

CITY OF WILDOMAR
MEASURE AA OVERSIGHT ADVISORY COMMITTEE
AGENDA

7:00 P.M. or immediately following the Measure Z
Oversight Advisory Committee Meeting

August 27, 2020 – Regular Meeting

Pursuant to Governor Newsom's Executive Orders N-25-20
and N-29-20, the Measure AA Oversight Advisory
Committee will be conducted electronically via video and
teleconferencing.



Steve Regalado, Vice Chair
Shelley Hitchcock, Committee Member
Brian Jacobs, Committee Member
Christopher Pselos, Committee Member
Sheila Urlaub, Committee Member

Gary Nordquist
City Manager

Janet Morales
Acting City Clerk

The Measure AA Oversight Advisory Committee will be held electronically via video and teleconferencing pursuant to the provisions of the Governor's Executive Order N-29-20

The City of Wildomar encourages your participation in the meeting; however, in order to minimize the spread of the COVID-19 virus, this meeting is being conducted utilizing video and teleconferencing. The City Council Chambers will not be open to the public. The public may view and participate in the meeting via ZOOM video or teleconferencing.

Instructions for Electronic Participation

If you would like to make a public comment and/or a comment on a specific agenda item, please follow the following instructions:

1. Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.
2. Log in or call into ZOOM via desktop/laptop, smartphone or telephone. You must download the ZOOM app to access the link from an Apple smartphone.

Join Zoom Meeting

<https://us02web.zoom.us/j/82849262697>

OR

Dial in:

+1 669 900 6833 US

Meeting ID: 828 4926 2697

Please Note: During the meeting all participants video will be turned off during the entire meeting and you will be placed on Mute by the host. You will not be able to mute or unmute your lines manually. The host will unmute your line when you are called to speak.

3. During Public Comment not on the Agenda and after each Agenda Item, the Chair will announce Public Comment. If you would like to speak, please raise your hand virtually to be placed in the queue. When your name or the last 3 digits of your phone number are called, the host will unmute you. Public Comments will be limited to 3 minutes or such other time as the Committee may provide.

Directions to virtually raise hand on a DESKTOP/LAPTOP:

- Click on the “**Participants**” button on the bottom of the screen.
- A list of participants will appear on the right side of the screen. At the bottom of the list, please click on the grey “**Raise Hand**” button.

Directions to virtually raise hand on a SMARTPHONE:

- Click on the “**Participants**” button on the bottom of your screen.
- A new screen will pop up with the list of participants. Look for the “**Raise Hand**” button on the screen and click the button.

Directions to virtually raise hand on a TELEPHONE line only:

- **Dial *9** on your keypad to signal that you would like to comment.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the City Clerk’s Office at 951-677-7751 x210.

The City of Wildomar thanks you in advance for taking all precautions to prevent spreading the COVID 19 virus.

ADDITIONS/DELETIONS: Items of business may be added to the agenda upon a motion adopted by a minimum 2/3 vote finding that there is a need to take immediate action and that the need for action came to the attention of the City subsequent to the agenda being posted. Items may be deleted from the agenda upon request of staff or upon action of the Committee.

CONSENT CALENDAR: Consent Calendar items will be acted on by one roll call vote unless Committee Members, Staff, or the public request the item be discussed and/or removed from the Consent Calendar for separate action.

CALL TO ORDER – REGULAR SESSION - 7:00 P.M. or immediately following the Measure Z Oversight Advisory Committee Meeting

ROLL CALL

FLAG SALUTE

APPOINTMENT OF CHAIR AND VICE CHAIR

The Committee Members will appoint a Chair and Vice Chair to serve through February 2021.

PUBLIC COMMENTS

This is the time when the Committee receives general public comments regarding any items or matters within the jurisdiction of the Committee that do not appear on the agenda.

APPROVAL OF THE AGENDA AS PRESENTED

The Committee to approve the agenda as it is herein presented, or, if it the desire of the Committee, the agenda can be reordered at this time.

1.0 CONSENT CALENDAR

1.1 Minutes – June 11, 2020 Special Meeting

RECOMMENDATION: Staff recommends that the Committee approve the Minutes as submitted.

2.0 GENERAL BUSINESS

2.1 FY 2019-20 4th Quarter Financial and Activity Report for Measure AA

RECOMMENDATION: Staff recommends the Committee receive and file the FY 2019-20 4th Quarter Financial and Activity Report.

