



DRAFT CITY MANAGER PROPOSED ANNUAL OPERATING & CAPITAL IMPROVEMENT BUDGET

Fiscal Year 2026-2027

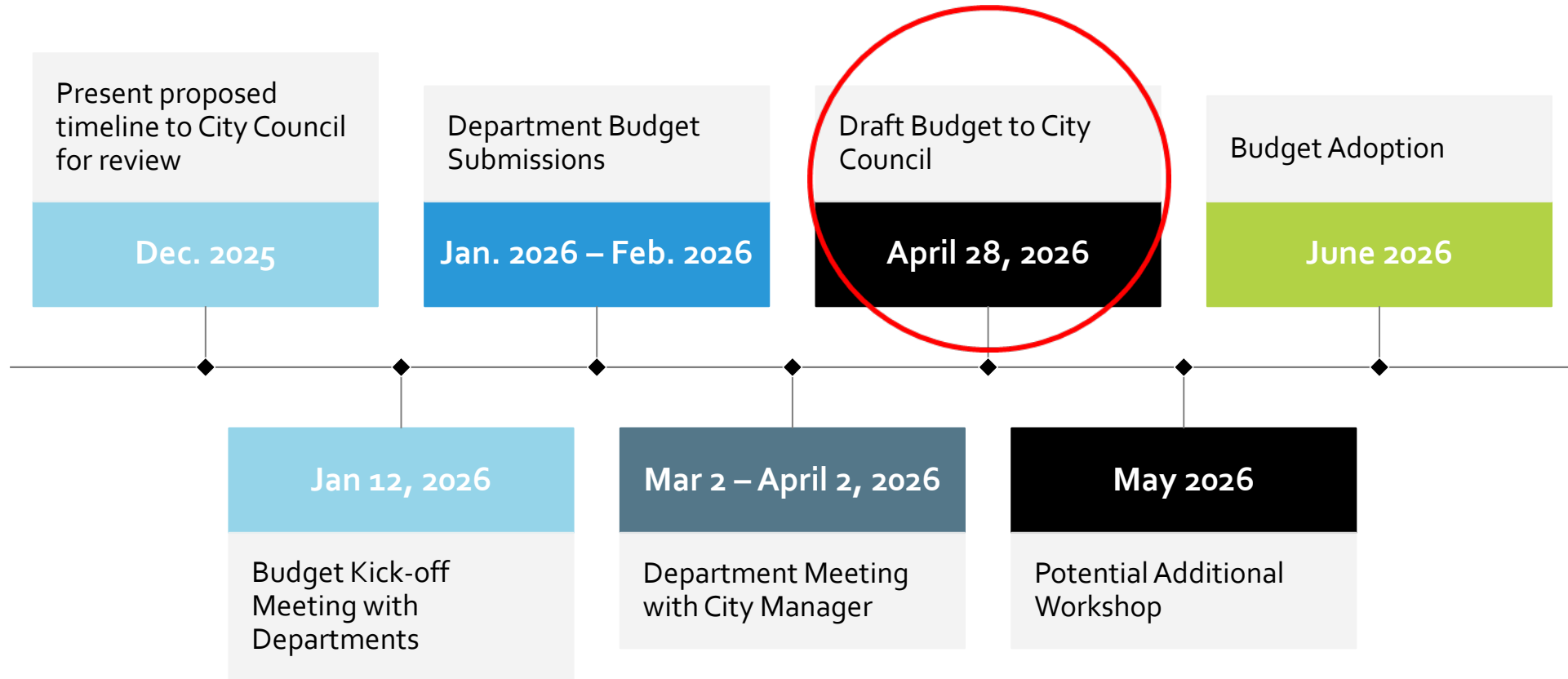
April 28, 2026

Overview of Draft Budget Review

- Budget Building Process
- General Fund Overview and Highlights
- Enhancement Requests
- Long-Term Financial Forecast
- One-Time Funds
- Wastewater Fund Overview
- Wastewater Enhancement Requests
- Transit Enhancement Request
- Proposed Five-Year Capital Improvement Plan



Budget Building PROCESS



GENERAL FUND



General Fund Revenues

FY 2027 - total projected revenues = **\$75.38M**

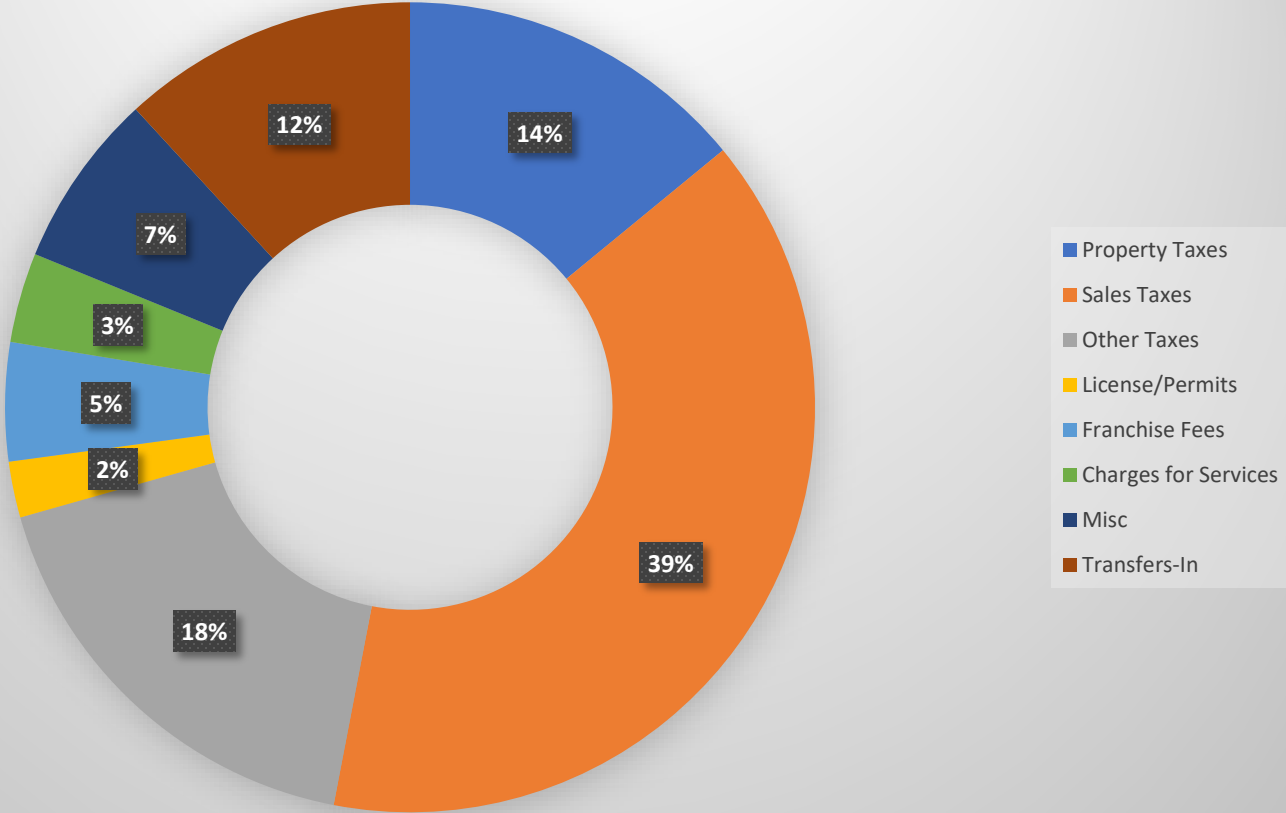
➤ an increase of *\$2.9M from FY 2026 estimated revenue collections resulting in a 3% increase.*

