



FINANCE AND AUDIT COMMITTEE MEETING

550 E. 6th Street, Beaumont, CA

Monday, August 09, 2021 - 6:00 PM

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.

AGENDA

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 City Council. 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 **(951) 922 - 4845.**
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.

REGULAR SESSION

6:00 PM

CALL TO ORDER

Committee Members: Council Member Julio Martinez, Council Member David Fenn, Treasurer Baron Ginnetti, Chair Thomas LeMasters, Vice Chair Steve Cooley, Member Frank Parks, Member Keith Bacon, Member Cesar Marrufo, Alternate Member David Vanderpool, and Alternate Member Dameon Butler

Action of any Requests for Excused Absence

Pledge of Allegiance

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 July 12, 2021.

2. FY2022 General Fund and Wastewater Fund Budget to Actual through July 2021 and FY2021 4th Quarter Pooled Cash Investment Report

Recommended Action:

Receive and file the attached reports.

SUB-COMMITTEE UPDATES

Internal Control Committee

Financial Training Committee

CFD Training and FAQ Committee

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, September 13, 2021, at 6:00 p.m.

Beaumont City Hall – Online www.BeaumontCa.gov

FINANCE AND AUDIT COMMITTEE MEETING

550 E. 6th Street, Beaumont, CA

Monday, July 12, 2021 - 6:00 PM

MINUTES

REGULAR SESSION

6:00PM

CALL TO ORDER at 6:01 p.m.

Present: Committee Members: Council Member Julio Martinez, Council Member David Fenn, Treasurer Baron Ginnetti, Chair Thomas LeMasters, Vice Chair Steve Cooley, Member Cesar Maruffo, Alternate Member David Vanderpool,

Absent: Member Frank Parks, Member Keith Bacon, and Alternate Member Dameon Butler

Action of any Requests for Excused Absence **Member Bacon**

Pledge of Allegiance

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.

None

ACTION ITEMS / PUBLIC HEARINGS / REQUESTS

1. Approval of Minutes

Motion by Council Member Fenn

Second by Treasurer Ginnetti

To approve minutes dated June 14, 2021.

Approved by a 6-0 vote.

2. FY2021 General Fund and Wastewater Fund Budget to Actual through June 2021

Motion by Vice Chair Cooley

Second by Member Maruffo

To receive and file the attached report.

Approved by a 6-0 vote.

3. Discussion of Potential Additional Areas Requiring a Sub-Committee

Consensus to take the following subcommittee tasks to City Council for consideration

- Reserves Policy
- CalPers Liability
- Long-term Financial Stability
- Bond Accountability

SUB-COMMITTEE UPDATES

Internal Control Committee - *Looking to start tasks soon*

CFD Training and FAQ Committee - *Have not met yet.*

Financial Training - *Will be asking Council for a due date.*

FUTURE AGENDA ITEMS

None

MEETING REVIEW - TREASURER

FINANCE DIRECTOR'S COMMENTS

Gave an update of the fixed asset module implementation. Creating an RFQ for a cost allocation study. Launching a new budget software.

ADJOURNMENT at 6:35 p.m.



Staff Report

TO: Finance and Audit Committee Members
FROM: Jennifer Ustation, Finance Director
DATE: August 9, 2021
SUBJECT: **FY2022 General Fund and Wastewater Fund Budget to Actual through July 2021 and FY2021 4th Quarter Pooled Cash Investment Report**

Background and Analysis:

City staff has updated the analysis of the General Fund and Wastewater Fund for FY2022 with results through July 2022. This represents 1 month of activity. The FY2021 accrual process will take place through August. This will reflect on the July and August reports and is included in the analysis in the attachments. City staff has also included a Pooled Cash Investment Report for the FY2021 4th quarter.

Recommended Action:

Receive and file the attached reports.

Attachments:

- A. FY2022 General Fund Budget to Actual Report – through July 2021
- B. FY2022 Wastewater Fund Budget to Actual Report – through July 2021
- C. FY2021 4th Quarter Pooled Cash Investments Report



