



BUDGET WORKSHOP

550 E. 6th Street, Beaumont, CA

Monday, November 15, 2021

Workshop: 4:30 PM

Materials related to an item on this agenda submitted to the City Council 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.

WORKSHOP SESSION - 4:30 PM

CALL TO ORDER

Mayor Lara, Mayor Pro Tem White, Council Member Martinez, Council Member Fenn, Council Member Santos

Action of any Requests for Excused Absence

Pledge of Allegiance

Conflict of Interest Disclosure

PUBLIC COMMENT PERIOD (ITEMS NOT ON THE AGENDA)

Any one person may address the City Council 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 City Clerk. There is a three (3) minute time limit on public comments. There will be no sharing or passing of time to another person. State Law prohibits the City Council from discussing or taking actions brought up by your comments.

ACTION ITEMS

Approval of all Ordinances and Resolutions to be read by title only.

1. Budget Workshop – Initiation of the Fiscal Year 2022-23 Budget Building Process

Recommended Action:

Establish Mission, Vision and Value Statements

Confirm City Council Goals

Discuss Program Survey Results

Review and Affirm Multi-Year Revenue Model

ADJOURNMENT

The next regular meeting of the Beaumont City Council, Beaumont Financing Authority, the Beaumont Successor Agency (formerly RDA), the Beaumont Utility Authority, the Beaumont Parking Authority and the Beaumont Public Improvement Agency is scheduled for Tuesday, November 16, 2021, at 5:00 p.m., unless otherwise posted.



Staff Report

TO: City Council
FROM: Jennifer Ustation, Finance Director
DATE: November 15, 2021
SUBJECT: Budget Workshop – Initiation of the Fiscal Year 2022-23 Budget Building Process

Background and Analysis:

The City operates under a fiscal operating budget and a multi-year capital improvement budget. This meeting begins the process of building the FY2022-23 operating budget and updating the capital improvement budget.

Workshop Format

This workshop is structured to accomplish the following:

1. Review recommended of Mission, Vision and Values Statements and accept or provide direction;
2. Review and discuss the results of the City Program Survey – FY2022-23;
3. Overview and discussion of revenue projections and current financial conditions of the City; and
4. Discuss the City Council budget priorities and provide direction to staff regarding next steps in the budget building process.

Mission, Vision, Value

Mission and vision statements determine the City's purpose, focuses on the City's future direction, and provides a template for decision-making. Goals and objectives are established to support the City's mission and achieve the City's vision. Core values support these goals and objectives while reinforcing the underlying operational decisions, actions, and priorities.

City staff recommends the following Mission, Vision, and Value Statements:

Mission –The City of Beaumont is committed to provide core services to the community that ensure it remains a desirable place to live, work and play. Through responsible and professional leadership and in partnership with local agencies to achieve common goals and leverage area resources, the City will strive to improve the quality of life for all residents living and working in the community.

Vision - The City of Beaumont maintains its reputation as a safe community and evolves to meet the needs of Beaumont’s residential and commercial growth. The City strives to create an economically balanced community to achieve fiscal sustainability and ensure that City resources are maximized and deployed in a manner that meets Beaumont’s long-term needs, as well as the needs for every citizen while enhancing and maintaining Beaumont’s natural beauty.

Values – The City **ASPIRES** to reach new heights.

Accountability – We hold ourselves accountable for our actions and to be transparent with one another and with our community.

Stewardship – We will be good stewards of City resources and the public.

Promote Trust – We strive to promote trust in our community and with one another through effective communication, respect, transparency, and broadly sharing information.

Integrity and Ethics – Our actions will maintain the trust and confidence of the public and the organization.

Responsibility – We take responsibility for our actions as an organization and achieving results.

Excellence – We strive to maintain excellence in everything we do for the organization and for the public.

The City Council’s adopted goals have been included as Attachment A for review and affirmation.

Review of Survey Results

City Council and City senior management independently completed a survey regarding services and major functions performed by the City. The survey was completed as a

first step to allow both City Council and City management to assess the importance of the individual services and functions that the City provides. Respondents were also given the opportunity to assess whether the individual services and functions were being performed acceptably or unacceptably.

The survey results were tabulated to provide an aggregate of senior management respondents and City Council respondents separately. The results of the survey will be presented for Council review at the workshop.

Current Financial Condition of the City

General Fund

The General Fund of the City is the primary fund where the City Council has discretion in its funding decisions. The General Fund includes a significant portion of operations including public safety, public works, permitting, planning, finance, information technology, administration, parks and recreation, and streets maintenance.

Over the past three fiscal years the financial condition of the City has continued to stabilize and build its reserve balances. In FY2021, the City Council allocated \$5.8 million in one-time General Funds to address various needs of the City.

As of June 30, 2021, due to positive operating results of the previous years and a \$5 million one-time payment received during FY2020, the City has an estimated unaudited Unassigned General Fund Balance of \$17,396,043.

The City Council has a policy to maintain a minimum 25% of General Fund expenditures in reserves to address financial downturns or unplanned needs for financial resources. The estimated General Fund expense for FY2022 is \$39.5 million which would require a reserve balance of \$9.8 million. The estimated General Fund expense for FY2023 is \$40.5 million, requiring an estimated reserve balance of \$10.13 million.

The committed portion of the General Fund balance includes a self-insurance fund balance of \$2,850,717, and a pension liability balance of \$2,500,000. Additionally, \$214,799 of reserve funds were reappropriated at the beginning of FY2022.