➤ WHY?

- HDL Projected increases for both property tax and sales tax.

General Fund Revenues (cont.)

General Fund Revenue



General Fund Expenditures

FY 2026 budgeted expenditures = **\$75.05M**

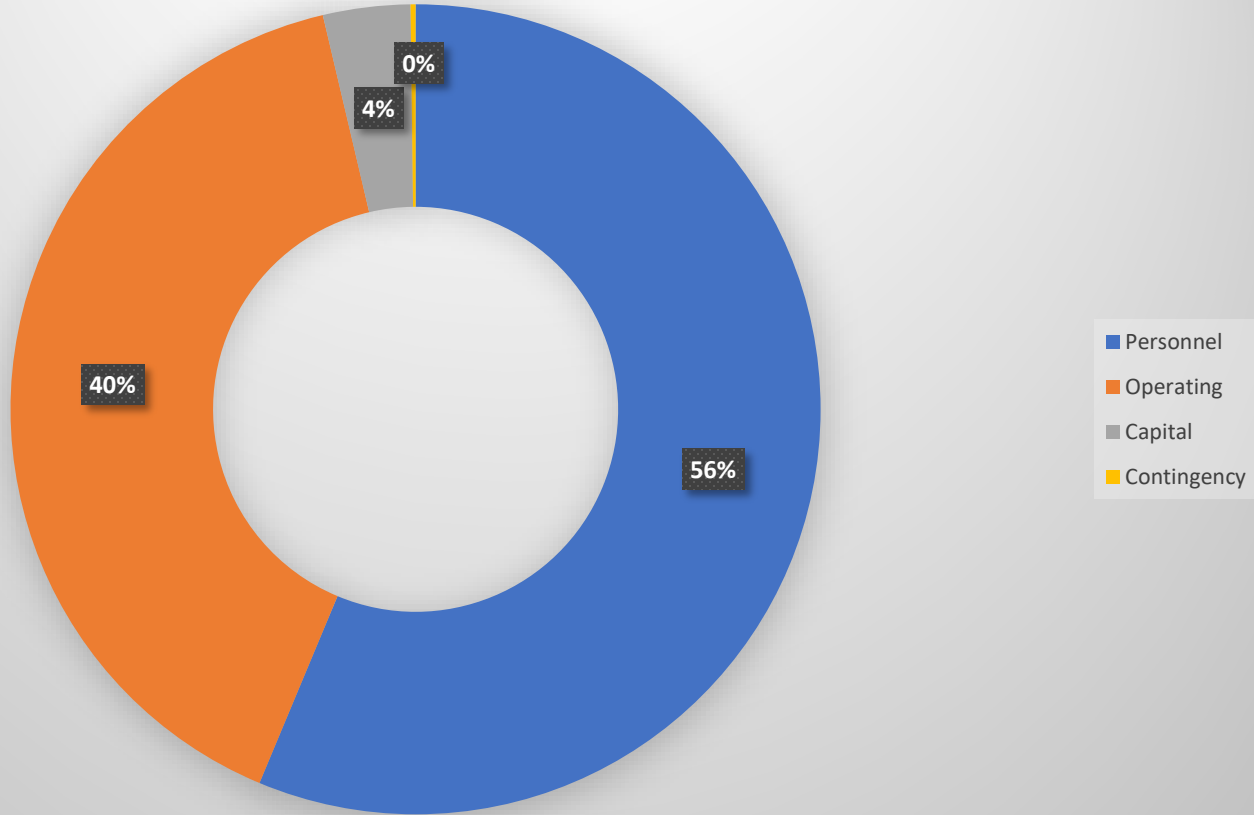
➤ *An increase from FY 2026 original budget due to operating costs such as personnel.*

➤ *WHY?*

- Personnel (Current Positions Only) \$4.05M increase
- Operating cost decrease of almost \$500k
- The budget includes pension contribution amount of \$651,208.

General Fund Expenditures (cont.)

General Fund Expenditures



General Fund Overview & Highlights

FY 2027 proposed budget

- Revenues = \$75.38M
- Expenses = \$75.05M*
- Unprogrammed balance of **\$332,223**

*Note: Expenses do not include proposed enhancement requests

General Fund Enhancement Requests

General Fund enhancement
requests = **\$287,635**

- includes one-time purchases

PERSONNEL REQUEST FROM DEPARTMENT BUDGETS ARE LISTED BELOW BUT CM IS NOT RECOMMENDING ANY PERSONNEL CHANGES TO THE GENERAL FUND