SubCategory	2019-2020 YTD Activity Through Per	2020-2021 YTD Activity Through Per	2021-2022 YTD Activity Through Per	Parent Budget	FY2022 Estimate	Notes
				2021-2022 V3		
Category: 40 - TAXES						
400 - Real Property Taxes	(196,603.21)	(116,491.06)	195,929.85	6,516,588.00	6,516,588.00	
403 - Personal Property Taxes	-	-	-	277,822.00	277,822.00	
409 - Sales Taxes	(427,713.14)	(1,352,550.97)	821,802.92	6,926,638.00	6,926,638.00	
420 - Other Taxes	(496.31)	(34,896.32)	220,332.32	8,462,873.00	8,462,873.00	
Total Category: 40 - TAXES:	(624,812.66)	(1,503,938.35)	1,238,065.09	22,183,921.00	22,183,921.00	The YTD numbers are not a good reflection of current FY as Finance is still in the process of accruing receipts for FY21
Category: 41 - LICENSES						
430 - Business Licenses	84,329.61	88,527.06	24,473.93	405,000.00		
Total Category: 41 - LICENSES:	84,329.61	88,527.06	24,473.93	405,000.00	405,000.00	
Category: 42 - PERMITS						
450 - Building Permits	112,360.90	114,862.34	296,636.63	2,857,250.00		Building permits overall are higher than they normally are for July
453 - Inspections	10,500.00	22,275.13	-	376,200.00	2,857,250.00	
456 - Other Permits	28,809.54	29,048.10	35,582.14	746,575.00	376,200.00	
515 - Public Works	-	-	-	-	746,575.00	
Total Category: 42 - PERMITS:	151,670.44	166,185.57	332,218.77	3,980,025.00	3,980,025.00	
Category: 43 - FRANCHISE FEES						
406 - Franchise Fees	5,448,294.80	403,945.00	555,485.11	3,111,474.00	3,111,474.00	
Total Category: 43 - FRANCHISE FEES:	5,448,294.80	403,945.00	555,485.11	3,111,474.00	3,111,474.00	
Category: 45 - INTERGOVERNMENTAL						
465 - State	-	-	-	-	-	
470 - Local	-	-	-	-	-	
tal Category: 45 - INTERGOVERNMENTAL:	-	-	-	-	-	

Category: 47 - CHARGES FOR SERVICE

500 - Sanitation	(10,461.95)	-	2,414.52	-	-	
505 - Animal Control	2,588.91	(6,037.70)	15,147.68	111,564.00	111,564.00	Invoice in this line that will be accrued \$10,000
510 - Community Development	560.00	430.00	410.00	6,135.00	6,135.00	
515 - Public Works	558.00	1,395.00	-	15,500.00	15,500.00	
525 - Abatements	(9,213.00)	(12,024.00)	1,847.70	67,399.00	67,399.00	
530 - Public Safety	3,242.00	(27,159.22)	18,527.14	450,496.00	450,496.00	invoice in here to accrue \$15,000
535 - Facilities	13,681.79	6,016.82	7,721.86	131,020.00	131,020.00	
540 - Programs	20,453.00	-	959.00	18,750.00	18,750.00	
545 - Other	4,639.96	445.75	2,103.08	280,050.00	280,050.00	
Total Category: 47 - CHARGES FOR SERVICE:	26,048.71	(36,933.35)	49,130.98	1,080,914.00	1,080,914.00	

Category: 50 - FINES AND FORFEITURES

555 - Vehicle	(3,195.80)	(1,065.65)	20,768.95	76,608.00	76,608.00	
557 - Other	(207.45)	3,303.33	187.60	52,195.00	52,195.00	
Total Category: 50 - FINES AND FORFEITURES:	(3,403.25)	2,237.68	20,956.55	128,803.00	128,803.00	

Category: 53 - COST RECOVERY

465 - State	-	-	-	20,000.00	20,000.00	
565 - Other Income	15,573.01	57,731.10	13,599.68	432,500.00	432,500.00	
Total Category: 53 - COST RECOVERY:	15,573.01	57,731.10	13,599.68	452,500.00	452,500.00	

Category: 54 - MISCELLANEOUS REVENUE

560 - Investment Earnings	123.52	124.45	(60,748.84)	275,000.00	275,000.00	Receipt for Interest was accrued but not yet posted at time of running this report
565 - Other Income	1,499.38	9,717.84	4,000.21	34,000.00	34,000.00	
Total Category: 54 - MISCELLANEOUS REVENUES:	1,622.90	9,842.29	(56,748.63)	309,000.00	309,000.00	

Category: 58 - OTHER FINANCING SOURCE

595 - Sale of Assets	-	-	-	-	-	
599 - Other	(8.34)	-	0.06	-	-	
Total Category: 58 - OTHER FINANCING SOURCES:	(8.34)	-	0.06	-	-	

