



MEETING PARTICIPATION NOTICE

This meeting will be conducted utilizing teleconference communications and will be recorded for live streaming as well as open to public attendance subject to social distancing and applicable health orders. All City of Beaumont public meetings will be available via live streaming and made available on the City's official YouTube webpage. Please use the following link during the meeting for live stream access:

BeaumontCa.gov/Livestream

Public comments will be accepted using the following options:

1. Written comments will be accepted via email and will be read aloud during the corresponding item of the meeting. Public comments shall not exceed three (3) minutes unless otherwise authorized by the Committee. Comments can be submitted anytime prior to the meeting as well as during the meeting up until the end of the corresponding item. Please submit your comments to: NicoleW@BeaumontCa.gov
2. Phone-in comments will be accepted by joining a conference line prior to the corresponding item of the meeting. Public comments shall not exceed three (3) minutes unless otherwise authorized by City Council. Please use the following phone number to join the call:
(800) 369-1985 (Toll Free) Access Code: 4421618
3. In person comments subject to the adherence of the applicable health orders and social distancing requirements

In compliance with the American Disabilities Act, if you require special assistance to participate in this meeting, please contact the City Clerk's office using the above email or call (951) 572-3196. Notification 48 hours prior to a meeting will ensure the best reasonable accommodation arrangements.



FINANCE AND AUDIT COMMITTEE MEETING

550 E. 6th Street, Beaumont, CA

Monday, July 13, 2020 - 6:00 PM

AGENDA

Materials related to an item on this agenda submitted to the Finance and Audit Committee after distribution of the agenda packets are available for public inspection in the City Clerk's office at 550 E. 6th Street during normal business hours

Any Person with a disability who requires accommodations in order to participate in this meeting should telephone the City Clerk's office at 951 769 8520, at least 48 hours prior to the meeting in order to make a request for a disability related modification or accommodation

REGULAR SESSION

6:00 PM

CALL TO ORDER

Committee Members: Council Member Martinez, Council Member Carroll, Chair Baron Ginnetti, Vice Chair Richard Bennecke, Member Billiath Bengesa, Member Steve Cooley, Member Frank Parks, *Business/Resident Member vacant and Alternate Member vacant*

Action of any requests for Excused Absence:

Pledge of Allegiance:

Approval/Adjustments to Agenda:

Conflict of Interest Disclosure:

PUBLIC COMMENT PERIOD (ITEMS NOT ON THE AGENDA):

Any one person may address the Committee on any matter not on this agenda. If you wish to speak, please fill out a "Public Comment Form" provided at the back table and give it to the Committee Chair or Secretary. There is a three (3) minute limit on public comments. There will be no sharing or passing of time to another person. State Law prohibits the Committee from discussing or taking actions brought up by your comments.

ACTION ITEMS / PUBLIC HEARINGS / REQUESTS

1. Approval of Minutes

Recommended Action:

Approve Minutes dated June 8, 2020.

2. FY 2020 General Fund and Wastewater Fund update through May 2020

Recommended Action:

It is recommended the Finance and Audit Committee receive and file the updated financial schedules.

SUB-COMMITTEE UPDATES

FUTURE AGENDA ITEMS

MEETING REVIEW - TREASURER

FINANCE DIRECTOR'S COMMENTS

ADJOURNMENT

The next regular meeting of the Finance and Audit Committee Meeting is scheduled for Monday, August 10, 2020, at 6:00 p.m.

Beaumont City Hall – Online www.BeaumontCa.gov

FINANCE AND AUDIT COMMITTEE MEETING

550 E. 6th Street, Beaumont, CA
 Monday, June 08, 2020 - 6:00 PM

MINUTES

REGULAR SESSION

6:00 PM

CALL TO ORDER at 6:09 p.m.