GENERAL FUND

FY 26/27 Budget Enhancement List

Department		Budget Enhancement Description	Ranking	Total Amount	One-Time	On-Going
Communication	1210	Communication Specialist	High	\$ 121,700	\$ 3,000	\$ 118,700
IT	1230	Covert PT GIS Tech to FT	High	\$ 89,000		\$ 89,000
HR/Risk	1240	HR/Risk Manager	High	\$ 207,500		\$ 207,500
Animal Control	2000	Project Manager	High	\$ 179,600		\$ 179,600
Police	2050	Police Officer	High	\$ 352,900	\$ 120,000	\$ 232,900
Police	2050	Police Officer	High	\$ 232,900		\$ 232,900
Police Support	2090	Dispatcher	High	\$ 132,000		\$ 132,000
Police Support	2090	Dispatcher 1/2 yr	High	\$ 67,000		\$ 67,000
Police Support	2090	Training Manager (SSS position)	High	\$ 98,400		\$ 98,400
		Adding 8.5 FTE	TOTAL	\$ 1,359,300	\$ 120,000	\$ 1,239,300

1225 - FINANCE

FY 26/27 Budget Enhancement List

Department	Budget Enhancement Description	Ranking	Total Amount	One-Time
Finance 1225	Fee study	High	\$ 70,000	\$ 70,000
TOTAL			\$ 70,000	\$ 70,000

1230 - INFORMATION TECHNOLOGY

FY 26/27 Capital Purchase and Improvement List

Department	CIP #	Budget Capital Purchase Description	Ranking	Amount
IT	1230	Cybersecurity Grant Funding City Matching	Medium	\$ 30,435
			TOTAL	<u>\$ 30,435</u>

COMMUNITY DEVELOPMENT

FY 26/27 Budget Enhancement List

Department	Budget Enhancement Description	Ranking	On-Going
Community Development(Planning)	1350 ICHI Plan Subscripion Software	High	\$ 7,680
Community Enhancement(Code)	2030 ICHI Plan Subscripion Software	High	\$ 3,840
Building & Safety	2150 ICHI Plan Subscripion Software	High	\$ 7,680
		TOTAL	\$ 19,200

FY 26/27 Budget Enhancement List

Department	Budget Enhancement Description	Ranking	On-Going
Police 2050	Peregrine software	High	\$ 68,000
		TOTAL	<u>\$ 68,000</u>

POLICE DEPARTMENT

COMMUNITY SERVICES

FY 26/27 Budget Enhancement List

Department	Budget Enhancement Description	Ranking	On-Going
Facilities Maintenance 6000	On-Call Maintenance Services	Medium	\$ 100,000
		TOTAL	<u>\$ 100,000</u>

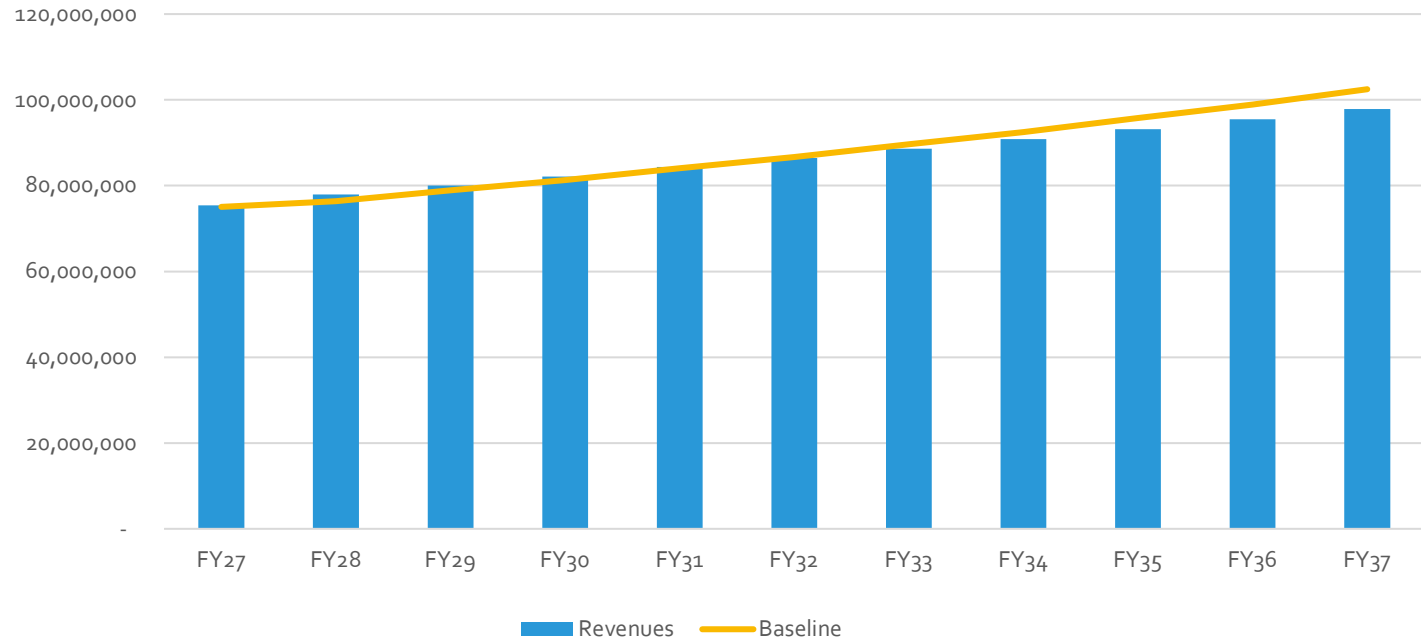
Long-Term Financial Forecast

Assumption Scenarios:

1. Baseline with Enhancements approved
2. Baseline with 3.5% COLA adjustment effective July 1, 2026
3. Baseline with COLA adjustment and Regency project in FY 2028
4. Baseline with COLA, Regency and Debt Service Payment in FY 2030 for a future police station.
5. Baseline with COLA, Regency, Debt Service and 1% Sales Tax Measure

