



Staff Report

TO: City Council
FROM: Claudia Shedd, Budget Specialist
DATE May 21, 2024
SUBJECT: FY2023-2024 3rd Quarter Budget Amendment

Description Staff recommends the City Council to review and approve staff's recommended budget adjustment for fiscal year 2023/2024. Budget adjustments are recommended for Self-Insurance, Public Works SB1383 Grant and Police, Fire Department AMR funds and approved CIP budget adjustments.

Background and Analysis:

Per the City of Beaumont Financial Policies, the Finance Department will maintain a system of tools for departments to manage their budgets and for financial monitoring and control of the City's budget during the fiscal year. This system will provide departments, Mayor and City Council with information on revenue, expenditures and budget performance at both the department and fund level. The system will include provisions for amending the budget during the year in order to comply with this policy and State of California budgetary statutes.

The City has had to make settlement payments in relation to general litigation. Due to these settlement payments the spending authority in the self-insurance fund needs to be increased to allow for the payments that have taken place.

On February 26, 2024, the City of Beaumont received an award notification for SB 1383 Local Assistance Grant Program (OWR4) from the Department of Resources Recycling and Recovery (Cal Recycle) in the amount of \$154,625. Since this grant falls between FY2023/2024 and FY2024/2025, staff is requesting to complete a budget adjustment of \$50,000 for FY2023/2024 and the remaining of the grant will be allocated to FY2024/2025.

The Police and Fire Department have identified expenditures for the AMR program. Staff plans to fund purchases using available AMR funds.

The following budget adjustments are recommended due to new information or to remain within spending authority.

Self-Insurance Fund:		
<u>Expenses</u>		
Settlements	\$153,403	General Litigation

Other Special Revenues Fund:		
<u>Revenues</u>		
Grants-SB 1383 Recycle	\$50,000	CalRecycle- Partial Allocation
<u>Expenses</u>		
SB 1383 Costs	\$50,000	Capacity Planning and Procurement

Other Special Revenues Fund:		
<u>Expenses</u>		
Special Dept Supplies-AMR	\$56,816	AMR General Expenses

On May 7, 2024, the City Council approved the Resolution for the fourth amendment to the City’s FY2024-2028 Capital Improvement Plan. Attachment D reflects the budget adjustments needed to provide spending authority for the approved changes.

Fiscal Impact:

The General Fund unprogrammed expenditures will increase by \$2,590,762. The Self-Insurance Fund expenditures will increase by \$153,403 to balance the legal settlement expenses incurred throughout the fiscal year. Other Special Revenue Fund will increase by \$50,000 with the amount coming from the SB 1383 Local assistance Grant and expense for Capacity Planning and Procurement. The AMR Special Dept Supplies will increase expense by \$56,816 for the purchases of supplies for the Police and Fire Department. The CFD Admin Fund will increase expenditures by \$295,000. The Capital Projects Fund will reduce fund balance by \$1,474,690. The Road and Bridge DIF expenditures will increase by \$1,525,310. The Wastewater Mitigation Fund will decrease expenditures by \$1,463,716. The Police Facilities Mitigation Fund will decrease expenditures by \$660,397 and the Traffic Signal Mitigation Fund will decrease expenditures by \$27,946.

Recommended Action:

Approve FY2023-2024 budget adjustments as outline in attachments.

Attachments:

- A. Self-Insurance Fund 120 Budget Adjustment Form

- B. Public Works SB 1383 Grant Budget Adjustment Form
- C. AMR Program Budget Adjustment Form
- D. CIP Fourth Amendment FY2024-2028 Budget Adjustment Form (City Council approved on 5/7/24)
- E. CIP Approved Changes