



## Staff Report

**TO:** City Council  
**FROM:** Jennifer Ustation, Finance Director  
Marcia Mason, Budget Analyst  
**DATE:** November 4, 2025  
**SUBJECT:** FY2025-2026 1st Quarter Budget to Actuals

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**Description:** Receive and file a report on the status of the City's budget and financial status as of September 30, 2025.

### **Background and Analysis:**

The Fiscal Year 2025–26 first-quarter financial report provides an overview of the City's current financial position.

The Finance Department will continue to maintain a comprehensive system of tools that enable departments to effectively manage their budgets and support financial monitoring and control throughout the fiscal year. This system ensures that departments and the City Council have timely access to detailed information on revenues, expenditures, and overall budget performance at both the departmental and fund levels.

### *General Fund Summary*

Most of the General Fund revenue budget is from taxes. Property tax is usually recorded in December and May. Sales tax is received in monthly advanced estimated payments and then a quarterly actual clean-up payment. Other taxes include Motor Vehicle In-Lieu, which is received in February and June, as well as Utility Users tax which is received monthly.

### *General Fund Revenues*

As of September 30, 2025, the City has collected 5% of FY2025-26 budgeted revenues. Sales tax for the month of July has been recorded. Interest from all accounts is creating the Miscellaneous category to look over budget, however, staff still need to allocate other funds their portion. Following is a table for General Fund Revenues as of September 30, 2025.

	GENERAL FUND REVENUES				
	ORIGINAL BUDGET FY2025/26	CURRENT BUDGET FY2025/26	ACTUAL FY2025/26	ESTIMATED ACTUALS	%
Taxes	50,143,017	50,143,017	630,709.61	50,143,017	1%
Licenses	450,000	450,000	135,902.91	450,000	30%
Permits	2,071,119	2,071,119	304,683.97	2,071,119	15%
Franchise Fees	3,419,570	3,419,570	1,134,260.40	3,419,570	33%
Grants		-		-	0%
Charges for Services	2,717,534	2,717,534	714,702.83	2,717,534	26%
Fines and Forfeitures	220,000	220,000	13,004.00	220,000	6%
Cost Recovery	1,026,995	1,026,995	240,929.25	1,026,995	23%
Miscellaneous	2,611,895	2,611,895	502,238.43	2,611,895	19%
Other Financing Sources	1,623,468	1,623,468	(9.00)	1,623,468	0%
Transfers	8,118,211	8,118,211	-	8,118,211	0%
<b>TOTAL REVENUES</b>	<b>72,401,809</b>	<b>72,401,809</b>	<b>3,676,422.40</b>	<b>72,401,809.00</b>	<b>5%</b>

### *General Fund Departments*

The following table provides an overview of the general fund department budgets through September 30, 2025.

During the first quarter of FY 2025–26, the City recorded total General Fund expenditures of **\$13.8 million**, representing **18.8%** of the **current adopted budget of \$73.5 million**. This level of spending is consistent with expectations for the first quarter of the fiscal year, as many departments incur early-year costs related to personnel, contracts, and annual service renewals.

Overall, first-quarter expenditures indicate that the City’s departments are operating within budgetary expectations. While certain areas such as **Risk and HR** and **Fire** show front-loaded or delayed spending patterns due to the timing of annual or quarterly payments, the City’s overall financial performance remains stable and on track for the fiscal year. The Finance Department will continue to monitor expenditures closely to ensure fiscal discipline and transparency across all departments.

Departments that have been highlighted are outside of the +/- 10% from the 25% threshold. Legal and Fire are contractual services.

General Fund Expenditures				
DEPARTMENT	FY 2026 ORIGINAL BUDGET	CURRENT FY 2026 BUDGET	FY 2026 ACTUAL	%
Non-Departmental	574,766	1,374,766	33.72	0.0%
City Council	336,016	336,016	55,534.58	16.5%
City Clerk	580,946	582,319	139,222.72	23.9%
Administration	2,078,937	2,078,937	376,185.72	18.1%
Communications	945,199	982,337	148,331.91	15.1%
Finance	2,587,976	2,587,976	437,948.37	16.9%
IT	2,530,011	2,530,011	553,034.04	21.9%
Economic Development	1,893,971	2,018,473	129,913.57	6.4%
Risk and HR	4,496,530	4,585,378	3,067,490.67	66.9%
Legal	1,501,000	1,501,000	289,544.52	19.3%
Community Development	1,311,635	1,311,635	222,605.93	17.0%
Community Services	2,956,259	2,956,259	474,246.36	16.0%
Animal Control	948,230	948,230	77,057.17	8.1%
Community Enhancement	657,064	657,064	89,779.84	13.7%
Police	19,621,061	19,621,061	4,312,467.37	22.0%
K-9	22,749	22,749	3,773.60	16.6%
Police Support	3,731,585	3,731,585	706,925.56	18.9%
Fire	9,315,886	9,349,440	3,427.65	0.0%
Building and Safety	1,551,302	1,553,015	287,557.64	18.5%
Public Works	3,270,995	3,498,528	522,753.63	14.9%
Street Maintenance	3,623,917	3,627,968	599,916.99	16.5%
Custodial Maintenance	652,130	652,130	178,997.41	27.4%
Facilities Maintenance	977,811	977,811	101,049.65	10.3%
Parks and Grounds	5,949,186	6,048,043	1,037,857.53	17.2%
<b>TOTAL EXPENDITURES</b>	<b>72,115,162</b>	<b>73,532,731</b>	<b>13,815,656.15</b>	<b>18.8%</b>