Long-Term Financial Forecast Scenario 1

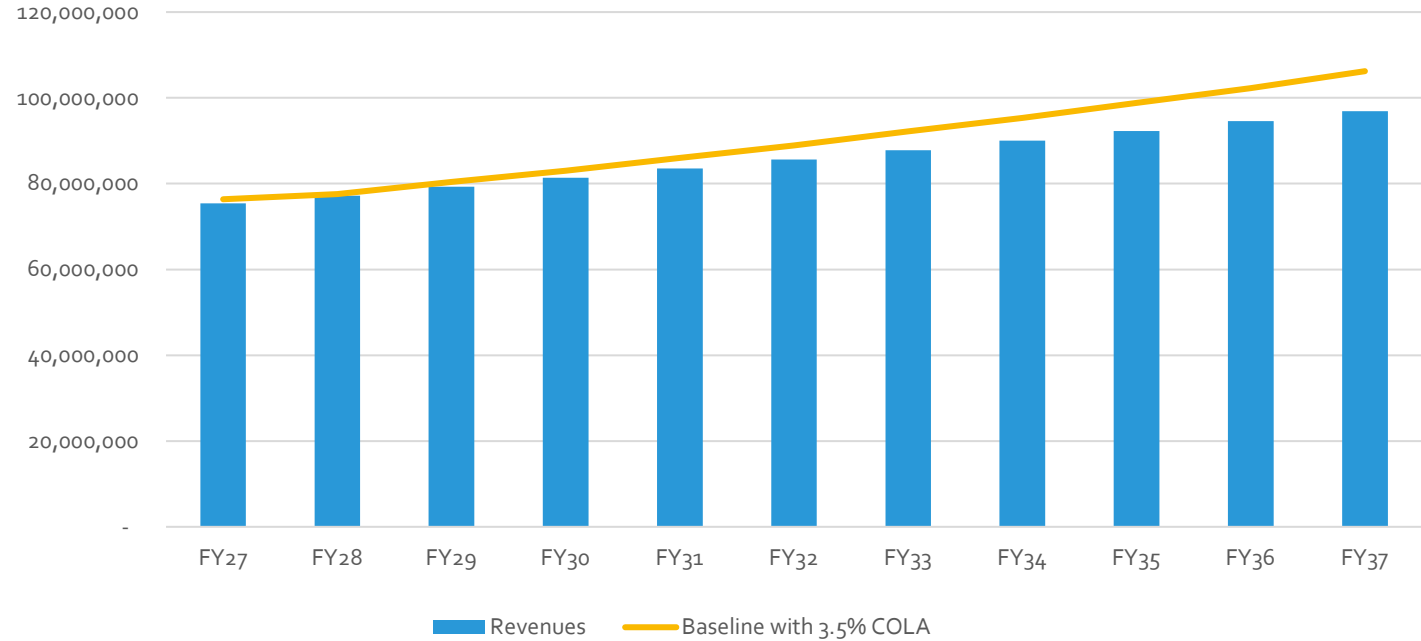
Scenario 1: Baseline Budget



Year	Revenues	Expenditures	Surplus/(Deficit)
FY 2027	75,381,103	75,336,515	44,588
FY 2028	77,216,048	76,348,108	867,940
FY 2029	79,260,400	78,929,087	331,313
FY 2030	81,373,349	81,323,418	49,931
FY 2031	83,556,913	84,093,261	(536,348)
FY 2032	85,638,255	86,693,637	(1,055,382)
FY 2033	87,788,512	89,689,754	(1,901,242)
FY 2034	89,996,836	92,524,468	(2,527,632)
FY 2035	92,252,681	95,781,065	(3,528,384)
FY 2036	94,547,657	98,901,769	(4,354,112)
FY 2037	96,875,101	102,480,193	(5,605,092)

Long-Term Financial Forecast Scenario 2

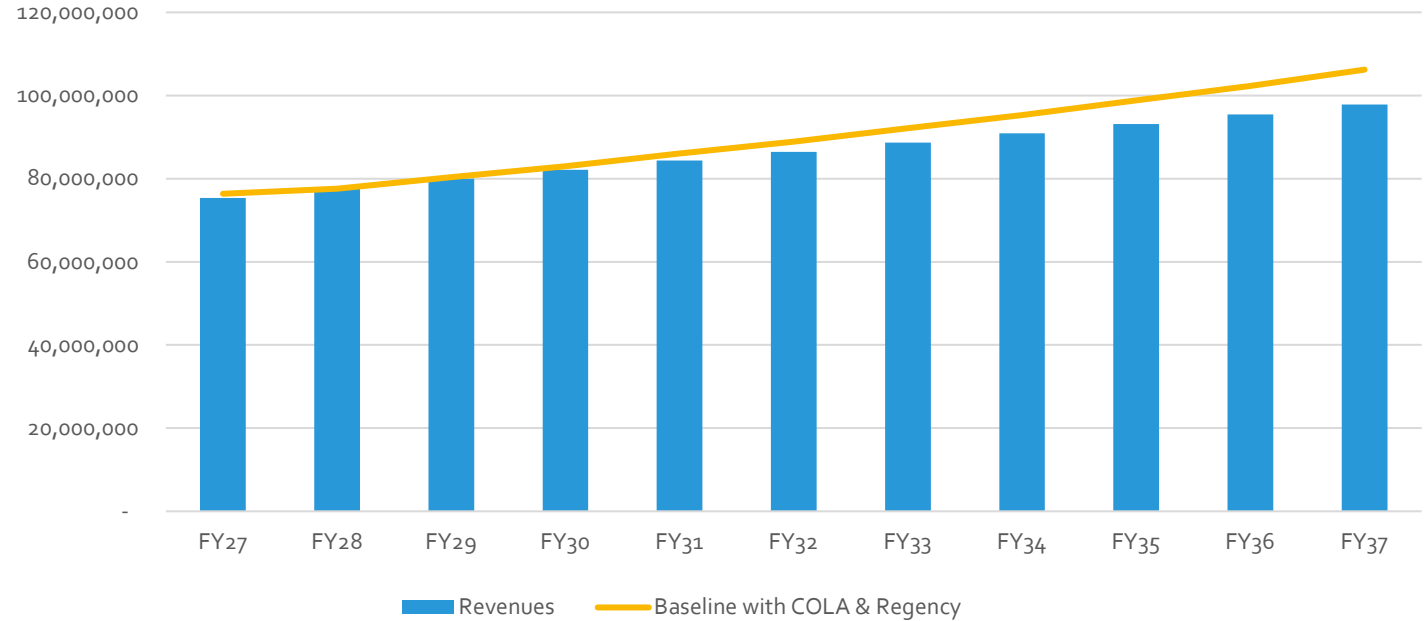
Scenario 2: Baseline with 3.5% COLA



Year	Revenues	Expenditures	Surplus/(Deficit)
FY 2027	75,381,103	76,366,067	(984,964)
FY 2028	77,216,048	77,585,332	(369,284)
FY 2029	79,260,400	80,386,402	(1,126,002)
FY 2030	81,373,349	83,013,830	(1,640,481)
FY 2031	83,556,913	86,030,391	(2,473,478)
FY 2032	85,638,255	88,891,747	(3,253,492)
FY 2033	87,788,512	92,163,775	(4,375,263)
FY 2034	89,996,836	95,290,024	(5,293,188)
FY 2035	92,252,681	98,854,509	(6,601,828)
FY 2036	94,547,657	102,300,210	(7,752,553)
FY 2037	96,875,101	106,221,529	(9,346,428)