Present: Committee Members: Council Member Martinez, Council Member Carroll, Chair Baron Ginnett, Vice Chair Richard Bennecke, Member Billiath Bengesa, Member Steve Cooley, Member Frank Parks, *Business/Resident Member vacant and Alternate Member vacant*

Action of any requests for Excused Absence: **None**

Pledge of Allegiance:

Approval/Adjustments to Agenda: **None**

Conflict of Interest Disclosure: **None**

PUBLIC COMMENT PERIOD (ITEMS NOT ON THE AGENDA):

Any one person may address the Committee on any matter not on this agenda. If you wish to speak, please fill out a "Public Comment Form" provided at the back table and give it to the Committee Chair or Secretary. There is a three (3) minute limit on public comments. There will be no sharing or passing of time to another person. State Law prohibits the Committee from discussing or taking actions brought up by your comments.

No speakers.

ACTION ITEMS / PUBLIC HEARINGS / REQUESTS

1. Approval of Minutes

Motion by Vice Chair Bennecke

Second by Member Cooley

To approve Minutes dated May 11, 2020.

Approved by a unanimous vote.

2. FY 2020 General Fund and Wastewater Fund Update through April 2020

Motion by Vice Chair Bennecke

Second by Member Cooley

To receive and file the updated financial schedules.

Approved by a unanimous vote.

3. Citywide Grants Update

Motion by Member Cooley

Second by Member Parks

To receive and file.

Approved by a unanimous vote.

4. ACH/ Electronic Funds Transfer Policy

Motion by Member Cooley

Second by Member Bengesa

To recommend that the City Council adopt the policy as drafted with the adjustments the wording to keep the paper copies.

Approved by a unanimous vote.

SUB-COMMITTEE UPDATES

Sub-committee tasks have been put on hold due to the current COVID-19 orders.

FUTURE AGENDA ITEMS

- Investment Policy

MEETING REVIEW - TREASURER

FINANCE DIRECTOR'S COMMENTS

Gave an update of the selection of RAMS for the City auditing services. Announced the approval of the FY20/21 City wide budget.

ADJOURNMENT at 7:12 p.m.



Staff Report

TO: Finance and Audit Committee Members
FROM: Jeff Mohlenkamp, Finance Director
DATE: July 13, 2020
SUBJECT: **FY 2020 General Fund and Wastewater Fund update through May 2020**

Background and Analysis:

Staff has updated the General Fund and Wastewater Fund budget to actual for activity through May 31, 2020. This constitutes 11 months of activity.

The summary schedules and analysis of budget to actual activity is included as Attachments A (General Fund) and Attachment B (Wastewater Fund) to this report.

Recommended Action:

It is recommended the Finance and Audit Committee receive and file the updated financial schedules.

Attachments

- A. FY 2019-20 General Fund Summary – budget to actual through May 2020
- B. FY 2019-20 Wastewater Fund Summary – budget to actual through May 2020