2.2 FY 2018-19 Committee Annual Report - Draft

RECOMMENDATION: Staff recommends the Committee Review and Edit the Draft Annual Report.

FUTURE AGENDA ITEMS

ADJOURNMENT

REPORTS: All agenda items and reports are available for review at City Hall, 23873 Clinton Keith Road and on the City's website at the following address: http://www.cityofwildomar.org/government/agendas___minutes. Any writings or documents provided to a majority of the Committee regarding any item on this agenda (other than writings legally exempt from public disclosure) will be made available by appointment for public inspection at City Hall during regular business hours.

If requested, the agenda and backup materials will be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans With Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.

Any person that requires a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting, may request such modification, accommodation, aid or service by contacting the City Clerk either in person or by phone at 951-677-7751.

I, Janet Morales, Wildomar Acting City Clerk, do certify that within 72 hours of the meeting, a true and correct copy of this agenda was posted at Wildomar City Hall, 23873 Clinton Keith Road and on the City's website at www.cityofwildomar.org.



Janet Morales
Acting City Clerk
Dated: 08/24/2020

**CITY OF WILDOMAR
MEASURE AA OVERSIGHT ADVISORY COMMITTEE
SPECIAL MEETING MINUTES
JUNE 11, 2020**

CALL TO ORDER – SPECIAL SESSION - 7:00 P.M. or immediately following the Measure Z Oversight Advisory Committee Meeting

The Special session of June 11, 2020 of the Measure AA Oversight Advisory Committee was conducted electronically pursuant to the provisions of Governor's Executive Orders N-25-20 and N-29-20 and was called to order by Chair Regalado at 7:00 p.m.

Committee Member Roll Call showed the following:

Members in attendance: Hitchcock, Jacobs, Urlaub, Vice Chair Regalado

Members absent: None

Staff in attendance: Assistant City Manager York, Acting City Clerk Morales, Administrative Services Director Riley, Finance Manager Howell, Intern II Luna and Community and Emergency Services Specialist Chapman.

The flag salute was led by Vice Chair Regalado.

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF THE AGENDA AS PRESENTED

A MOTION was made by Member Hitchcock, seconded by Member Urlaub, to approve the agenda as presented.

MOTION carried, 4-0:

AYES: Hitchcock, Jacobs, Urlaub, Vice Chair Regalado

NOES: None

ABSTAIN: None

ABSENT: None

1.0 CONSENT CALENDAR

A MOTION was made by Member Jacobs, seconded by Member Hitchcock, to approve the consent calendar.

MOTION carried, 4-0:

AYES: Hitchcock, Jacobs, Urlaub, Vice Chair Regalado

NOES: None

ABSTAIN: None

ABSENT: None

1.1 Minutes – February 27, 2020 Regular Meeting

Approved the Minutes as submitted.

2.0 GENERAL BUSINESS

2.1 FY 2019-20 3rd Quarter Financial Report

Chair Regalado read the title.

Administrative Services Director Riley presented the staff report.

It was the consensus of the Committee to receive and file the FY 2019-20 Third Quarter Financial Report.

2.2 Committee Meeting Schedule

Chair Regalado read the title.

A MOTION was made by Member Urlaub, seconded by Member Hitchcock, to increase the frequency of the regularly scheduled Measure AA Oversight Advisory Committee Meetings from 2 meetings to 4 meetings to coincide with the Measure AA Oversight Advisory Committee Meetings.

MOTION carried, 4-0:

AYES: Hitchcock, Jacobs, Urlaub, Vice Chair Regalado

NOES: None

ABSTAIN: None

ABSENT: None

DEPARTMENT REPORTS

Assistant City Manager York presented the report.

FUTURE AGENDA ITEMS

ADJOURNMENT

There being no further business, Vice Chair Regalado declared the meeting adjourned at 7:29 p.m.

Submitted by:

Approved by:

Janet Morales
Acting City Clerk

Steve Regalado
Vice Chair

Measure AA Oversight Advisory Committee
Agenda Item #2.1
GENERAL BUSINESS
Meeting Date: August 27, 2020

TO: Chairperson and Committee Members
FROM: James R. Riley, Administrative Services Director
SUBJECT: FY 2019-20 4th Quarter Financial and Activity Report for Measure AA

STAFF REPORT

RECOMMENDATION:

Staff recommends that the Committee receive and file the FY 2019-20 4th Quarter Financial and Activity Report.