Category: 90 - TRANSFERS

900 - Transfers	-	-	-	7,801,175.00	7,801,175.00	Transfers are quarterly
Total Category: 90 - TRANSFERS:	-	-	-	7,801,175.00	7,801,175.00	

Total Revenue:	5,099,315.22	(812,403.00)	2,177,181.54	39,452,812.00	39,452,812.00	
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Category: 60 - PERSONNEL SERVICES

600 - SALARIES AND WAGES	395,362.51	749,239.97	293,564.09	14,713,709.00	14,713,709.00	1 of 26 pay periods reported
610 - BENEFITS	1,478,172.42	1,525,123.38	1,431,891.55	6,545,052.00	6,545,052.00	
615 - OTHER	34,002.01	35,084.85	8,689.72	299,931.00	299,931.00	
699 - OTHER	4,070.86	2,965.00	-	95,850.00	95,850.00	
total Category: 60 - PERSONNEL SERVICES:	1,911,607.80	2,312,413.20	1,734,145.36	21,654,542.00	21,654,542.00	

Category: 65 - OPERATING COSTS						
615 - OTHER	225.00	-	3,075.00	35,000.00	35,000.00	
650 - UTILITIES	7,813.28	12,364.20	14,457.07	1,624,392.00	1,624,392.00	
655 - ADMINISTRATIVE	55,204.18	23,731.74	26,016.78	642,892.00	642,892.00	
660 - FLEET COSTS	6,934.40	10,696.08	1,903.80	415,389.00	415,389.00	
665 - PROGRAM COSTS	42,006.32	-	435.00	750,250.00	750,250.00	
670 - REPAIRS AND MAINTENANCE	2,808.24	3,480.76	144,723.03	885,627.00	885,627.00	Annual support costs paid earlier than prior years
675 - SUPPLIES	4,118.43	1,984.24	37,669.13	998,261.00	998,261.00	
680 - SPECIAL SERVICES	2,735.00	-	-	946,200.00	946,200.00	
690 - CONTRACTUAL SERVICES	310,059.26	(687,303.93)	324,218.65	7,337,385.00	7,337,385.00	
697 - ADMIN OVERHEAD	-	-	-	-	-	
699 - OTHER	1,115,829.87	168,480.24	1,691,284.00	1,872,674.00	1,872,674.00	Annual Liability & Property Contributions
Total Category: 65 - OPERATING COSTS:	1,547,733.98	(466,566.67)	2,243,782.46	15,508,070.00	15,508,070.00	

Category: 70 - CAPITAL IMPROVEMENTS						
700 - EQUIPMENT	3,726.94	19,694.60	3,726.94	304,952.00	304,952.00	
703 - FURNITURE	-	-	-	-	-	
705 - VEHICLE	5,418.34	5,418.34	6,388.62	615,226.00	615,226.00	
Category: 70 - CAPITAL IMPROVEMENTS:	9,145.28	25,112.94	10,115.56	920,178.00	920,178.00	

Category: 77 - CONTINGENCY						
770 - CONTINGENCY	-	-	-	150,000.00	150,000.00	
Total Category: 77 - CONTINGENCY:	-	-	-	150,000.00	150,000.00	

Category: 90 - TRANSFERS						
900 - Transfers	-	-	-	445,271.00	445,271.00	
Total Category: 90 - TRANSFERS:	-	-	-	445,271.00	445,271.00	

Total Expense:	3,468,487.06	1,870,959.47	3,988,043.38	38,678,061.00	38,678,061.00	
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Total Fund 100 - General Fund	\$ 1,630,828.16	\$ (2,683,362.47)	\$ (1,810,861.84)	\$ 774,751.00	\$ 774,751.00	
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Analysis: FY21 accruals will take place through August. July will trend differently for this reason.