The Unassigned General Fund balance available to the City Council for appropriation is \$7.26 million. These funds are available for one-time allocations which should not include changes in pay or new positions as there may not be sufficient funds to continue

those types of expenditures. Below is a summary of the General Fund operating results for the previous three fiscal years.

Beginning Fund Balance		FY 2019 Actual	FY 2020 Actual	FY 2021 Unaudited (estimate)
Uncommitted Funds		\$ 11,514,778.00	\$ 15,480,676.00	\$ 24,065,174.00
Revenues				
	Property Tax	\$ 5,656,662.00	\$ 6,109,623.00	\$ 6,991,565.00
	Sales Tax	\$ 5,558,667.00	\$ 6,593,630.00	\$ 7,552,253.00
	Franchise Fees	\$ 912,924.00	\$ 8,074,504.00	\$ 3,183,803.00
	Motor Veh In-Lieu Tax	\$ 4,517,090.00	\$ 4,997,852.00	\$ 5,709,914.00
	Other Taxes	\$ 1,942,682.00	\$ 1,966,905.00	\$ 2,223,664.00
	Permit and Licenses	\$ 5,773,934.00	\$ 3,229,430.00	\$ 3,466,783.00
	Charges for Services	\$ 9,160,140.00	\$ 1,182,455.00	\$ 1,132,112.00
	Fines and Forfeitures	\$ 129,224.00	\$ 117,638.00	\$ 135,556.00
	Cost Recovery	\$ 742,948.00	\$ 924,290.00	\$ 337,741.00
	Misc Revenues	\$ 265,169.00	\$ 273,638.00	\$ 375,197.00
	Total Revenues	\$ 34,659,440.00	\$ 33,469,965.00	\$ 31,108,588.00
Expenses				
	General Govt	\$ 6,105,944.00	\$ 6,445,861.00	\$ 8,408,067.00
	Public Safety	\$ 14,552,371.00	\$ 16,216,204.00	\$ 17,578,156.00
	Public Works	\$ 2,945,227.00	\$ 2,600,861.00	\$ 2,869,038.00
	Community Development	\$ 2,189,159.00	\$ 1,713,123.00	\$ 1,585,675.00
	Community Services	\$ 3,929,423.00	\$ 4,062,549.00	\$ 4,158,864.00
	Refuse	\$ 5,504,512.00	\$ -	\$ -
	Other	\$ -	\$ 33,474.00	\$ 476,759.00
	Total Expenses	\$ 35,226,636.00	\$ 31,072,072.00	\$ 35,076,559.00
	Operating Surplus/(deficit)			
	Net Transfers(In/(Out))	\$ 4,533,094.00	\$ 6,186,605.00	\$ 3,090,071.00
Ending Fund Balance		\$ 15,480,676.00	\$ 24,065,174.00	\$ 23,187,274.00
Non-spendable		\$ 220,634.00	\$ 224,671.00	\$ 225,715.00
Restricted				
Committed			\$ 4,550,000.00	\$ 5,565,516.00

Unassigned		\$ 15,260,042.00	\$ 19,290,503.00	\$ 17,396,043.00
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*Unassigned fund balance in FY2019 and FY2020 did not deduct self-insurance funds. These funds have been placed in committed status for the FY2021 balance.

Wastewater Fund

The Wastewater Fund is a proprietary fund which functions more like a business operation. User fees fund operations, capital needs, and the cash reserves. The City's wastewater operations have increased to meet continued growth and in association with the newly constructed Wastewater Treatment Plant Expansion and Brine Line Project. The refinement of operation has increased staffing and operational needs.

As of June 30, 2021, the estimated unaudited Wastewater operating fund has approximately \$5.6 million in unrestricted cash reserves. The FY2022 revenue budget for the Wastewater Fund is \$11,021,604. The City's Reserve Policy requires that 25% of expenditures be maintained as a reserve. Based on year-end balance, the reserve allocation is calculated to be \$2,755,401.

The following table provides results of operations for the previous two fiscal years and unaudited results from FY2020-21:

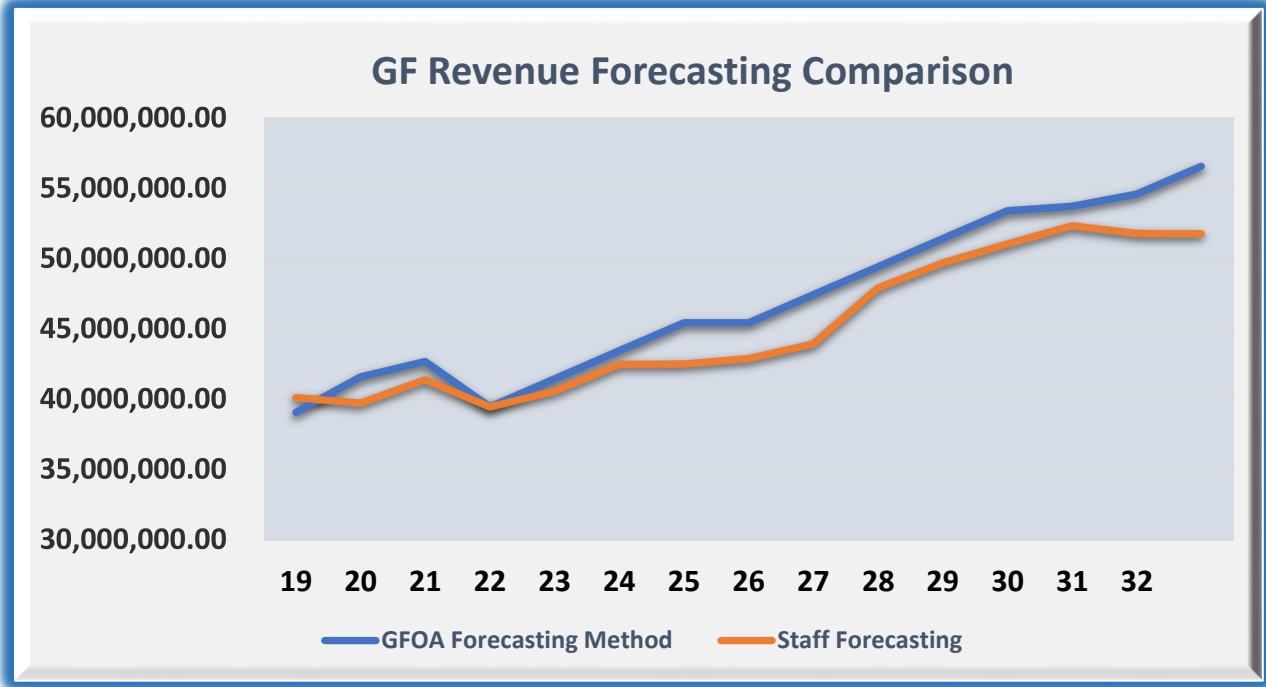
Beginning Fund Balance		FY2019 Actual	FY2020 Actual	FY2021 Unaudited (estimate)
		\$ 666,434.00	\$ 4,447,570.00	\$ 5,553,831.00
Revenue				
	Interest	\$ 120,105.00	\$ 50,180.00	\$ 20,816.00
	Sewer Fees	\$ 8,811,917.00	\$ 10,527,803.00	\$ 10,893,361.00
	Other	\$ 831.00	\$ 780.00	\$ 4,769.00
	Total Revenue	\$ 8,932,853.00	\$ 10,578,763.00	\$ 10,918,946.00
Expenses				
	Personnel	\$ 957,850.00	\$ 1,988,979.00	\$ 2,221,333.00
	Admin Overhead	\$ 612,000.00	\$ 650,000.00	\$ 650,000.00
	Other Operating Costs	\$ 3,353,587.00	\$ 2,169,645.00	\$ 2,835,409.00
	Capital Costs	\$ 349,327.00	\$ 146,130.00	\$ 93,710.00
	Total Expense	\$ 5,272,764.00	\$ 4,954,754.00	\$ 5,800,452.00

	Operating Surplus/Deficit	\$ 3,660,089.00	\$ 5,624,009.00	\$ 5,118,494.00
	Net Transfers (In/Out)	\$ 121,047.00	\$ (4,517,748.00)	\$ (4,988,196.00)
	Ending Fund Balance	\$ 4,447,570.00	\$ 5,553,831.00	\$ 5,684,129.00

General Fund Revenue Projections

Revenue forecasting is a fundamental part of budgeting and financial planning. It is a tool used to anticipate future resource availability and to plan for sustainable enhancements to City services. It also is used to analyze the financial sustainability of existing policies and programs.

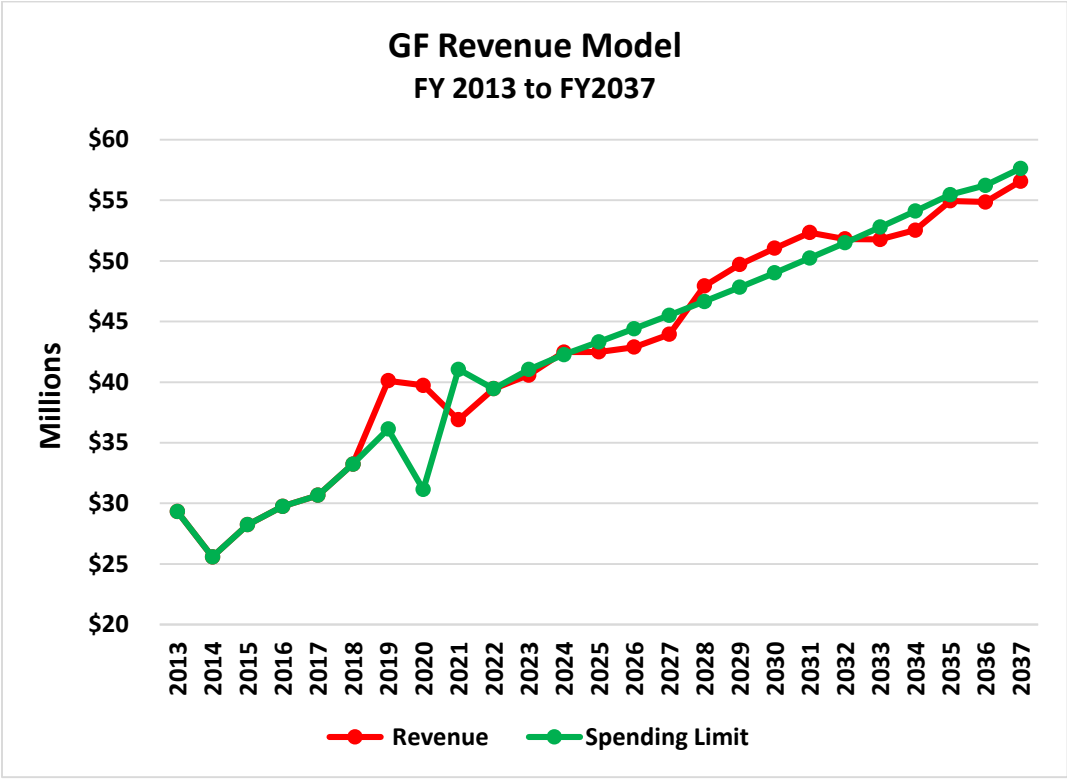
City staff has completed a General Fund Revenue Forecast using assumptions related to population change, permit activity projection, and economic trends such as inflation and recession. This forecast was then measured against the Government Finance Officers Association (GFOA) recommended revenue forecasting method. This method uses statistical formulas, past actual results, trends and prior year forecast errors to predict future results. These two methods compared, show a similar trendline result. Below is the comparison of the two methods.