DISCUSSION:

In accordance with the reporting requirements of Measure AA, staff is pleased to present the FY 2019-20 4th Quarter Financial and Activity Report (April 1, 2020 through June 30, 2020).

The annual revenues from the sales and use tax for FY 2019-20 were budgeted at \$2,235,800. The City has received \$2,568,107 in sales and use tax through May 31, 2020 (115%). The effects of the COVID-19 pandemic did not result in a reduction of budgeted revenues. Based on discussion with the City's sales tax consultant, Measure AA revenue would have exceeded the adopted budget by 15 to 20% if not for the effects of COVID-19.

The actual expenditures for the fiscal year 2019-20 are \$1,276,920, or 61% of the FY 2019-20 budget that totals \$2,084,100. The breakdown of the expenditures per department are included in the attached financial report. A summary of the activities by department are as follows:

Homeless Services

SWAG (Social Work Action Group): Contacts Made (January – July 2020): 354

Discount Hauling & Cleanup Services-Encampments Cleaned Up (January – July 2020): 7

Public Works-Road Maintenance

The Public Works department added one additional field crew and truck to increase annual maintenance in the public Right of Way for FY 2019-20. The public works crew repaired potholes, removed trash and debris, trimmed trees, and patched damages in the street's pavement in preparation of the Annual Pavement Repair program.

The Engineering Department conducted regulatory speed surveys on 35 street segments to establish radar-enforceable Speed Limits. Regulatory Speed Limits established in accordance with State Law allows the traffic motor officer to issue speeding tickets using radar.

Police Services

Motor Traffic Officer:
Budgeted at 160 hours/month

(July 2019 to July 2020 Activity):
Citations Written: 1,994
DUI's: 115
Traffic Collisions: 223

Community Patrol Officer:
Budgeted at 160 hours per month

Involved in Quality of Life Issues in the City
Works with SWAG in monitoring the Homeless Activity in the City.

Extra Patrol by Community Service Officer (CSO)
Budgeted at not to exceed 10 overtime hours per week

Addressed parking violations throughout the City

Fire Services

Weed Abatement:
Fire Department has inspected 442 weed abatement cases to date.

Notices of Violation and Order to Abate were sent to all cases.

City Council adopted a Resolution on August 12, 2020 to declare a public nuisance and abate all weeds growing upon private property in the City. As part of the report, 73 properties were presented to City Council with a Public Hearing scheduled for August 26, 2020.

Medic Squad Responses (January 6 to June 11, 2020):

In-City Responses: 681
Out-of-City Responses: 269

Fire Department (continued)

Vehicle Status:

Medic Squad vehicle MS61 has returned from the repair shop and was validated by the Fire Fleet Services Team. It is now receiving some fabrication work for the “Jaws of Life” to be mounted. This is being performed by the Fire Department’s Indio Shop. It has already received the communication devices, striping, and decals. Fire is optimistic to expect delivery by late September 2020.

Administration

Hired Teaman, Ramirez and Smith, CPAs, to complete the independent audit of Measure AA. The audit report for FY 2018-19 was presented and discussed with the Measure AA Oversight Advisory Committee at the February 27, 2020 meeting.

FISCAL IMPACT:

None.

Submitted by
James R. Riley
Administrative Services Director

Approved by:
Gary Nordquist
City Manager

ATTACHMENTS:

FY 2019-20 4th Quarter Financial Reports: 04/01/2020 to 6/30/2020

Attachment

Measure AA

FY 2019-20

4th Quarter

Financial Reports

04/1/2020-6/30/2020

**City of Wildomar
Balance Sheet
For the Period Ended June 30, 2020**

Fund 120 - Measure AA

	Audited June 30, 2019	Unaudited June 30, 2020
Assets		
Cash	\$ -	\$ 1,660,966
Due from Other Govt	512,414	278,714
Due from Other City Funds	71,352	-
Total Assets	\$ 583,766	\$ 1,939,680
Liabilities		
Accounts Payable	-	\$ 64,727
Total Liabilities	-	64,727
Operating		
Year-to-date Revenues	-	2,568,107
Year-to-date Expenditures	-	(1,276,920)
Excess (Deficiency) of Revenues over Expenditures	-	1,291,187
Fund Balance		
Audited/Estimated Restricted Fund Balance	583,766	1,874,953
Total Fund Balance	583,766	1,874,953
Total Liabilities, Operations, and Fund Balance	\$ 583,766	\$ 1,939,680