SubCategory	2019-2020 YTD Activity	2020-2021 YTD Activity	2021-2022 YTD Activity	Parent Budget	FY2022 Estimate	Notes
				2021-2022 V3		
Category: 50 - FINES AND FORFEITURES						
557 - Other	-	-	-	5,000.00	5,000.00	
Total Category: 50 - FINES AND FORFEITURES:	-	-	-	5,000.00	5,000.00	
Category: 53 - COST RECOVERY						
565 - Other Income	-	-	-	5,000.00	5,000.00	
Total Category: 53 - COST RECOVERY:	-	-	-	5,000.00	5,000.00	
Category: 54 - MISCELLANEOUS REVENUES						
560 - Investment Earnings	-	-	-	100,000.00	100,000.00	
Total Category: 54 - MISCELLANEOUS REVENUES:	-	-	-	100,000.00	100,000.00	
Category: 56 - PROPRIETARY REVENUES						
570 - WasteWater	(1,576.87)	(588.85)	16,732.09	11,671,500.00	11,671,500.00	
Total Category: 56 - PROPRIETARY REVENUES:	(1,576.87)	(588.85)	16,732.09	11,671,500.00	11,671,500.00	Amount in activity will be accrued
Category: 58 - OTHER FINANCING SOURCES						
599 - Other	-	-	-	-	-	
Total Category: 58 - OTHER FINANCING SOURCES:	-	-	-	-	-	
Total Revenue:	(1,576.87)	(588.85)	16,732.09	11,781,500.00	11,781,500.00	
Category: 60 - PERSONNEL SERVICES						
600 - SALARIES AND WAGES	36,110.11	50,092.09	26,729.39	1,557,349.00	1,557,349.00	1 of 26 pay periods recorded
610 - BENEFITS	72,190.88	71,379.24	107,578.56	576,339.00	576,339.00	
615 - OTHER	985.55	724.81	380.87	21,412.00	21,412.00	
699 - OTHER	-	562.70	-	12,300.00	12,300.00	
Total Category: 60 - PERSONNEL SERVICES:	109,286.54	122,758.84	134,688.82	2,167,400.00	2,167,400.00	
Category: 65 - OPERATING COSTS						
615 - OTHER	-	-	-	-	-	
650 - UTILITIES	428.30	628.68	91,398.57	767,796.00	767,796.00	
655 - ADMINISTRATIVE	2,825.54	17,215.90	3,297.90	187,475.00	187,475.00	
660 - FLEET COSTS	-	28.00	223.25	34,820.00	34,820.00	
670 - REPAIRS AND MAINTENANCE	527.19	-	-	96,200.00	96,200.00	
675 - SUPPLIES	6,647.39	1,759.48	7,053.73	553,900.00	553,900.00	
690 - CONTRACTUAL SERVICES	257.00	1,160.00	1,128.98	1,188,816.00	1,188,816.00	
697 - ADMIN OVERHEAD	-	-	-	-	-	
699 - OTHER	605.66	180.05	-	649,050.00	649,050.00	

Total Category: 65 - OPERATING COSTS:	11,291.08	20,972.11	103,102.43	3,478,057.00	3,478,057.00
Category: 70 - CAPITAL IMPROVEMENTS					
700 - EQUIPMENT	-	8,636.46	-	198,638.00	198,638.00
705 - VEHICLE	-	-	17,272.92	215,000.00	215,000.00
750 - OTHER	-	-	-	100,000.00	100,000.00
Total Category: 70 - CAPITAL IMPROVEMENTS:	-	8,636.46	17,272.92	513,638.00	513,638.00
Category: 90 - TRANSFERS					
900 - Transfers	-	-	-	5,622,405.00	5,622,405.00
Total Category: 90 - TRANSFERS:	-	-	-	5,622,405.00	5,622,405.00
Total Expense:	120,577.62	152,367.41	255,064.17	11,781,500.00	11,781,500.00
Total Fund 700 - Wastewater	\$ (122,154.49)	\$ (152,956.26)	\$ (238,332.08)	\$ -	\$ -
Analysis: FY21 accruals will take place through August. July will trend differently for this reason.					



**CITY OF BEAUMONT
 POOLED INVESTMENT PORTFOLIO HOLDINGS
 June 30, 2021**

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	MARKET VALUE
<u>Deposit Accounts</u>						
Citibank Checking (Pooled Cash)	N/A	N/A	NR	N/A	60,977,215.23	60,977,215.23
Bank of Hemet - Payroll	N/A	N/A	NR	N/A	1,710,811.33	1,710,811.33
Bank of Hemet - Gas Tax	N/A	N/A	NR	N/A	1,529,671.98	1,529,671.98
Bank of Hemet - Evidence and Seizure Fund	N/A	N/A	NR	N/A	305,196.89	305,196.89
Bank of Hemet - Construction	N/A	N/A	NR	N/A	1,069,026.06	1,069,026.06
<u>Certificates of Deposit</u>						
Bank of Hemet	0.75	3/27/2023	NR	3/27/2019	200,000.00	203,409.88
Local Agency Investment Fund (LAIF)	N/A	Varies	NR	Varies	74,557,724.93	74,557,724.93