The General Fund projected revenue from the City staff calculations is \$40,569,838 for FY2023 while the GFOA recommended forecast projects \$41,452,969 for FY2023. This results in a difference of \$883,131. The GFOA forecasting methodology model is a guide to determine whether the core assumptions are in line with other forecasting methods, while the City staff model contemplates local economic data to provide a more granular assessment of the factors impacting Beaumont.

General Fund Spending Threshold

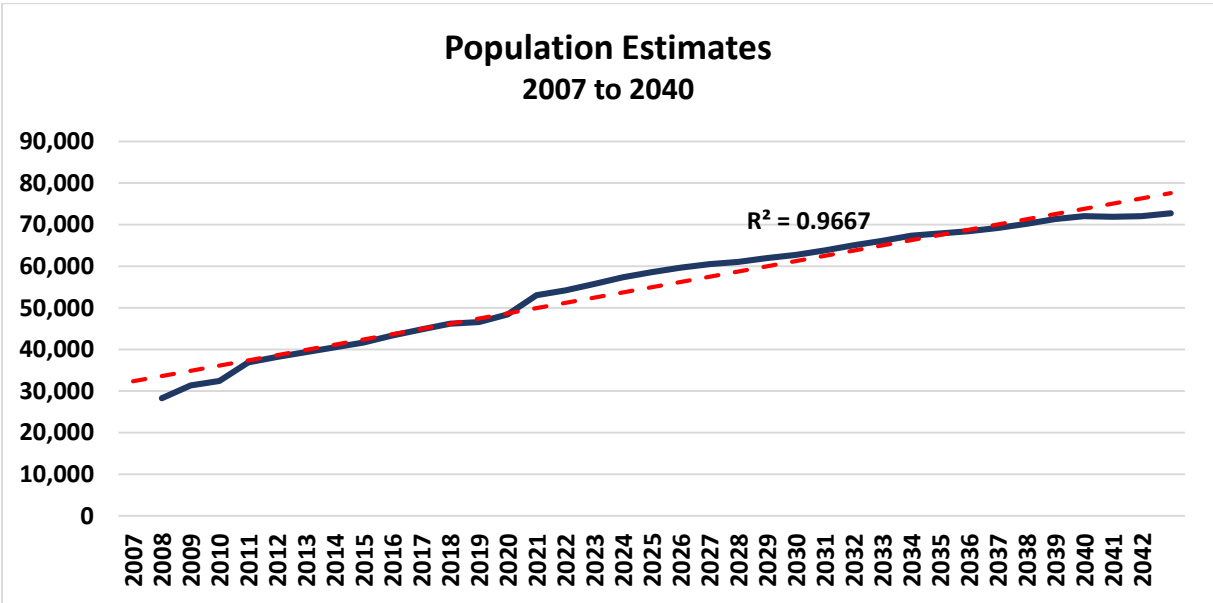
The revenue model is used to establish spending thresholds which help ensure that budgetary allocations are sustainable over a multi-year period. The current City staff model indicates that the General Fund could typically sustain an annualized increase of 2.4%. This model affirms the sustainability of spending with the revenue projections for the next five fiscal years.