City of Wildomar
Statement of Revenues, Expenditures, and Changes in Fund Balance
Adopted Budget and Actual
For the Twelve Months Ended June 30, 2020

Fund 120 - Measure AA					
For the Twelve Months Ended June 30, 2020					
	<u>Budget</u>	<u>4th Quarter Actuals</u>	<u>Year to Date Actuals</u>	<u>Favorable/ (Unfavorable)</u>	<u>Actuals as a % of Budget</u>
Revenues:					
Sales & Use Tax	\$ 2,235,800	\$ 913,355	\$ 2,568,107	\$ 332,307	115%
Total Revenues	<u>2,235,800</u>	<u>913,355</u>	<u>2,568,107</u>	<u>332,307</u>	<u>115%</u>
Expenditures:					
Homeless Services	225,800	49,496	143,655	82,145	64%
Public Works-Road Maintenance	450,000	105,268	289,158	160,842	64%
Police Services	641,300	300,310	568,674	72,626	89%
Fire Services	765,000	264,192	273,433	491,567	36%
Administration	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>100%</u>
Total Expenditures	<u>2,084,100</u>	<u>721,266</u>	<u>1,276,920</u>	<u>807,180</u>	<u>61%</u>
Net Change in Fund Balances	\$ 151,700	192,089	1,291,187	\$ 1,139,487	
Fund Balance at July 1, 2019			<u>\$ 583,766</u>		
Fund Balance, June 30, 2020			\$ 1,874,953		

City of Wildomar
Fiscal Year 2019-2020
4th Quarter Detailed Expenditure Report
April 1, 2020 to June 30, 2020

Fund 120 - Measure AA

<u>Account Number</u>	<u>Budget</u>	<u>4th Quarter Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Balance</u>	<u>Percentage Used</u>
Homeless Services					
120-410-4610-52010 Office Supplies	\$ 300	\$ -	\$ 104	\$ 196	35%
<i>Vendor: 000637 EAGLE'S MARK, EAGLE GRAPHIC CREATIONS</i>			104		
Total Detailed Expenditures		-	104		
120-410-4610-52115 Contractual Services	118,800	10,337	47,404	71,396	40%
<i>Vendor: 001222 FOBRO CONSULTING LLC</i>		4,318	31,260		
<i>Vendor: 000072 INTERWEST CONSULTING GROUP</i>		2,415	4,043		
<i>Vendor: 001244 PLATINUM BUSINESS SOLUTIONS LLC</i>		0	247		
<i>Vendor: 001479 DISCOUNT HAULING AND CLEANUP SERVICES</i>		3,604	11,854		
Total Detailed Expenditures		10,337	47,404		
120-410-4610-52116 Professional Services	101,700	39,000	91,667	10,033	90%
<i>Vendor: 001306 SOCIAL WORK ACTION GROUP</i>		39,000	91,667		
Total Detailed Expenditures		39,000	91,667		
120-430-4350-52115 Contractual Services	5,000	159	4,480	520	90%
<i>Vendor: 000976 CITY OF LAKE ELSINORE (CODE ENFORCEMENT)</i>		159	380		
<i>Vendor: 001532 3T FENCE (FENCE OFF PARCEL)</i>		-	4,100		
Total Detailed Expenditures		159	4,480		
Total Homeless Services	225,800	49,496	143,655	82,145	64%
Public Works-Road Maintenance					
120-450-4500-52115 Contractual Services (Public Works Maintenance Crew)	240,000	85,313	245,313	(5,313)	102%
<i>Vendor: 000042 PV MAINTENANCE, INC</i>		85,313	245,313		
Total Detailed Expenditures		85,313	245,313		
120-909-4500-52115 Contractual Services (Bundy Canyon Widening)	150,000	-	-	150,000	0%
120-980-4500-52115 Contractual Services (Regulatory Speed Studies)	60,000	19,955	43,845	16,155	73%
<i>Vendor: 000072 INTERWEST CONSULTING GROUP</i>		495	2,385		
<i>Vendor: 000918 TKE ENGINEERING INC</i>		19,460	41,460		
Total Detailed Expenditures		19,955	43,845		
Total Public Works-Road Maintenance	450,000	105,268	289,158	160,842	64%

City of Wildomar
Fiscal Year 2019-2020
4th Quarter Detailed Expenditure Report
April 1, 2020 to June 30, 2020