The next table provides for expenditures by type. Personnel costs make up 21% of the actuals to date. Operating costs are 16% of actuals followed by Contingency/Capital at 28%. Currently, there are no categories over budget.

At the end of the first quarter for Fiscal Year 2025-26, total General Fund expenditures amounted to **\$13.2 million**, or approximately **18%** of the **current budget of \$73.5 million**. Overall spending aligns with expected trends for this stage of the fiscal year, reflecting typical personnel costs, ongoing operating expenditures, and limited capital activity in the early months.

	EXPENSE TYPE	FY 2026 ORIGINAL BUDGET	FY 2026 CURRENT BUDGET	FY 2026 ACTUAL	ESTIMATED ACTUALS	%
<b>Personnel</b>						
	Salaries and Wages	26,336,355.00	26,336,355.00	4,528,773.32	26,336,355.00	17%
	Benefits	10,903,888.00	10,903,888.00	3,493,499.17	10,903,888.00	32%
	Other	660,419.00	660,419.00	89,524.27	387,938.50	14%
	<b>TOTAL PERSONNEL</b>	<b>37,900,662.00</b>	<b>37,900,662.00</b>	<b>8,111,796.76</b>	<b>37,628,181.50</b>	<b>21%</b>
<b>Operating</b>						
	Recruitment/Hiring	75,000.00	75,000.00	7,842.03	74,499.29	10%
	Utilities	2,211,582.00	2,211,582.00	488,225.19	1,952,900.76	22%
	Administration	1,796,597.00	1,796,597.00	268,918.95	1,075,675.80	15%
	Fleet Costs	903,887.00	903,887.00	206,124.11	824,496.44	23%
	Program Costs	2,592,798.00	2,592,798.00	352,605.54	903,887.00	14%
	Repairs & Maintenance	1,757,915.00	1,767,915.00	447,437.59	1,789,750.36	25%
	Supplies	1,238,767.00	1,368,113.00	167,315.44	1,368,113.00	12%
	Special Services	436,200.00	436,200.00	5,607.45	436,200.00	1%
	Contractual Service	15,389,895.00	15,819,641.00	646,293.91	15,819,641.00	4%
	Other	3,690,987.00	3,690,987.00	2,884,126.59	3,690,987.00	78%
	<b>TOTAL OPERATING</b>	<b>30,093,628.00</b>	<b>30,662,720.00</b>	<b>5,474,496.80</b>	<b>27,936,150.65</b>	<b>18%</b>
<b>Capital</b>						
	Equipment	1,068,841.00	1,117,318.00	142,395.79	1,117,318.00	13%
	Furniture	-	-	-	-	0%
	Vehicle	1,741,124.00	1,741,124.00	54,126.74	1,741,124.00	3%
	Structure	640,907.00	640,907.00	-	640,907.00	0%
	Debt Service (Leases)	-	-	-	-	-
	<b>TOTAL CAPITAL</b>	<b>3,450,872.00</b>	<b>3,499,349.00</b>	<b>196,522.53</b>	<b>3,499,349.00</b>	<b>6%</b>
<b>Contingency</b>						
	<b>CONTINGENCY</b>	<b>150,000.00</b>	<b>150,000.00</b>	<b>32,806.39</b>	<b>150,000.00</b>	<b>22%</b>
<b>Transfers</b>						
	<b>TRANSFERS</b>	<b>520,000.00</b>	<b>1,320,000.00</b>	<b>33.72</b>	<b>1,320,000.00</b>	<b>0%</b>
<b>Total Expenditures</b>		<b>72,115,162.00</b>	<b>73,532,731.00</b>	<b>13,815,656.20</b>	<b>70,533,681.15</b>	<b>19%</b>

### Recommended Budget Amendments

Per the City of Beaumont Financial Policy, there will be provisions amending the budget during the year to comply with the policy and adopted budget's financial planning goals.