Budget Comparison Report

FY 2020 General Fund through May 2020

SubCategory	2017-2018 YTD Activity Through Per	2018-2019 YTD Activity Through Per	2019-2020 YTD Activity Through Per	Parent Budget		Notes
				2019-2020 REV 2	FY 2019-20 Year End Estimate	
Fund: 100 - GENERAL FUND						
Revenue						
Category: 40 - TAXES						
400 - Real Property Taxes	\$ 4,653,031	\$ 5,033,736	\$ 3,899,935	\$ 4,823,562	\$ 5,716,000	Final payment comes in June
403 - Personal Property Taxes	\$ -	\$ -	\$ 254,416	\$ 228,000	\$ 254,416	
406 - Franchise Fees	\$ 758,144	\$ 789,039	\$ 7,953,449	\$ 7,953,875	\$ 8,400,000	Includes one time solid waste payment of \$5 million, \$2.1 million in franchise fees for solid waste
409 - Sales Taxes	\$ 4,215,871	\$ 4,189,577	\$ 4,208,708	\$ 5,436,227	\$ 4,970,000	The final payment in June includes a true up payment.
420 - Other Taxes	\$ 5,695,825	\$ 3,907,467	\$ 4,159,150	\$ 6,896,381	\$ 6,780,000	Includes VLF which comes in June - \$2.5 million
Total Category: 40 - TAXES:	\$ 15,322,872	\$ 13,919,819	\$ 20,475,658	\$ 25,338,045	\$ 26,120,416	
Category: 41 - LICENSES						
430 - Business Licenses	\$ 150,435	\$ 201,700	\$ 216,275	\$ 214,221	\$ 340,000	Tracking higher than budgeted
Total Category: 41 - LICENSES:	\$ 150,435	\$ 201,700	\$ 216,275	\$ 214,221	\$ 340,000	
Category: 42 - PERMITS						
450 - Building Permits	\$ 1,761,173	\$ 3,693,792	\$ 1,876,582	\$ 3,349,500	\$ 1,947,000	
453 - Inspections	\$ 1,313,458	\$ 270,957	\$ 179,896	\$ 1,080,100	\$ 192,000	
456 - Other Permits	\$ 593,044	\$ 534,190	\$ 473,806	\$ 738,285	\$ 489,000	
Total Category: 42 - PERMITS:	\$ 3,667,675	\$ 4,498,939	\$ 2,530,284	\$ 5,167,885	\$ 2,628,000	
Category: 45 - INTERGOVERNMENTAL						
465 - State	\$ 7,288	\$ 31,935	\$ -	\$ 21,288	\$ -	
470 - Local	\$ -	\$ 9,257	\$ 2,550	\$ -	\$ 2,550	
Total Category: 45 - INTERGOVERNMENTAL:	\$ 7,288	\$ 41,192	\$ 2,550	\$ 21,288	\$ 2,550	
Category: 47 - CHARGES FOR SERVICE						
500 - Sanitation	\$ 6,164,947	\$ 6,899,715	\$ 131,257	\$ -	\$ 138,676	
505 - Animal Control	\$ 207,398	\$ 99,596	\$ 80,890	\$ 118,000	\$ 85,000	
510 - Community Development	\$ 4,019	\$ 5,440	\$ 5,362	\$ 5,000	\$ 5,600	
515 - Public Works	\$ 42,238	\$ 9,445	\$ 11,956	\$ 13,000	\$ 13,500	
525 - Abatements	\$ 49,253	\$ 32,216	\$ 40,412	\$ 66,000	\$ 55,000	
530 - Public Safety	\$ 367,259	\$ 224,863	\$ 201,337	\$ 259,460	\$ 320,000	
535 - Facilities	\$ 160,462	\$ 168,136	\$ 101,948	\$ 125,000	\$ 109,000	
540 - Programs	\$ 139,363	\$ 146,611	\$ 77,882	\$ 110,500	\$ 78,000	
545 - Other	\$ 63,041	\$ 109,700	\$ 137,218	\$ 68,450	\$ 137,000	
Total Category: 47 - CHARGES FOR SERVICE:	\$ 7,197,979	\$ 7,695,722	\$ 788,263	\$ 765,410	\$ 941,776	
Category: 50 - FINES AND FORFEITURES						
555 - Vehicle	\$ 92,147	\$ 76,730	\$ 67,505	\$ 111,780	\$ 75,000	
557 - Other	\$ 3,892	\$ 27,177	\$ 25,247	\$ 22,070	\$ 26,000	