Fund 120 - Measure AA

Account Number	Budget	4th Quarter Expenditures	Year-to-date Expenditures	Balance	Percentage Used
Police Services					
120-460-4700-52012 Departmental Supplies	6,500	-	5,914	586	91%
Vendor: 001464 PVP COMMUNICATIONS- MOTOR DEPUTY SUPPLIES/ EQUIP.					
		-	1,733		
Vendor: 001465 MOTOPOST-MOTOR DEPUTY SUPPLIES/ EQUIP.					
		-	3,686		
Vendor: 001506 FIX AUTO LAKE ELSINORE-MOTOR DEPUTY SUPPLIES/ EQUIP.					
		-	495		
Total Detailed Expenditures					
		-	5,914		
120-460-4700-52110 Training	1,000	-	704	296	70%
Vendor: 001432 CALIFORNIA HIGHWAY PATROL, ACADEMY					
		-	704		
Total Detailed Expenditures					
		-	704		
120-460-4700-52112 Fuel	1,800	596	1,910	(110)	106%
Vendor: 001485 WEX BANK (FUEL)					
		371	1,482		
Vendor: 000976 CITY OF LAKE ELSINORE (Fuel)					
		225	428		
Total Detailed Expenditures					
		596	1,910		
120-460-4700-52115 Contractual Services	627,100	279,425	538,133	88,967	86%
Vendor: 000047 RIVERSIDE COUNTY, SHERIFF'S DEPARTMENT					
		279,425	538,133		
Total Detailed Expenditures					
		279,425	538,133		
120-460-4700-56010 Equipment Maint/Repair	4,900	1,201	2,925	1,975	60%
Vendor: 001330 BMW MOTORCYCLES OF RIVERSIDE					
		918	1,756		
Vendor: 001466 TEMECULA MOTORSPORTS					
		283	1,169		
Total Detailed Expenditures					
		1,201	2,925		
120-460-4700-56013 Bldg Maint/Repair	-	19,088	19,088	-19,088	0%
Vendor: 000047 RIVERSIDE COUNTY, SHERIFF'S DEPARTMENT					
		19,088	19,088		
Total Detailed Expenditures					
		19,088	19,088		
Total Police Services	641,300	300,310	568,674	72,626	89%
Fire Services					
120-460-4710-52115 Contractual Services	499,400	231,778	234,006	265,394	47%
Vendor: 000072 INTERWEST CONSULTING GROUP					
		4,306	6,534		
Vendor: 000068 COUNTY OF RIVERSIDE, FIRE DEPARTMENT					
		227,472	227,472		
Total Detailed Expenditures					
		231,778	234,006		
120-460-4710-54050 Fire Station Expenses	4,000	240	2,850	1,150	71%
Vendor: 001511 ASHLEY HOME FURNITURE (FURNITURE)					
		0	2,610		
Vendor: 000105 TARGET (VARIOUS)					
		240	240		
Total Detailed Expenditures					
		240	2,850		
120-460-4710-58100 Furniture & Equipment	36,600	32,174	36,577	23	100%
Vendor: 001223 GEARGRID CORPORATION (LOCKER EQUIPMENT)					
		-	4,403		
Vendor: 001528 ZOLL MEDICAL CORPORATION (DEFIBRILLATOR)					
		32,174	32,174		
Total Detailed Expenditures					
		32,174	36,577		
120-460-4710-58130 Vehicles	225,000	-	-	225,000	0%
Total Fire Services	765,000	264,192	273,433	491,567	36%
Administration					
120-410-4200-52115 Contractual Services	2,000	2,000	2,000	0	100%
Vendor: 000987 TEAMAN, RAMIREZ & SMITH (AUDIT)					
		2,000	2,000		
Total Detailed Expenditures					
		2,000	2,000		
Total Administration	2,000	2,000	2,000	0	100%
Total Measure AA Fund	\$2,084,100	\$721,266	\$1,276,920	\$555,654	61%

Measure AA Oversight Advisory Committee
Agenda Item #2.2
GENERAL BUSINESS
Meeting Date: August 27, 2020

TO: Chairperson and Committee Members
FROM: James R. Riley, Administrative Services Director
SUBJECT: FY 2018-19 Committee Annual Report - Draft

STAFF REPORT

RECOMMENDATION:

Staff recommends that the Committee Review and Edit the Draft Annual Report.