General Fund Revenue Assumptions

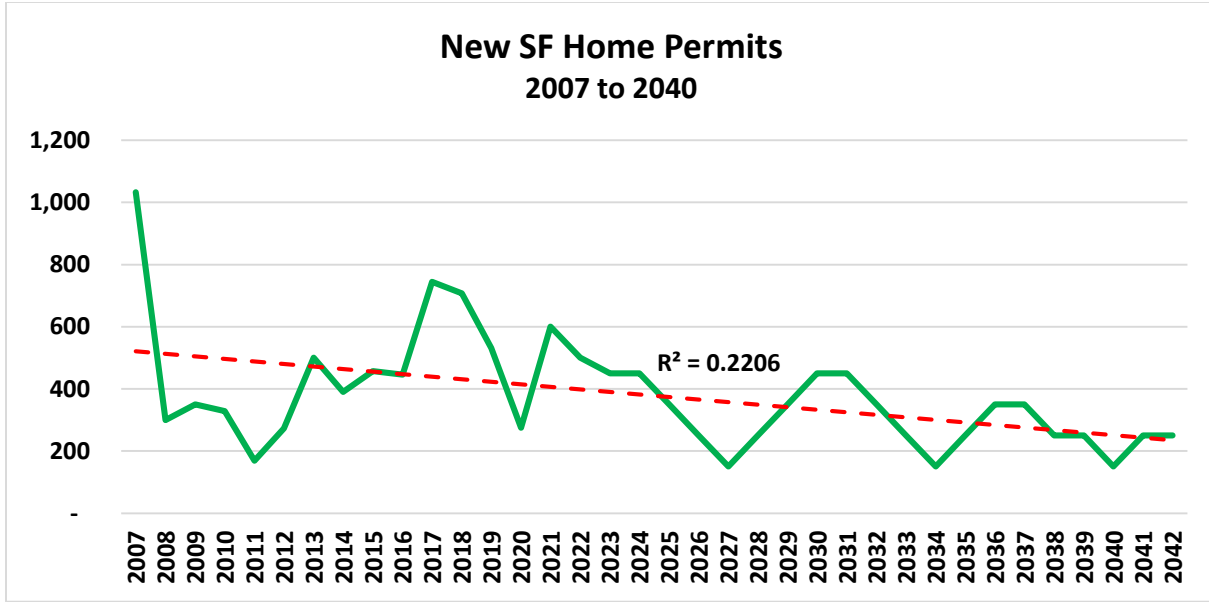
Population Growth

Since 2007, the City has seen continuous growth in its population by an average of 5% each year. The population data provided from the 2020 US Census estimates Beaumont’s population to be 53,036 as of April 2021. The population forecast estimate uses prior year data and adds estimated single family and multi-family units final (number of estimated final units by average household size) to project the additional population for each continuous year.



New Single Family Home Permits

The utilization of the current community development project information and historical permit data is used to forecast future permit projections. City staff then determines the number of permits estimated to be final in a fiscal year by adding two years of homes permitted and multiplying by an average permits final percentage factor.



City’s Financial Factors

The City’s financial factors needed for consideration during the budget process are to ensure resources are deployed as effectively and efficiently as possible. The survey results are used to determine the level of criticality between City programs and any deficiencies that need to be addressed. Routine monitoring of local and regional economic trends are used to update revenue projections to maintain an accurate forecast of revenues.