Total Category: 50 - FINES AND FORFEITURES:	\$ 96,038	\$ 103,907	\$ 92,752	\$ 133,850	\$ 101,000	
Category: 53 - COST RECOVERY						
465 - State	\$ -	\$ 8,889	\$ 24,870	\$ -	\$ 26,000	
565 - Other Income	\$ 327,482	\$ 505,279	\$ 423,432	\$ -	\$ 565,000	
Total Category: 53 - COST RECOVERY:	\$ 327,482	\$ 514,169	\$ 448,302	\$ -	\$ 591,000	
Category: 54 - MISCELLANEOUS REVENUES						
560 - Investment Earnings	\$ 4,397	\$ 1,437	\$ 106,383	\$ 1,000	\$ 122,000	
565 - Other Income	\$ 28,133	\$ 19,933	\$ 159,048	\$ 146,500	\$ 193,000	
Total Category: 54 - MISCELLANEOUS REVENUES:	\$ 32,531	\$ 21,370	\$ 265,431	\$ 147,500	\$ 315,000	
Category: 58 - OTHER FINANCING SOURCES						
595 - Sale of Assets	\$ 5,342	\$ 20,629	\$ 27,431	\$ 5,000	\$ 27,431	
599 - Other	\$ -	\$ 174,956	\$ -	\$ -	\$ -	
Total Category: 58 - OTHER FINANCING SOURCES:	\$ 5,342	\$ 195,585	\$ 27,431	\$ 5,000	\$ 27,431	
Category: 90 - TRANSFERS						
900 - Transfers	\$ (21,611)	\$ 130,300	\$ 1,831,408	\$ 6,121,237	\$ 6,121,000	
Total Category: 90 - TRANSFERS:	\$ (21,611)	\$ 130,300	\$ 1,831,408	\$ 6,121,237	\$ 6,121,000	
Total Revenue:	\$ 26,786,029	\$ 27,322,703	\$ 26,678,352	\$ 37,914,436	\$ 37,188,173	
Expense						
Category: 60 - PERSONNEL SERVICES						
600 - SALARIES AND WAGES	\$ 8,708,758	\$ 9,929,543	\$ 10,570,406	\$ 12,724,112	\$ 11,700,000	
610 - BENEFITS	\$ 3,897,463	\$ 4,737,800	\$ 5,182,756	\$ 6,559,431	\$ 6,370,000	
615 - OTHER	\$ 364,392	\$ 675,779	\$ 766,003	\$ 469,089	\$ 912,000	
Total Category: 60 - PERSONNEL SERVICES:	\$ 12,970,613	\$ 15,343,122	\$ 16,519,165	\$ 19,752,632	\$ 18,982,000	Personnel Costs will end under budget
Category: 65 - OPERATING COSTS						
650 - UTILITIES	\$ 1,259,021	\$ 1,507,360	\$ 1,514,281	\$ 2,014,300	\$ 1,970,000	
655 - ADMINISTRATIVE	\$ 351,488	\$ 367,600	\$ 337,575	\$ 370,237	\$ 396,000	
660 - FLEET COSTS	\$ 378,081	\$ 308,295	\$ 366,717	\$ 364,062	\$ 412,000	
665 - PROGRAM COSTS	\$ 504,657	\$ 481,179	\$ 469,881	\$ 493,200	\$ 592,000	
670 - REPAIRS AND MAINTENANCE	\$ 398,469	\$ 366,666	\$ 291,163	\$ 538,039	\$ 382,000	
675 - SUPPLIES	\$ 275,628	\$ 300,349	\$ 296,388	\$ 524,183	\$ 345,000	
680 - SPECIAL SERVICES	\$ 5,365,825	\$ 5,985,422	\$ 612,648	\$ 1,061,000	\$ 732,000	
690 - CONTRACTUAL SERVICES	\$ 3,796,263	\$ 3,658,019	\$ 4,245,472	\$ 6,529,503	\$ 5,827,000	
697 - ADMIN OVERHEAD	\$ (525,000)	\$ (534,000)	\$ (562,500)	\$ (750,000)	\$ (750,000)	
699 - OTHER	\$ 819,378	\$ 986,811	\$ 1,201,391	\$ 1,347,311	\$ 1,497,000	
Total Category: 65 - OPERATING COSTS:	\$ 12,623,810	\$ 13,427,700	\$ 8,773,015	\$ 12,491,835	\$ 11,403,000	Operating costs will end under budget
Category: 70 - CAPITAL IMPROVEMENTS						
700 - EQUIPMENT	\$ 75,224	\$ 410,200	\$ 47,595	\$ 110,950	\$ 63,000	
703 - FURNITURE	\$ 19,609	\$ -	\$ 9,082	\$ 6,038	\$ 9,082	
705 - VEHICLE	\$ 485,844	\$ 174,479	\$ 250,088	\$ 351,020	\$ 317,000	
710 - STRUCTURE	\$ -	\$ 8,019	\$ -	\$ -	\$ -	
750 - OTHER	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Category: 70 - CAPITAL IMPROVEMENTS:	\$ 580,677	\$ 592,698	\$ 306,765	\$ 468,009	\$ 389,082	
Category: 77 - CONTINGENCY						
770 - CONTINGENCY	\$ -	\$ 30,000	\$ -	\$ 47,961	\$ -	
Total Category: 77 - CONTINGENCY:	\$ -	\$ 30,000	\$ -	\$ 47,961	\$ -	
Category: 78 - CAPITAL OUTLAY						
780 - CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Category: 78 - CAPITAL OUTLAY:	\$ -	\$ -	\$ -	\$ -	\$ -	
Category: 80 - DEBT SERVICE						