DISCUSSION:

The attached draft report is provided to the committee for review and editing prior to submitting to the City Council at the September 9, 2020 meeting. This document is in addition to the FY 2018-19 Audited Annual Report (April 1, 2019 through June 30, 2019) of financial activities, also attached. Upon completion of the editing process during the Committee meeting, staff will forward the final document on behalf of the Committee to the City Council.

FISCAL IMPACT:

None.

Submitted by
James R. Riley
Administrative Services Director

Approved by:
Gary Nordquist
City Manager

ATTACHMENTS:

FY 2018-19 Annual Committee Report -Draft
FY 2018-19 Audited Annual Financial Report at June 30, 2019



Measure AA

Annual Report

Fiscal Year 2018-19

August 27, 2020

Oversight Advisory Committee

Steve Regalado, Vice Chair

Shelley Hitchcock, Committee Member

Brian Jacobs, Committee Member

Christopher Pselos, Committee Member

Sheila Urlaub, Committee Member

Report from the Committee

This report is provided as an addendum to the FY 2018-19 Audited Annual Financial Report for Measure AA which was approved by the Committee at the February 27, 2020 meeting and provided to the City Council on August 12, 2020.

On November 6, 2018, Wildomar residents voted on a 1-cent sales tax (Measure AA) to fund the enhancement of services from police, fire, homelessness programs and the maintenance and improvement of roads. The election results were certified by the Riverside County Register of Voters and the Measure was approved by 58.67% of the Wildomar residents who voted.

The passage of Measure AA triggered several tasks that needed to be addressed prior to the April 1, 2019 start of the tax collection (the start of the 4th quarter of FY 2018-19). All the paperwork required by the State of California had been completed and during the February 13, 2019 City Council meeting, the City Council adopted Resolution No. 2019-12 which established the organization, objectives and responsibilities of the committee per the requirements of Ordinance No. 161 which was the ordinance enacting the voter approved Transaction and Use Tax referred to as Measure AA.

On March 13, 2019 the City Council declared the vacancies on the Measure AA Committee and directed the City Clerk to advertise the scheduled vacancies. The application period closed on May 30, 2019 with a total of 9 applications received. At the June 10, 2019 City Council meeting, action was taken to appoint the following residents to the inaugural Measure AA Committee and begin their bi-annual review meetings on August 22, 2019:

Douglas Ames
Shelley Hitchcock
Brian Jacobs
Steve Regalado
Shelia Urlaub

The Mayor and City Councilmembers expressed thanks to the following applicants for their interest in the joining the Committee:

Arrin Banks
Francis (Monty) Goddard
Alesse Joniaux
Richard Steele

Financial Summary

The budgets for Measure AA were approved by the City Council in the amounts of \$475,000 for estimated revenue, \$300,000 for estimated expenditures and \$175,000 remaining fund balance for the FY 2018-19. The financial activity of this fund consisted of the approximately 90 days remaining in the fiscal year due to the timing of approval at the State level for collecting the sales taxes. At fiscal yearend, actual revenues of \$634,302 exceed the budget by \$159,302 or 34% and expenditures of \$50,536 were \$249,464 less than budgeted resulting in an actual fund balance of \$408,766 as compared to the budgeted amount of \$175,000. The following summarizes the fiscal data included in the *FY 2018-19 Audited Annual Financial Report for Measure AA*.

Revenues

The actual sales tax revenues of \$634,302 exceeded the budget of \$475,000. This provided a favorable variance of \$159,302 for the partial (3 month) fiscal year activity.

Expenditures

Police Services -Budget \$50,000; Actual Expenses \$42,236

The enhanced police services planned to start July 1, 2019 (FY 2019-20) include the addition of traffic enforcement patrols which require a specialized motorcycle. The \$50,000 budget was primarily for the purchase and modification of a traffic enforcement style motorcycle. The actual expenditures of \$42,236 were as follows:

- G2 Computer Tablet from Golden Star Technology - \$4,139
- LIDAR Equipment (radar type speeding equipment) from Stalker Radar Applied Concepts - \$2,577
- DSR Equipment from Stalker Radar Applied Concepts - \$3,786
- LOGO and Installation from Z Best Studios - \$843
- BMW Motorcycle from BMW Motorcycles of Riverside - \$29,797
- Auditors yearend closing adjustment from Homelessness Program to Police Services (*corrective action to take place in FY 2019-20*) \$1,094.