Fiscal Impact:

City staff estimates the cost to prepare this report to be \$11,700.

Recommended Action:

- Establish mission, vision and value statements,
- Confirm City Council goals,
- Discuss program survey results, and
- Review and affirm multi-year revenue model.

Attachments:

- A. City Council Adopted Goals

- B. Population and Housing Forecast
- C. City Staff Multi-Year Revenue Projection

City Council Adopted Goals

- **Public Safety** – Ensure the Beaumont maintains its reputation as a safe community and evolves to meet the needs of Beaumont’s residential and commercial growth.
- **Quality of Life** – Enhance and maintain Beaumont’s natural beauty and offer parks and recreation services that addresses the needs for every citizen.
- **Community Services** – Provide core services to the community that ensure Beaumont remains a desirable place to live, work and play.
- **Sustainable Community** – Ensure that city resources are maximized and deployed in a manner that meets Beaumont’s long-term needs.
- **Intergovernmental/Interagency Relationships** – Work with local agencies to achieve common goals and leverage area resources.
- **Economic Development** – Create an economically balanced community to achieve fiscal sustainability.

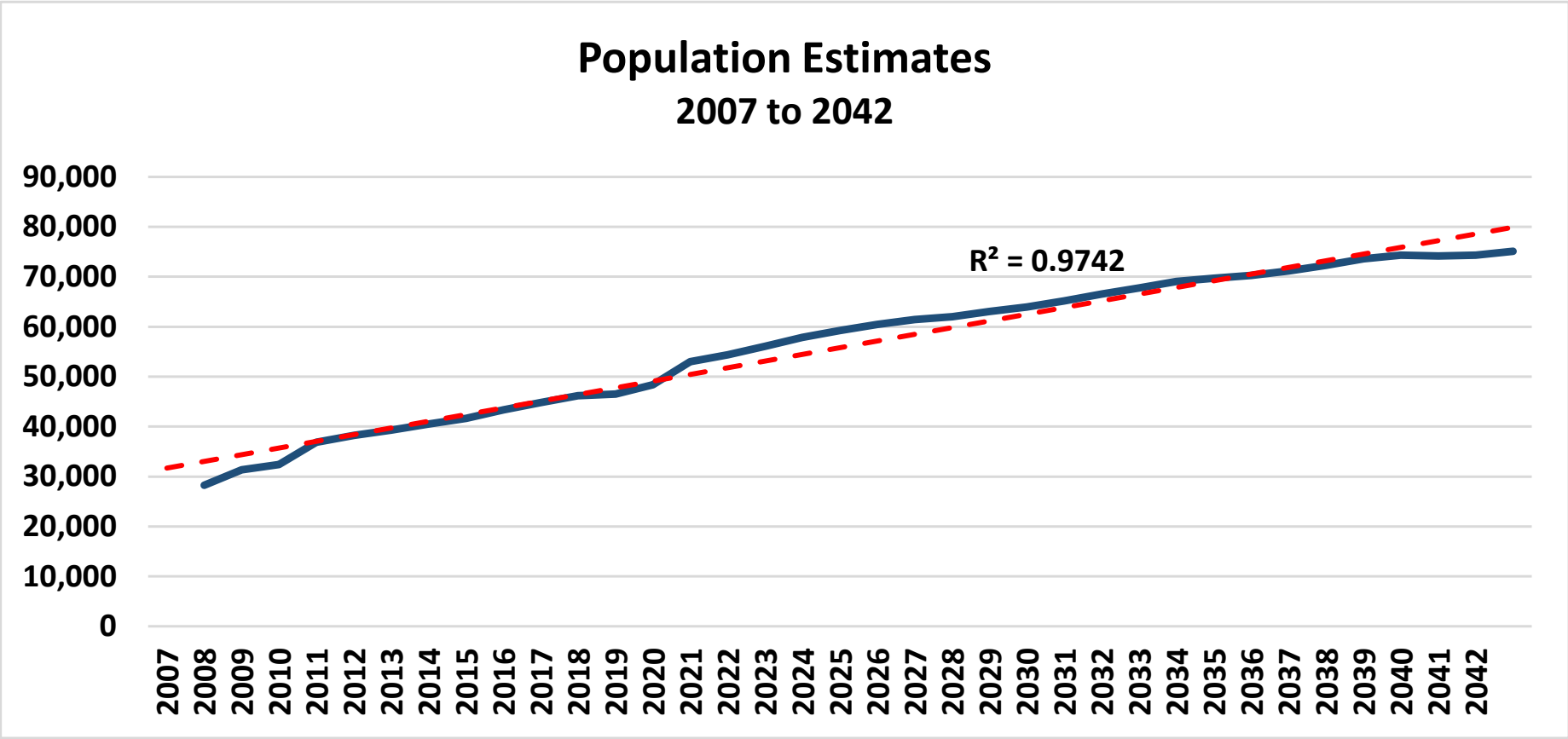
**City of Beaumont
Preliminary Population Forecast - 11/10/2021**