800 - Debt Service	\$	-	\$	-	\$	-	\$	-
Total Category: 80 - DEBT SERVICE:	\$	-	\$	-	\$	-	\$	-
Category: 90 - TRANSFERS								
900 - Transfers	\$	-	\$	43,985	\$	45,194	\$	154,000
Total Category: 90 - TRANSFERS:	\$	-	\$	43,985	\$	45,194	\$	154,000
Total Expense:	\$	26,175,100	\$	29,437,505	\$	25,644,140	\$	32,914,436
Revenues Less Expenses	\$	612,311	\$	(2,042,159)	\$	958,238	\$	5,000,000
	\$		\$		\$		\$	6,368,897

Overall Analysis: The General Fund is tracking to have a surplus (revenues exceeding expenses) of \$6.2 to \$6.7 million. The projection has been revised upward due to some increases in revenues beyond anticipated and reductions in projected expenditures. The surplus is largely due to the receipt of a one-time \$5 million solid waste retention fee. Expense savings provides the remainder of the surplus.



City of Beaumont, CA

Budget Comparison Report

FY 2020 Waste Water Fund through May 2020

Item 2.

SubCategory	2017-2018 YTD Activity Through Per	2018-2019 YTD Activity Through Per	2019-2020 YTD Activity Through Per	Parent Budget	FY 2020
				2019-2020 REV 2	Estimated Results
Fund: 700 - WASTEWATER FUND					
Revenue					
Category: 50 - FINES AND FORFEITURES					
557 - Other	\$ -	\$ 9,000	\$ 1,000	\$ -	\$ 1,000
Total Category: 50 - FINES AND FORFEITURES:	\$ -	\$ 9,000	\$ 1,000	\$ -	
Category: 53 - COST RECOVERY					
565 - Other Income	\$ 11,312	\$ -	\$ 6,236	\$ -	\$ 6,236
Total Category: 53 - COST RECOVERY:	\$ 11,312	\$ -	\$ 6,236	\$ -	
Category: 54 - MISCELLANEOUS REVENUES					
560 - Investment Earnings	\$ -	\$ 70,544	\$ 40,158	\$ 75,000	\$ 58,500
Total Category: 54 - MISCELLANEOUS REVENUES:	\$ -	\$ 70,544	\$ 40,158	\$ 75,000	
Category: 56 - PROPRIETARY REVENUES					
570 - WasteWater	\$ 6,697,431	\$ 7,300,995	\$ 8,411,821	\$ 9,862,625	\$ 10,035,000 5 of 6 payments received
Total Category: 56 - PROPRIETARY REVENUES:	\$ 6,697,431	\$ 7,300,995	\$ 8,411,821	\$ 9,862,625	\$ 10,035,000
Category: 58 - OTHER FINANCING SOURCES					
595 - Sale of Assets	\$ -	\$ 635	\$ -	\$ -	
599 - Other	\$ -	\$ 831	\$ 780	\$ -	\$ 780
Total Category: 58 - OTHER FINANCING SOURCES:	\$ -	\$ 1,466	\$ 780	\$ -	
Category: 90 - TRANSFERS					
900 - Transfers	\$ (3,955,106)	\$ (100,000)	\$ -	\$ -	\$ -