Long-Term Financial Forecast Scenario 3

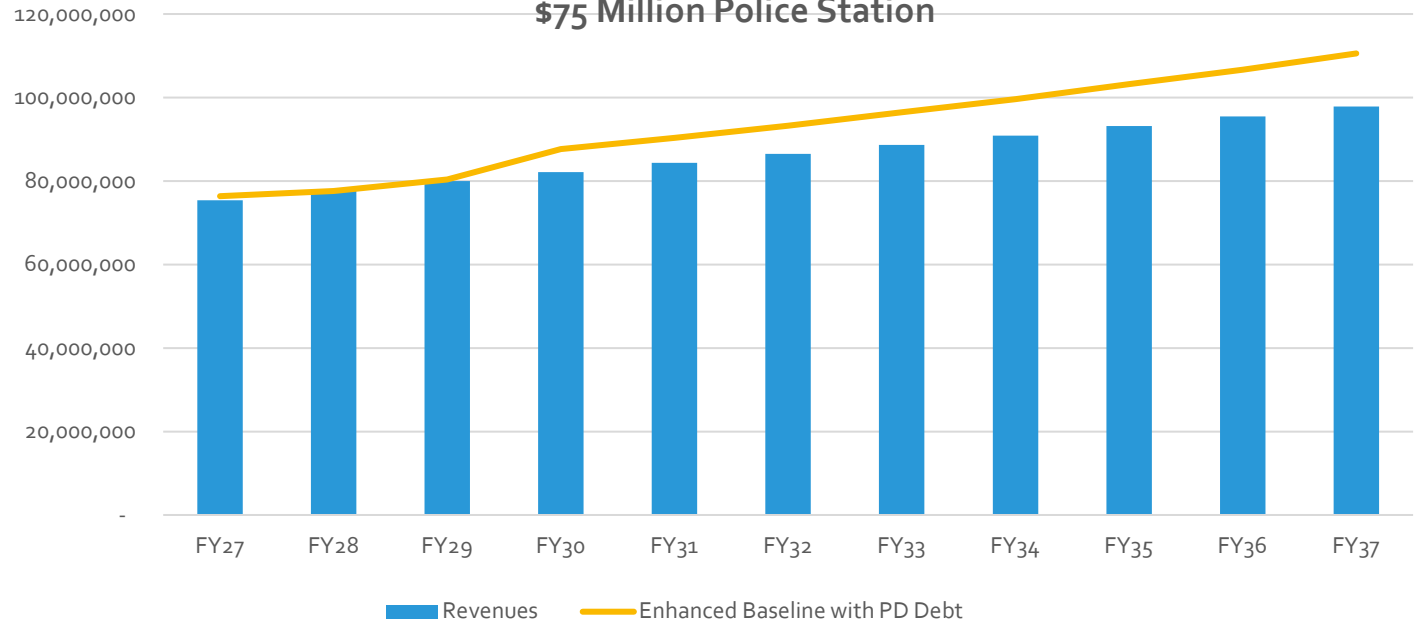
Scenario 3: Baseline with 3.5% COLA and Regency Project Revenue



Year	Revenues	Expenditures	Surplus/(Deficit)
FY 2027	75,381,103	76,366,067	(984,964)
FY 2028	77,946,048	77,585,332	360,716
FY 2029	80,014,966	80,386,402	(371,436)
FY 2030	82,152,480	83,013,830	(861,350)
FY 2031	84,360,611	86,030,391	(1,669,780)
FY 2032	86,466,519	88,891,747	(2,425,228)
FY 2033	88,641,342	92,163,775	(3,522,433)
FY 2034	90,874,232	95,290,024	(4,415,792)
FY 2035	93,154,643	98,854,509	(5,699,866)
FY 2036	95,474,185	102,300,210	(6,826,025)
FY 2037	97,826,194	106,221,529	(8,395,335)

Long-Term Financial Forecast Scenario 4

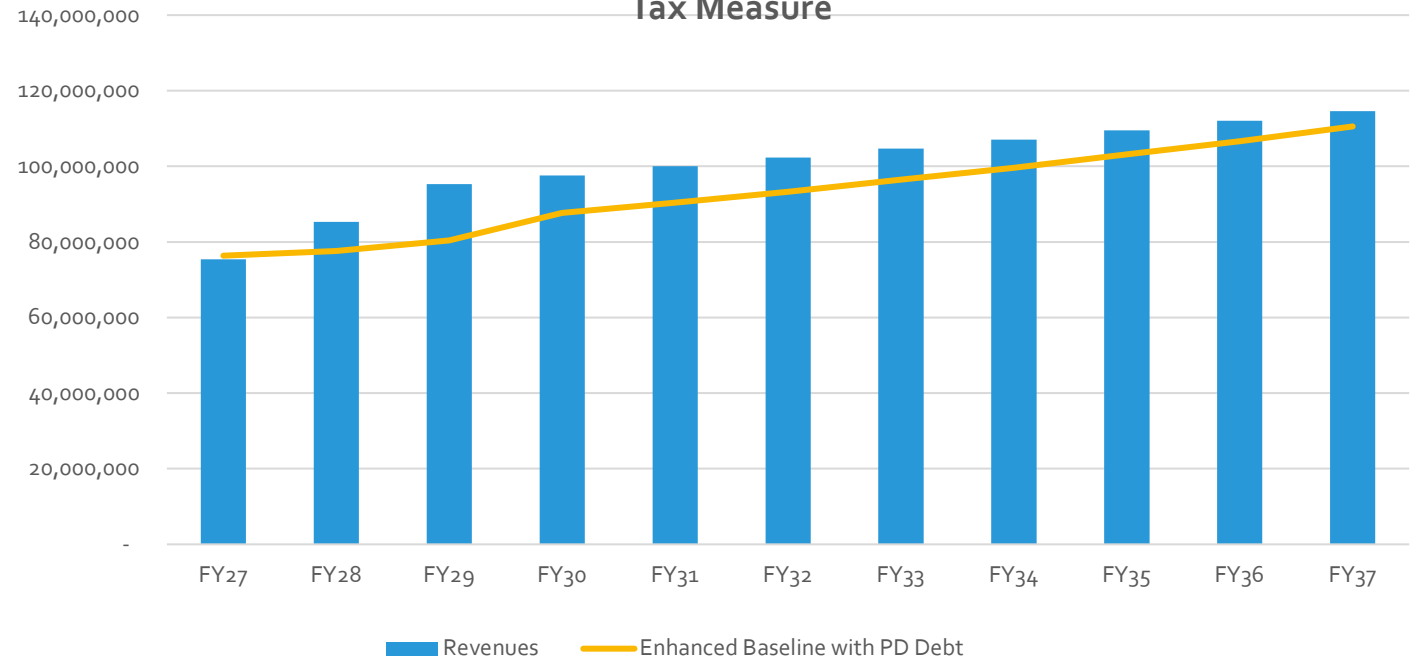
Scenario 4: Baseline with COLA, Regency Project and Debt Service for \$75 Million Police Station