The following budget amendments are recommended:

Department	Amount	Reason
Administration	\$26,000	HDL
Community Enhancement	\$40,000	Weed Abatement
Transfer In	\$85,000	OTS Grant
<b>Total</b>	<b>\$151,000</b>	

Wastewater Fund Summary

Revenues

Wastewater revenues are collected in arrears. The July billing is accrued back to prior FY and the first billing for FY25/26 was collected in September. Billing is completed bi-monthly. As of September 30, 2025, the Wastewater Fund has collected 17% of its budgeted revenues. Below is the summary for FY2025-26 1<sup>st</sup> quarter.

	WASTEWATER REVENUES				
	FY 2026 ORIGINAL BUDGET	FY 2026 CURRENT BUDGET	ACTUAL FY2025/26	ESTIMATED ACTUALS	%
Fines and Forfeitures	-	-	5,000.00	5,000.00	0%
Cost Recovery	8,053.00	8,053.00	-	8,053.00	0%
Miscellaneous	138,851.00	138,851.00	-	138,851.00	0%
Proprietary Revenues	16,099,013.00	16,099,013.00	2,770,075.79	16,099,013.00	17%
Other Financing Sources	-	-	-	-	0%
Transfers	-	-	-	-	0%
<b>TOTAL REVENUES</b>	<b>16,245,917.00</b>	<b>16,245,917.00</b>	<b>2,775,075.79</b>	<b>16,250,917.00</b>	<b>17%</b>

Expenses

Wastewater expenses as of September 30, 2025, total \$1.27M representing approximately **8%** of the **adopted budget of \$16.3 million**. Personnel costs make up 22% of the actuals to date, operating costs make up 10%, and Contingency/Transfers Out make up 8%. Overall spending is consistent with expectations for this point in the fiscal year.

WASTEWATER EXPENSES						
	EXPENSE TYPE	FY 2026 ORIGINAL BUDGET	FY 2026 CURRENT BUDGET	FY 2026 ACTUAL	ESTIMATED ACTUALS	%
<b>Personnel</b>						
	Salaries and Wages	2,034,502.00	2,034,502.00	388,220.81	1,682,290.18	19%
	Benefits	820,015.00	820,015.00	255,606.02	1,107,626.09	31%
	Other	43,501.00	43,501.00	5,658.75	24,521.25	13%
	<b>TOTAL PERSONNEL</b>	<b>2,898,018.00</b>	<b>2,898,018.00</b>	<b>649,485.58</b>	<b>2,814,437.51</b>	<b>22%</b>
<b>Operating</b>						
	Utilities	1,451,287.00	1,451,287.00	248,140.61	1,451,287.00	17%
	Administration	322,251.00	322,251.00	50,647.32	202,589.28	16%
	Fleet Costs	117,010.00	117,010.00	19,291.90	117,010.00	16%
	Repairs & Maintenance	797,753.00	797,753.00	84,558.28	797,753.00	11%
	Supplies	1,019,328.00	1,019,328.00	140,124.76	1,019,328.00	14%
	Contractual Services	1,425,012.00	1,444,161.00	125,902.68	1,444,161.00	9%
	Admin Overhead	1,489,000.00	1,489,000.00	-	1,489,000.00	0%
	Other	461,307.00	461,307.00	17,212.91	461,307.00	4%
	<b>TOTAL OPERATING</b>	<b>7,082,948.00</b>	<b>7,102,097.00</b>	<b>685,878.46</b>	<b>6,982,435.28</b>	<b>10%</b>
<b>Capital</b>						
	Equipment	-	-	-	-	-
	Structure	-	-	-	-	-
	<b>TOTAL CAPITAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>
<b>Contingency</b>						
	<b>CONTINGENCY</b>	<b>229,320.00</b>	<b>229,320.00</b>	<b>20,470.00</b>	<b>229,320.00</b>	<b>9%</b>
	<b>Debt Service</b>					
<b>Transfers</b>						
	<b>TRANSFERS</b>	<b>6,035,631.00</b>	<b>6,035,631.00</b>	<b>(82,552.92)</b>	<b>6,035,631.00</b>	<b>-1%</b>
<b>Total Expenses</b>		<b>16,245,917.00</b>	<b>16,265,066.00</b>	<b>1,273,281.12</b>	<b>16,061,823.79</b>	<b>8%</b>

### Transit Fund Summary

#### Revenues

Most of the transit fund revenues consist of funding from the Riverside County Transportation Commission (RCTC). Revenue from RCTC is received on a monthly basis. Other revenues received include ridership fares, Measure A taxes, and interest and EV charging station revenue recorded in Miscellaneous revenue. As of September 30, 2025, the Transit Fund has collected 21% of its budgeted revenues.