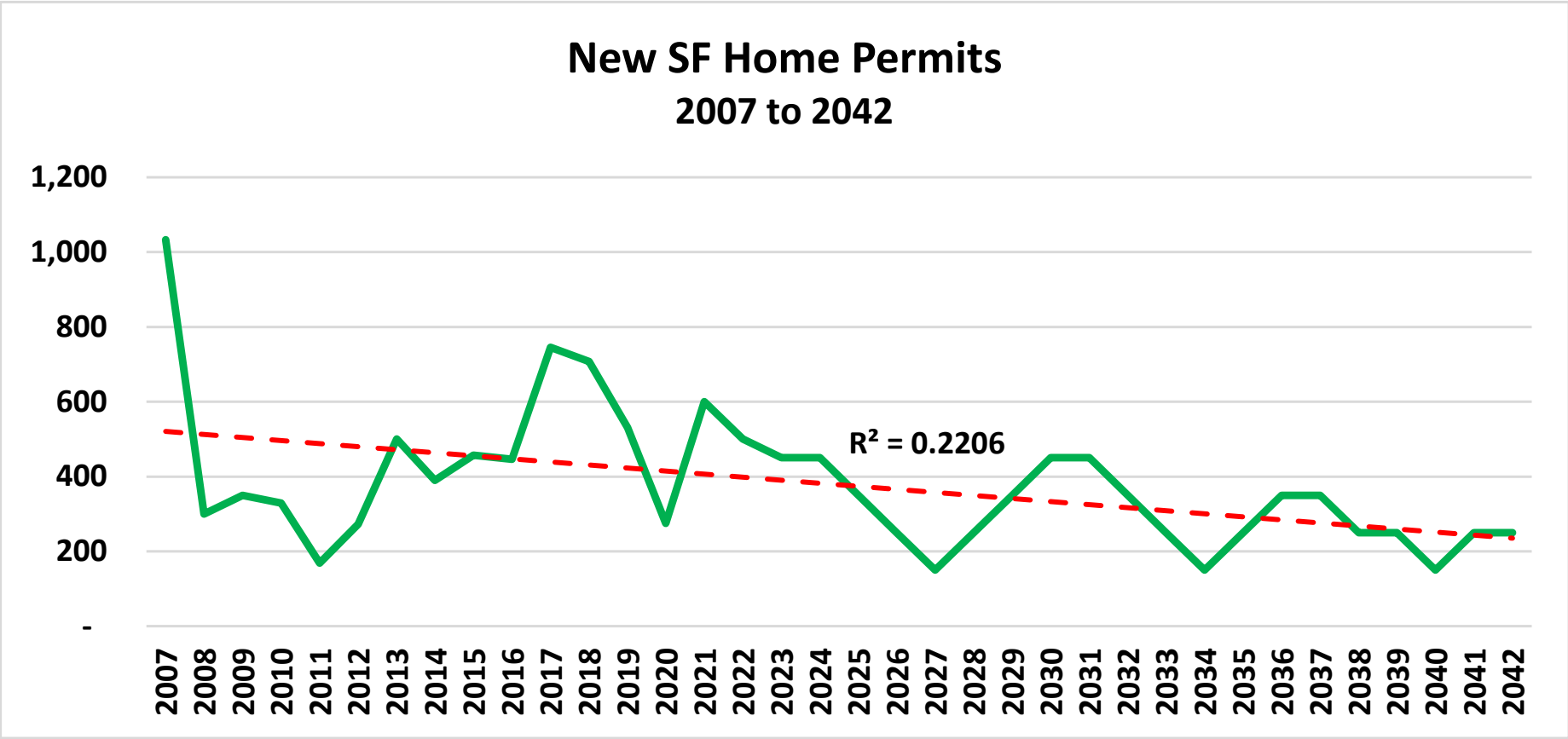
Year	SF Homes Permitted			SF Homes Finaled				MF Units Finaled			POPULATION ESTIMATE	Compound Annual Growth Rate	
	Count	Change	% Change	Count	Change	% Change	% Permitted	Population Added	Count	Change			Population Added
2007	1,033	--	--	1,169	--	--			-	-	-	28,250	10.9%
2008	300	(733)	-71%	630	(539)	-46%	47%	--	-	-	-	31,317	
2009	350	50	17%	577	(53)	-8%	89%	--	-	-	-	32,403	5.3%
2010	329	(21)	-6%	451	(126)	-22%	66%	--	-	-	-	36,877	
2011	169	(160)	-49%	186	(265)	-59%	37%	--	-	-	-	38,201	
2012	273	104	62%	223	37	20%	50%	--	-	-	-	39,317	
2013	500	227	83%	307	84	38%	40%	--	-	-	-	40,472	
2014	390	(110)	-22%	448	141	46%	50%	--	-	-	-	41,659	2.8%
2015	457	67	17%	405	(43)	-10%	48%	--	-	-	-	43,370	
2016	446	(11)	-2%	333	(72)	-18%	37%	--	-	-	-	44,821	
2017	745	299	67%	552	219	66%	46%	--	-	-	-	46,179	
2018	707	(38)	-5%	536	(16)	-3%	37%	--	-	-	-	46,545	
2019	531	(176)	-25%	629	93	17%	51%	2,409	-	-	-	48,407	4.5%
2020	275	(256)	-48%	335	(294)	-47%	42%	1,283	-	-	-	53,036	
2021	600	325	118%	350	15	4%	40%	1,341	-	-	-	54,377	
2022	500	(100)	-17%	440	90	26%	40%	1,685	-	-	-	56,062	
2023	450	(50)	-10%	380	(60)	-14%	40%	1,455	150	150	375	57,892	
2024	450	-	0%	360	(20)	-5%	40%	1,379	-	-	-	59,271	1.7%
2025	350	(100)	-22%	320	(40)	-11%	40%	1,226	-	-	-	60,497	
2026	250	(100)	-29%	240	(80)	-25%	40%	919	-	-	-	61,416	
2027	150	(100)	-40%	160	(80)	-33%	40%	613	-	-	-	62,029	
2028	250	100	67%	160	-	0%	40%	613	150	150	375	63,016	
2029	350	100	40%	240	80	50%	40%	919	-	-	-	63,936	1.8%
2030	450	100	29%	320	80	33%	40%	1,226	-	-	-	65,161	
2031	450	-	0%	360	40	13%	40%	1,379	-	-	-	66,540	
2032	350	(100)	-22%	320	(40)	-11%	40%	1,226	-	-	-	67,766	
2033	250	(100)	-29%	240	(80)	-25%	40%	919	150	150	375	69,060	
2034	150	(100)	-40%	160	(80)	-33%	40%	613	-	-	-	69,673	1.3%
2035	250	100	67%	160	-	0%	40%	613	-	-	-	70,285	
2036	350	100	40%	240	80	50%	40%	919	-	-	-	71,205	
2037	350	-	0%	280	40	17%	40%	1,072	-	-	-	72,277	
2038	250	(100)	-29%	240	(40)	-14%	40%	919	150	150	375	73,571	
2039	250	-	0%	200	(40)	-17%	40%	766	-	(150)	-	74,337	0.5%
2040	150	(100)	-40%	160	(80)	-33%	40%	613	-	(150)	-	74,184	
2041	250	-	0%	200	(40)	-17%	40%	766	-	(150)	-	74,337	
2042	250	-	0%	200	-	0%	40%	766	-	-	-	75,103	
NEW HOMES	7,256			6,134				23,493	600		1,500		