Year	Revenues	Expenditures	Surplus/(Deficit)
FY 2027	75,381,103	76,366,067	(984,964)
FY 2028	77,946,048	77,585,332	360,716
FY 2029	80,014,966	80,386,402	(371,436)
FY 2030	82,152,480	87,654,830	(5,502,350)
FY 2031	84,360,611	90,363,141	(6,002,530)
FY 2032	86,466,519	93,224,497	(6,757,978)
FY 2033	88,641,342	96,496,525	(7,855,183)
FY 2034	90,874,232	99,622,774	(8,748,542)
FY 2035	93,154,643	103,187,259	(10,032,616)
FY 2036	95,474,185	106,632,960	(11,158,775)
FY 2037	97,826,194	110,554,279	(12,728,085)

Long-Term Financial Forecast Scenario 5

Scenario 5: Baseline with COLA, Regency Project, Debt Service and 1% Sales Tax Measure



Year	Revenues	Expenditures	Surplus/(Deficit)
FY 2027	75,381,103	76,366,067	(984,964)
FY 2028	85,348,048	77,585,332	7,762,716
FY 2029	95,276,410	80,386,402	14,890,008
FY 2030	97,604,692	87,654,830	9,949,862
FY 2031	100,002,885	90,363,141	9,639,744
FY 2032	102,299,628	93,224,497	9,075,131
FY 2033	104,664,449	96,496,525	8,167,924
FY 2034	107,088,014	99,622,774	7,465,240
FY 2035	109,558,126	103,187,259	6,370,867
FY 2036	112,067,948	106,632,960	5,434,988
FY 2037	114,610,786	110,554,279	4,056,507

Available Reserves

Balance of Available Reserves

From Audited Financials		6/30/2025
Nonspendable		422,889
Restricted		
	Pension 115 Trust	4,372,256
Committed		
	Capital Projects	800,000
	MOU Revenue Bonus	582,382
	Self-Insurance	6,304,943
Assigned		
	Re-appropriation	569,092
Unassigned		
	16% Working Cash Flow Reserve	12,070,951
	Budget Stabilization Reserve	5,000,000
	Emergency Disaster Reserve	1,000,000
	Available Reserves	<u>22,503,703</u>
		<u>53,626,216</u>
FY 26 Changes in Available Reserves		
Beginning Balance Available Reserves		22,503,703
	Re-appropriation Adjustment	(617,569)
	CIP Adjustment #1 Potrero	(800,000)
	MOU Revenue Bonus Adjustment	<u>(25,506)</u>
Available Remaining		<u><u>21,060,628</u></u>
Please note:		
	Available balance of Self Insurance Fund as of March 31, 2026	<u><u>5,094,902.00</u></u>

One-Time Funds



Unprogrammed/available resources in the General Fund after enhancements and CIP = **\$45k**



Recommendation for use:

One-time expenditures

Pass on personnel funding and re-evaluate during the budget process for Fiscal Year 2028