Total Category: 90 - TRANSFERS:	\$ (3,955,106)	\$ (100,000)	\$ -	\$ -	\$ -
Total Revenue:	\$ 2,753,637	\$ 7,282,005	\$ 8,459,995	\$ 9,937,625	\$ 10,101,516 Tracking very close to budget
Expense					
Category: 60 - PERSONNEL SERVICES					
600 - SALARIES AND WAGES	\$ 169,920	\$ 552,597	\$ 984,667	\$ 1,313,356	\$ 1,098,000
610 - BENEFITS	\$ 73,094	\$ 207,092	\$ 289,075	\$ 543,485	\$ 418,500
615 - OTHER	\$ 2,655	\$ 9,295	\$ 16,253	\$ 38,528	\$ 34,700
Total Category: 60 - PERSONNEL SERVICES:	\$ 245,669	\$ 768,983	\$ 1,289,995	\$ 1,895,369	\$ 1,551,200 Tracking below budget
Category: 65 - OPERATING COSTS					
650 - UTILITIES	\$ 598,482	\$ 655,164	\$ 719,761	\$ 827,618	\$ 839,000
655 - ADMINISTRATIVE	\$ 112,680	\$ 116,643	\$ 103,556	\$ 90,946	\$ 152,000
660 - FLEET COSTS	\$ 12,801	\$ 12,952	\$ 22,812	\$ 36,880	\$ 31,600
670 - REPAIRS AND MAINTENANCE	\$ 30,651	\$ 73,334	\$ 43,720	\$ 115,500	\$ 57,000
675 - SUPPLIES	\$ 180,633	\$ 232,826	\$ 161,181	\$ 321,610	\$ 176,300

690 - CONTRACTUAL SERVICES	\$ 1,297,307	\$ 1,113,240	\$ 691,701	\$ 1,147,140	\$ 907,000
697 - ADMIN OVERHEAD	\$ 450,000	\$ 459,000	\$ 487,500	\$ 650,000	\$ 650,000
699 - OTHER	\$ 13,812	\$ 85,872	\$ 103,265	\$ 233,304	\$ 121,000
Total Category: 65 - OPERATING COSTS:	\$ 2,696,367	\$ 2,749,030	\$ 2,333,495	\$ 3,422,998	\$ 2,933,900
					Expected to finish under budget
Category: 70 - CAPITAL IMPROVEMENTS					
700 - EQUIPMENT	\$ -	\$ 69,588	\$ 29,498	\$ 10,000	\$ 34,000
750 - Contingency	\$ -	\$ -	\$ 353,147	\$ 500,000	\$ 463,600
Total Category: 70 - CAPITAL IMPROVEMENTS:	\$ -	\$ 69,588	\$ 382,645	\$ 510,000	\$ 497,600
Category: 90 - TRANSFERS					
900 - Transfers	\$ -	\$ -	\$ 3,858,375	\$ 4,732,326	\$ 4,751,877
Total Category: 90 - TRANSFERS:	\$ -	\$ -	\$ 3,858,375	\$ 4,732,326	\$ 4,751,877
Total Expense:	\$ 2,942,036	\$ 3,587,601	\$ 7,864,511	\$ 10,560,693	\$ 9,734,577
Total Fund: 700 - WASTEWATER FUND:	\$ (188,399)	\$ 3,694,404	\$ 595,484	\$ (623,068)	\$ 366,939

Overall Evaluation: The wastewater fund is expected to finish the year with an operating surplus of \$300K to \$400K. Revenues are tracking slightly higher than budgeted and expenses are tracking below budget.

