

TRACY FINANCE COMMITTEE

REGULAR MEETING MINUTES

March 10, 2025, 5:00 p.m.

City Hall, 333 Civic Center Plaza, Tracy

Web Site: www.cityoftracy.org

CALL TO ORDER – Mayor Pro Tem called the meeting to order at 5:01 p.m.

ROLL CALL – Roll call found Mayor Pro Tem Abercrombie and Council Member Evans present.

1. CONSENT CALENDAR – Motion was made by Council Member Evans and seconded by Mayor Pro Tem Abercrombie to adopt the Consent Calendar. Roll call found all in favor; passed and so ordered.
 - 1.A. Approval of October 22, 2024, meeting minutes. – Minutes were approved.
 - 1.B. Staff recommends that the Tracy Finance Committee receive an informational report on the status of the City Council's FY2024-25 Budget.
2. ITEMS FROM THE AUDIENCE – There were no items from the audience.
3. REGULAR AGENDA

- 3.A. Committee Selection of a Chairperson

ACTION: Motion was made by Mayor Pro Tem Abercrombie to nominate Council Member Evans as Chairperson and seconded by Council Member Evans. Roll call found all in favor; passed and so ordered.

- 3.B. Staff recommends that the Tracy Finance Committee receive an informational report on the FY2024-25 quarter 2 Treasurer's report.

Ray McCray, City Treasurer, provided the staff report and sought committee feedback.

Committee asked clarifying questions.

There was no public comment.

ACTION: Motion was made by Co-Chairperson Abercrombie and seconded by Chairperson Evans that the Tracy Finance Committee receive an informational report on the FY2024-25 quarter 2 Treasurer's report. Roll call found all in favor; passed and so ordered.

- 3.C. Staff recommends that the Tracy Finance Committee receive a report on the Five-year forecast for the City's General Fund and provide direction regarding the City's preliminary Fiscal Year 2025-26 Operating and Capital Budget.

Sara Castro, Finance Director, provided the staff report and sought committee feedback.

Chairperson Evans asked for clarification on how the unemployment rate for the City of Tracy was calculated. Sara Castro stated that she will gather this information and provide it to Chairperson Evans.

Maurice Francis stated that he has been in communication since last November and December with Assistant City Manager Schnaider and he thanked her, the City Manager and Sara Castro for communicating with him. He also stated that he is very interested in how budgets are being discussed and how lists of projects are finalized and brought before Council. He would like to understand the process and how the projects are developed, and which projects have been deferred from previous years and when they'll be brought forward and prioritized. He requested a summary for projects \$75,000 and higher and requested a cost estimated budget. Mr. Francis asked to receive information on what would be the benefit of the rate payers if projects are carried out.

Karin Schnaider stated that she is sharing with him the bid information but some of the details that he is requesting cannot be shared until the bids are released and once that is done, he will be given the information that he has requested.

Community member requested additional lighting on 11th street on the unincorporated side of the overpass. She stated that she thought it was county and asked if we can work together with the county to see if there is something in both budgets to get a few streetlights where the businesses are.

Sara Castro stated that budget allocations will be discussed in May.

Community member stated that she thought that when the cannabis businesses came to the City of Tracy, that the revenue from them was going to be higher.

Sara Castro stated that there are currently five cannabis businesses in Tracy. Current permits allow for up to one more cannabis business. The City is receiving about \$1,000,000 per year from cannabis revenue which is on target with what was projected.

Chairperson Evans stated that he is in favor of funding CalPERS and Retiree Medical. He stated that in regard to the streets and roads he knows that we need to make progress there. He requested that the CalPERS and the Retiree Medical be reduced by 1 to 1.5 percent and have those dollars moved to streets and parks maintenance. Staff will bring back suggestions to the next meeting. Comps were requested by Chairperson Evans.

Karin Schnaider inquired whether they would entertain other options, such as increasing the amounts. Chairperson Evans replied that he would entertain all options.

Committee asked clarifying questions.

There was no public comment.

ACTION: Motion was made by Co-Chairperson Abercrombie and seconded by Chairperson Evans that the Tracy Finance Committee receive a report on the

Five-year forecast for the City's General Fund and provide direction regarding the City's preliminary Fiscal Year 2025-26 Operating and Capital Budget. Roll call found all in favor; passed and so ordered.

3.D. Staff recommends that the Tracy Finance Committee receive an informational report on the allocation of interest earned on City funds and accept staff's recommendation to maintain the current allocation model.

Sara Castro, Finance Director, provided the staff report and sought committee feedback.

Committee asked clarifying questions.

Wes Huffman stated that no one would think it was a good idea to collect money and to pile it and then don't do anything with it. He also stated that the public would like to see what the affect of the Measure V revenue was. It does affect the City budget because they include the revenue interest. He suggested that whatever interest was earned that it would be allocated and would be something the public recognized. He requests the committee's support to change how it's done.

Committee continued to ask clarifying questions.

Mr. Huffman stated that the interest should help fund Measure V projects and that is what he is requesting, and he also stated that it is more transparent.

ACTION: Motion was made by Co-Chairperson Abercrombie and seconded by Chairperson Evans that the Tracy Finance Committee receive an informational report on the allocation of interest earned on City funds and accept staff's recommendation to maintain the current allocation model. Roll call found all in favor; passed and so ordered.

4. STAFF ITEMS – None
5. COMMITTEE ITEMS – None
6. ADJOURNMENT – Time: 6:19 p.m.

ACTION: Motion was made by Co-Chairperson Abercrombie and seconded by Chairperson Evans to adjourn. Motion found all in favor; passed and so ordered.

The agenda was posted at City Hall on March 6, 2025. The above are action minutes. A recording of this meeting is available on the City of Tracy's website.

Chairperson

ATTEST:

Clerk