grant-funded projects

Reporting Improvements

- Cash Report aligned with Treasurer's Report
 - Consistent, comprehensive data
 - Enhances oversight, transparency, and fiscal management



Cash Flow Strategies for Future Years

- Engage Finance Advisory Committee during budget process.

Options:

- Paying CalPERS UAL monthly
 - Increases annual payment 3.4%
 - Can be partially offset by interest earnings
- Utilizing Retirement Trust
 - Prepay CalPERS in July & replenish trust account over course of fiscal year
- Consider increasing Contingency Reserve over time
- Tax Revenue Anticipation Note
 - Short-term debt to address cash flow needs



Recommendation

- Receive the Monthly Treasurer's Report and Cash Position Update