A favorable budget variance of \$7,764 was achieved at year-end from the Police Department activities.

Fire Department – Budget \$225,000; Actual Expenses \$0

Start-up funds were budgeted to establish a Wildomar Fire Station No. 61 Medic Squad. The \$225,000 budget was for purchasing the medic squad specialized vehicle. These funds were not spent during FY 2018-19 due to the excessive lead time needed to construct the vehicle. The favorable variance of \$225,000 will carry over to the next fiscal year as a budgeted item from fund balance.

**Community Services – Homelessness Program –
Budget \$25,000; Actual Expenses \$8,300**

The actual expenditures of \$8,300 for Homelessness related services was \$16,700 less than the \$25,000 budgeted for homelessness program administration, outreach to the homeless population and camp clean-up services as noted below:

- Print Postal – Posters - \$190
- FOBRO Consulting – Homelessness Program Coordination/Administration - \$1,705
- SWAG Consulting – (Field Outreach Program Homeless Clientele) - \$7,499
- Auditors yearend closing adjustment to Police Services *(corrective action to take place in FY 2019-20)* \$(1,094).

The Measure AA Advisory and Oversight Committee submits this report the City Council and finds the actual uses of funds consistent with the City’s Planned Vision of Enhanced Services for the City.

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Revenues				
Taxes	-	475,000	634,302	159,302
Amounts Available for Appropriations	-	475,000	634,302	159,302
Expenditures				
Community Services		25,000	8,300	16,700
Police		50,000	42,236	7,764
Fire		225,000	0	225,000
Total Expenditures	-	300,000	50,536	249,464
Budgetary Fund Balance, June 30	\$ -	\$ 175,000	\$ 583,766	\$ 408,766

End

**WILDOMAR MEASURE AA FUND
CITY OF WILDOMAR, CALIFORNIA**

FUND FINANCIAL STATEMENTS

For the Year Ended June 30, 2019

Prepared By:

**The City of Wildomar
Finance Department**

**Wildomar Measure AA Fund
Fund Financial Statements
Year Ended June 30, 2019**

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the City Council
City of Wildomar, California

Report on Financial Statements

We have audited the accompanying financial statements of the Measure AA Fund, a special revenue fund of the City of Wildomar, California, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Measure AA Fund's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to an express opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure AA Fund, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements present only the Measure AA Special Revenue Fund, do not purport to, and do not present the financial position of the City of Wildomar, California, as of June 30, 2019, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedule on pages 9-10 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who consider it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Jeaman Ramirez & Smith, Llc.

Riverside, California
January 8, 2020

BASIC FINANCIAL STATEMENTS

Wildomar Measure AA Fund
Balance Sheet
Governmental Fund
June 30, 2019

ASSETS

Due from Other Governments	\$	512,414
Due from Other City Funds		71,352
		<hr/>
Total Assets	\$	583,766
		<hr/> <hr/>

LIABILITIES

Accounts Payable	\$	-
		<hr/>
Total Liabilities		-
		<hr/>

FUND BALANCES

Committed for:		
Public Safety Projects		583,766
		<hr/>
Total Fund Balances		583,766
		<hr/>
Total Liabilities and Fund Balances	\$	583,766
		<hr/> <hr/>

The accompanying notes are an integral part of this statement.

Wildomar Measure AA Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Fund
For the Year Ended June 30, 2019

REVENUES	
Taxes	\$ 634,302
Total Revenues	634,302
EXPENDITURES	
Current:	
Community Development	8,300
Capital Outlay	42,236
Total Expenditures	50,536
Excess (Deficiency) of Revenues Over (Under) Expenditures	583,766
Fund Balances - Beginning of Year	-
Fund Balances - End of Year	\$ 583,766

The accompanying notes are an integral part of this statement.

Wildomar Measure AA Fund
Notes to Financial Statements
June 30, 2019

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Description of the Reporting Entity

The Wildomar Measure AA Fund was established on November 6, 2018 (Ordinance No. 161), pursuant to voter-approved local transactions (sales) and use tax that are intended to be used for the enhancement of police and fire services, road maintenance and homelessness solutions within the City of Wildomar (the City).