Discussion and possible direction

ENTERPRISE FUNDS



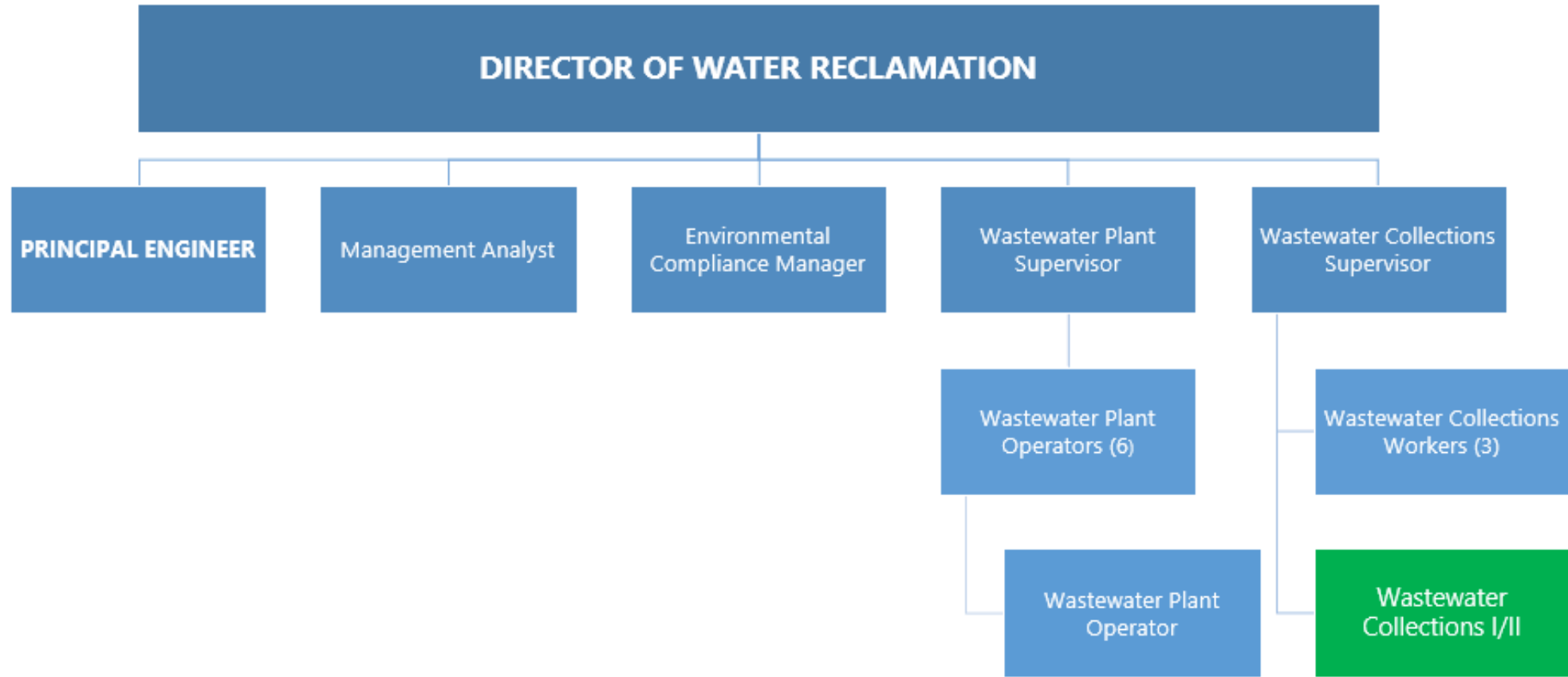
Wastewater Fund Overview

FY 2027 Proposed Budget

- Revenues = \$16,781,283
- Expenses = \$16,781,283
- Surplus = \$ 0

Revenues have increased by \$535,366 (3.3%) from FY 2026 budget.

Expenses have increased by \$117,984 (.07%) from FY 2026 budget.



ORGANIZATIONAL CHART
WASTEWATER

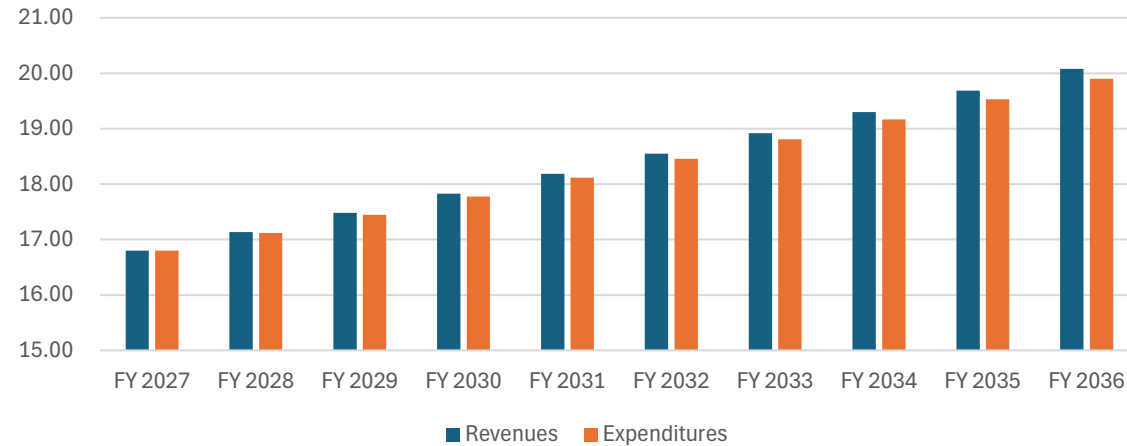
FY 26/27 Budget Enhancement List

Department		Budget Enhancement Description	Ranking	Total	
				Amount	One-Time On-Going
Waste Water	4051	Collections I/II	High	\$ 161,900	\$ 161,900
		Adding 1 FTE	TOTAL	\$ 161,900	\$ - \$ 161,900

WASTEWATER

Wastewater Long-Term Fiscal Forecast

Wastewater Long Term Fiscal Forecast



Year	Revenues	Expenditures	Surplus/(Deficit)
FY 2027	16.80	16.80	-
FY 2028	17.14	17.12	0.02
FY 2029	17.48	17.44	0.03
FY 2030	17.83	17.78	0.05
FY 2031	18.18	18.11	0.07
FY 2032	18.55	18.46	0.09
FY 2033	18.92	18.81	0.11
FY 2034	19.30	19.17	0.13
FY 2035	19.68	19.53	0.15
FY 2036	20.08	19.90	0.18

Transit Fund Overview

FY 2026 Proposed Budget

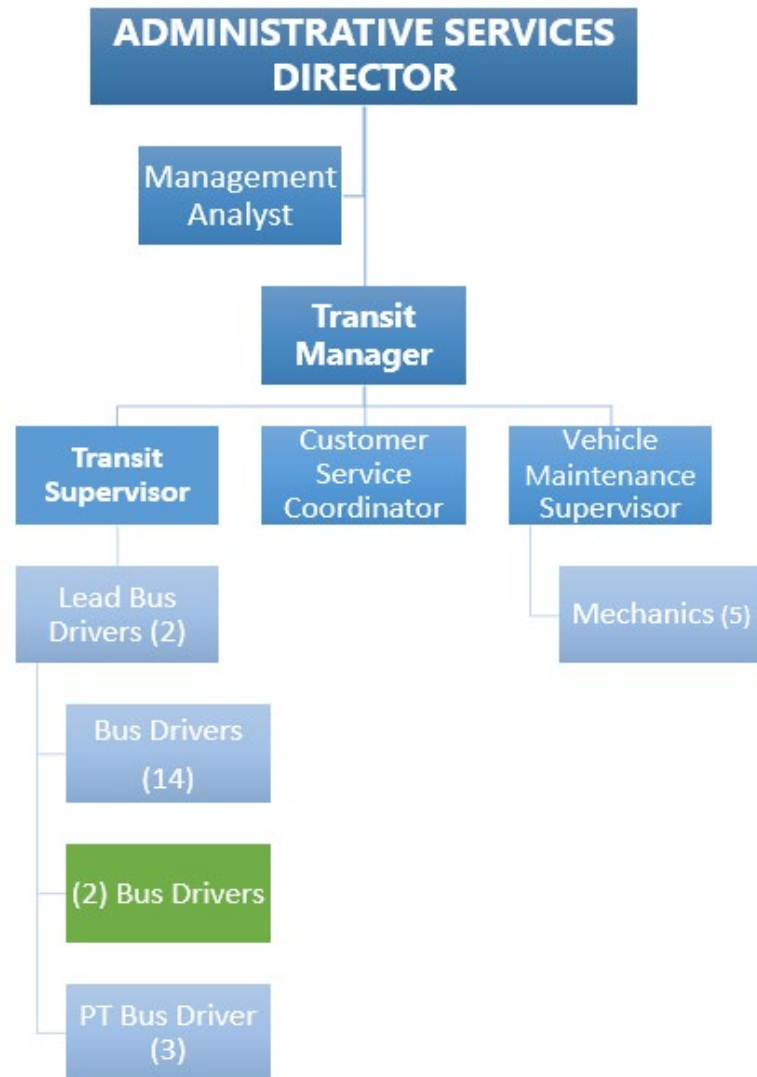
- Revenues = \$3,873,973
- Expenses = \$3,816,744
- Surplus = \$ 57,229