	TRANSIT REVENUES				
	FY 2026 ORIGINAL BUDGET	FY 2026 CURRENT BUDGET	ACTUAL FY2025/26	ESTIMATED ACTUALS	%
Taxes	206,123.00	206,123.00	-	206,123.00	0%
Intergovernmental	3,247,289.00	3,247,289.00	728,676.12	3,247,289.00	22%
Miscellaneous	132,337.00	132,337.00	21,856.37	132,337.00	17%
Proprietary Revenues	40,616.00	40,616.00	10,068.44	40,616.00	25%
Other Financing Sources		-		-	0%
Transfers		-		-	0%
<b>TOTAL REVENUES</b>	<b>3,626,365.00</b>	<b>3,626,365.00</b>	<b>760,600.93</b>	<b>3,626,365.00</b>	<b>21%</b>

## Expenses

Transit expenses as of September 30, 2025, total \$778,989.48, which is 21% of the FY2024-25 budget. Personnel costs make up 22% of the actuals to date and operating costs make up 19% with Capital actual to date expenditures at 14%.

TRANSIT EXPENSES						
	EXPENSE TYPE	FY 2026 ORIGINAL BUDGET	FY 2026 CURRENT BUDGET	FY 2026 ACTUAL	ESTIMATED ACTUALS	%
<b>Personnel</b>						
	Salaries and Wages	1,943,878.00	1,943,878.00	392,039.41	1,698,837.44	20%
	Benefits	778,874.00	778,874.00	222,964.94	966,181.41	29%
	Other	56,252.00	56,252.00	6,719.82	29,119.22	12%
	<b>TOTAL PERSONNEL</b>	<b>2,779,004.00</b>	<b>2,779,004.00</b>	<b>621,724.17</b>	<b>2,694,138.07</b>	<b>22%</b>
<b>Operating</b>						
	Utilities	112,445.00	112,445.00	22,344.94	89,379.76	20%
	Administration	100,843.00	100,843.00	11,386.68	102,480.12	11%
	Fleet Costs	210,729.00	210,729.00	84,768.24	254,304.72	40%
	Program Costs	48,768.00	48,768.00	3,896.32	48,768.00	8%
	Repairs & Maintenance	65,449.00	65,449.00	7,892.05	65,449.00	12%
	Supplies	12,811.00	12,811.00	2,732.82	10,931.28	21%
	Contractual Services	86,554.00	86,554.00	13,200.00	86,554.00	15%
	Admin Overhead	134,000.00	134,000.00	-	134,000.00	0%
	Other	6,420.00	6,420.00	1,626.98	6,507.92	25%
	<b>TOTAL OPERATING</b>	<b>778,019.00</b>	<b>778,019.00</b>	<b>147,848.03</b>	<b>798,374.80</b>	<b>19%</b>
<b>Capital</b>						
	Equipment	61,500.00	61,500.00	9,417.28	61,500.00	15%
	Structure	7,842.00	7,842.00	-	7,842.00	0%
	<b>TOTAL CAPITAL</b>	<b>69,342.00</b>	<b>69,342.00</b>	<b>9,417.28</b>	<b>69,342.00</b>	<b>14%</b>
<b>Transfers</b>						
	<b>TRANSFERS</b>			-		
<b>Total Expenses</b>		<b>3,626,365.00</b>	<b>3,626,365.00</b>	<b>778,989.48</b>	<b>3,561,854.87</b>	<b>21%</b>

*Other Recommended Budget Adjustments*

The following table comprises of recommended budget adjustments for other special funds.

<b>Fund</b>	<b>Amount</b>	<b>Reason</b>
CDBG	\$(46,500)	Reduce to match awarded OTS Grant amount
Transfer Out	\$85,000	Account for OTS Grant

This report was reviewed by the Financial Audit Committee on October 27, 2025.

**Fiscal Impact:**

The fiscal impact on the General Fund for budget amendments increases spending authority by \$150,000. The CDBG Fund spending authority will be decreased by \$46,500 and the Transfer Out Fund will increase spending authority by \$85,000 to match the OTS Grant.

The estimated cost to prepare this report is \$285.

**Recommended Action:**

Receive and file report submitted to FAC on October 27, 2025, and approve attached budget amendments.

**Attachments:**

- A. Budget Adjustment Forms