The Measure AA Fund is included as a special revenue fund of the City and, accordingly, the accompanying fund financial statements are included as a special revenue fund of the basic financial statements prepared by the City. The accompanying financial statements are intended to reflect the financial position of operations for the Measure AA Fund only and do not purport to, and do not, present the financial position of the City of Wildomar, California. Separate financial statements are prepared for the City of Wildomar, and may be obtained from the City.

b. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Fund's policy to use restricted resources first, and then unrestricted resources as they are needed.

c. Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Net Position or Equity

Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For financial statement presentation purposes, cash and investments are shown as both restricted and unrestricted cash and investments in the governmental funds.

Investments are reported at fair value. The City's policy is to hold investments until maturity or until market values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. Currently, there are no cash and investments as of June 30, 2019.

Wildomar Measure AA Fund
Notes to Financial Statements
June 30, 2019

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

c. Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Net Position or Equity - Continued

Deferred Outflows/Inflows of Resources

In addition to assets, the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of fund balance that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Currently, the Fund does not report any deferred outflows.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Currently, the Fund does not report any deferred inflows.

Fund Equity

In the fund financial statements, government funds report the following fund balance classification:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted include amounts that are constrained on the use of resources by either, (a) external creditors, grantors, contributions, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, the City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution or ordinance.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The City Manager is authorized to assign amounts to a specific purpose, which was established by the governing body in Resolution No. 2011-32 approved on June 21, 2011.

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes.

Wildomar Measure AA Fund
Notes to Financial Statements
June 30, 2019

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

c. Assets, Deferred Outflows/Inflows of Resources, Liabilities, and Net Position or Equity - Continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and deferred outflows/inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reported period. Actual results could differ from those estimates.

Functional Classifications

Expenditures of the governmental funds are classified by function. Functional classifications are defined as General Government which includes legislative activities, City Clerk, City Attorney, City Manager as well as management, community development or supportive services across more than one functional area.

Encumbrances

Encumbrances are estimations of costs related to unperformed contracts for goods and services. These commitments are recorded for budgetary control purposes in the fund. Encumbrances represent the estimated amount of the expenditure ultimately to result if unperformed contracts in process at year-end are completed. They do not constitute expenditures or estimated liabilities.

Budget Basis of Accounting

Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Wildomar Measure AA Fund
Notes to Financial Statements
June 30, 2019

2) CASH AND INVESTMENTS

As of June 30, 2019, cash and investments were reported in the accompanying financial statements as follows:

Governmental Fund	\$	-
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The Measure AA Fund is pooled with the City of Wildomar's cash and investments in order to generate optimum interest earnings. The information required by GASB Statement No. 40 related to authorized investments, credit risk, etc. is available in the comprehensive annual financial report of the City. Currently, there are no cash and investments as of June 30, 2019.

3) FAIR VALUE MEASUREMENTS

Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurements and Application, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value with Level 1 given the highest priority and Level 3 the lowest priority. The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the organization has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within *Level 1* that are observable for the asset or liability, either directly or indirectly. *Level 2* inputs include the following:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets or liabilities in markets that are not active.
- a. Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
- b. Inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level 3 inputs are unobservable inputs for the asset or liability.

As explained in Note 2, the Measure AA Fund has its investments pooled with the City. The cash and investments reflected is a portion of the City's overall cash and investments. Refer to the City's financial statements for additional information relating to categorization of investment types.

REQUIRED SUPPLEMENTARY INFORMATION

Wildomar Measure AA Fund
Notes to Required Supplementary Information
June 30, 2019

Budgetary Comparison Information

General Budget Policies

The City Council approves each year's budget prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the Council. Supplemental appropriations, where required during the period, are also approved by the Council. In most cases, expenditures may not exceed appropriations at the function level. At fiscal year-end, all operating budget appropriations lapse.

Encumbrances

Encumbrances are estimations of costs related to unperformed contracts for goods and services. These commitments are recorded for budgetary control purposes in the fund. Encumbrances represent the estimated amount of the expenditure ultimately to result if unperformed contracts in process at year-end are completed. They do not constitute expenditures or estimated liabilities.

Budget Basis of Accounting

Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Wildomar Measure AA Fund
Budgetary Comparison Schedule
Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Taxes	-	475,000	634,302	159,302
Amounts Available for Appropriations	-	475,000	634,302	159,302
Charges to Appropriations (Outflow):				
Community Development	-	25,000	8,300	16,700
Capital Outlay	-	275,000	42,236	232,764
Total Charges to Appropriations	-	300,000	50,536	249,464
Budgetary Fund Balance, June 30	\$ -	\$ 175,000	\$ 583,766	\$ 408,766