Revenues have increased by \$311,305 (8.7%) from FY 2026 budget.

Expenses have increased by \$254,076 (7.1%) from FY 2026 adjusted budget.

TRANSIT

ORGANIZATIONAL CHART



FY 26/27 Budget Enhancement List

Department	Budget Enhancement Description	Ranking	Total	
			Amount	One-Time On-Going
Transit	7000 (2) Bus Drivers	High	\$ 185,500	\$ 185,500
TOTAL			\$ 185,500	\$ - \$ 185,500

ENHANCEMENT
TRANSIT

CAPITAL IMPROVEMENT PROGRAM

FY27-FY31 CIP PROJECT SUMMARY

	FY27		FY27-FY31	
Funding Category	Total Projects	Funding Request	Total Projects	Funding Request
CFD(s)	1	\$1,413,233	5	\$8,184,007
DIF(s)	11	\$3,368,400	18	\$8,881,256
Gas Tax	1	\$327,897	5	\$1,525,059
General Fund	1	\$1,400,000	1	\$1,400,000
Grant(s)	7	\$11,417,642	7	11,417,642
ISF	10	\$3,190,501	10	\$3,252,944
Measure A	1	\$1,036,000	5	\$5,433,000
SB1 RMRA	1	\$1,675,318	5	\$8,086,949
WW	7	\$550,000	16	\$8,202,786
	40	\$26,666,705	72	\$56,383,643

Grace Building Rehabilitation

**\$1.4 Million
General Fund**



Citywide Traffic Analysis

\$300,000
DIF- Traffic Signal



CITY OF BEAUMONT, CALIFORNIA CITYWIDE TRAFFIC STUDY APPROACH

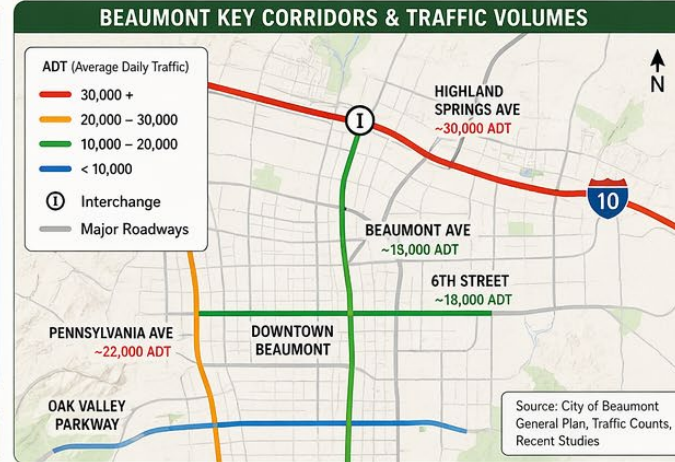
A Comprehensive, Data-Driven Approach to Managing Growth and Improving Mobility

1 GENERAL PLAN (CITYWIDE BASELINE TRAFFIC ANALYSIS)

- Provides citywide baseline data
- Identifies key corridors and traffic conditions
- Supports long-term transportation planning and land use

EXAMPLE DATA

- Highland Springs Ave: ~30,000 ADT near I-10
- Key Arterials: 6th Street, Beaumont Avenue, Pennsylvania Ave



2 TRAFFIC IMPACT ANALYSES (PROJECT-LEVEL STUDIES)

- Required for new development
- Evaluates VMT, LOS, safety, and access
- Prepared under CEQA / SB 743
- Identifies mitigation improvements

TYPICAL ANALYSIS INCLUDES:

- Vehicle Miles Traveled (VMT)
- Level of Service (LOS)
- Safety Analysis
- Access & Circulation

3 SPECIFIC TRAFFIC STUDIES & REPORTS

- Truck Route Study**
Freight movement and designated corridors
- Traffic Volume Reports**
Ongoing counts at key locations (e.g., Oak Valley Pkwy Interchange)
- Corridor & Project Studies**
Evaluate improvements such as 2nd Street extension to reduce congestion

4 CITYWIDE TRAFFIC PROGRAMS & INITIATIVES

- Neighborhood Traffic Management Program**
 - Speeding
 - Cut-through traffic
 - Safety
- Citywide Traffic Signal Upgrade Program**
 - AI / Adaptive signal systems
 - Real-time data collection
 - Smart city integration

Data-driven operations for safer, more efficient mobility citywide.

5 CAPITAL IMPROVEMENT PLAN (CIP)

Prioritizing Projects Citywide

- Interchanges (Oak Valley, Pennsylvania)
- Road widenings & extensions
- Traffic signal upgrades
- Corridor improvements

Funding and delivering improvements that support growth and mobility.



OUR GOAL: A safe, efficient, and connected transportation system that supports Beaumont's community and future.

Beaumont. Your California.

City Entrance and Wayfinder Signage

\$200,000
DIF- Road and
Bridge





Questions from the City Council regarding the proposed FY 2027 Budget and Proposed Capital Improvement Plan



Staff is seeking direction regarding any changes or additional information needed by the City Council



Potential need for additional meetings prior to proposed final adoption – June 3rd

QUESTIONS & CITY COUNCIL DIRECTION