SOURCE: City of Beaumont, Yearly Reporting of Permit Information Years 2008-2021 (Projected).
City of Beaumont Staff Preliminary Projections - 2022 to 2042.

NOTES:

1. SF units = 3.83 persons/unit, 2020 US Census.
2. MF units = 2.5 persons/unit, City of Beaumont.





City Staff General Fund Forecast
Projected GF Revenue and Spending Thresholds thru FY2037 (August 23, 2021)

FY2013 to FY2036				Spending Threshold					GF Unobligated Reserves								
Year	Revenue	Change	% Change	Spending Limit	Rev vs. Exp	Fund Balance Impact	Spending Increase	% Spending Increase	Estimated Reserves	%	Min Reserve Target (15%)	Variance	Max Reserve Target (25%)	Variance	Allocated to CIP	Remaining Reserves	%
2013	\$ 29,332,716	--	--	\$ 29,332,716	\$ -	\$ -	\$ -	--	--	--	--	--	--	--	--	--	--
2014	\$ 25,583,821	\$ (3,748,895)	-12.8%	\$ 25,583,821	\$ -	\$ (3,748,895)	\$ (3,748,895)	-12.8%	--	--	--	--	--	--	--	--	--
2015	\$ 28,235,251	\$ 2,651,430	10.4%	\$ 28,235,251	\$ -	\$ 2,651,430	\$ 2,651,430	10.4%	--	--	--	--	--	--	--	--	--
2016	\$ 29,754,379	\$ 1,519,128	5.4%	\$ 29,754,379	\$ -	\$ 1,519,128	\$ 1,519,128	5.4%	--	--	--	--	--	--	--	--	--
2017	\$ 30,671,073	\$ 916,694	3.1%	\$ 30,671,073	\$ -	\$ 916,694	\$ 916,694	3.1%	--	--	--	--	--	--	--	--	--
2018	\$ 33,239,998	\$ 2,568,925	8.4%	\$ 33,239,998	\$ -	\$ 2,568,925	\$ 2,568,925	8.4%	--	--	--	--	--	--	--	--	--
2019	\$ 40,110,225	\$ 2,439,472	7.3%	\$ 36,132,299	\$ 3,977,926	\$ 2,439,472	\$ 2,439,472	7.3%	\$ (7,563,390)	-20.9%	\$ 5,419,844.89	\$ (12,983,235)	\$ 9,033,075	\$ (16,596,465)	\$ -	\$ 14,980,384	41.5%
2020	\$ 39,728,125	\$ (382,101)	-1.0%	\$ 31,139,515	\$ 8,588,610	\$ 8,206,510	\$ (4,992,785)	-12.4%	\$ 14,980,384	48.1%	\$ 4,670,927.18	\$ 10,309,457	\$ 7,784,879	\$ 7,195,505	\$ -	\$ 7,180,682	23.1%
2021	\$ 36,893,757	\$ (2,834,367)	-7.1%	\$ 41,050,995	\$ (4,157,238)	\$ 4,049,272	\$ 9,911,480	24.9%	\$ 7,180,682	17.5%	\$ 6,157,649.24	\$ 1,023,033	\$ 10,262,749	\$ (3,082,067)	\$ -	\$ 17,396,043	42.4%
2022	\$ 39,452,812	\$ 2,559,055	6.9%	\$ 39,452,812	\$ -	\$ 4,049,272	\$ (1,598,183)	-4.3%	\$ 17,396,043	44.1%	\$ 5,917,921.80	\$ 11,478,121	\$ 9,863,203	\$ 7,532,840	\$ -	\$ 17,396,043	44.1%
2023	\$ 40,569,838	\$ 1,117,026	2.8%	\$ 41,030,924	\$ (461,087)	\$ 3,588,185	\$ 1,578,112	4.0%	\$ 17,396,043	42.4%	\$ 6,154,638.67	\$ 11,241,404	\$ 10,257,731	\$ 7,138,312	\$ 3,000,000	\$ 13,934,956	34.0%
2024	\$ 42,478,701	\$ 1,908,863	4.7%	\$ 42,261,852	\$ 216,849	\$ 3,805,034	\$ 1,230,928	3.0%	\$ 13,934,956	33.0%	\$ 6,339,277.83	\$ 7,595,678	\$ 10,565,463	\$ 3,369,493	\$ -	\$ 14,151,805	33.5%
2025	\$ 42,488,940	\$ 10,239	0.0%	\$ 43,318,399	\$ (829,458)	\$ 2,975,576	\$ 1,056,546	2.5%	\$ 14,151,805	32.7%	\$ 6,497,759.78	\$ 7,654,045	\$ 10,829,600	\$ 3,322,205	\$ -	\$ 13,322,347	30.8%
2026	\$ 42,877,706	\$ 388,766	0.9%	\$ 44,401,358	\$ (1,523,652)	\$ 1,451,924	\$ 1,082,960	2.5%	\$ 13,322,347	30.0%	\$ 6,660,203.77	\$ 6,662,143	\$ 11,100,340	\$ 2,222,007	\$ -	\$ 11,798,695	26.6%
2027	\$ 43,933,805	\$ 1,056,099	2.5%	\$ 45,511,392	\$ (1,577,588)	\$ (125,664)	\$ 1,110,034	2.6%	\$ 11,798,695	25.9%	\$ 6,826,708.87	\$ 4,971,986	\$ 11,377,848	\$ 420,847	\$ -	\$ 10,221,107	22.5%
2028	\$ 47,920,931	\$ 3,987,126	9.1%	\$ 46,649,177	\$ 1,271,754	\$ 1,146,090	\$ 1,137,785	2.6%	\$ 10,221,107	21.9%	\$ 6,997,376.59	\$ 3,223,730	\$ 11,662,294	\$ (1,441,187)	\$ -	\$ 11,492,861	24.6%
2029	\$ 49,688,186	\$ 1,767,255	3.7%	\$ 47,815,407	\$ 1,872,780	\$ 3,018,869	\$ 1,166,229	2.4%	\$ 11,492,861	24.0%	\$ 7,172,311.00	\$ 4,320,550	\$ 11,953,852	\$ (460,991)	\$ -	\$ 13,365,640	28.0%
2030	\$ 51,042,573	\$ 1,354,387	2.7%	\$ 49,010,792	\$ 2,031,781	\$ 5,050,651	\$ 1,195,385	2.4%	\$ 13,365,640	27.3%	\$ 7,351,618.78	\$ 6,014,022	\$ 12,252,698	\$ 1,112,942	\$ 3,000,000	\$ 12,397,422	25.3%
2031	\$ 52,335,481	\$ 1,292,908	2.5%	\$ 50,236,062	\$ 2,099,420	\$ 7,150,070	\$ 1,225,270	2.4%	\$ 12,397,422	24.7%	\$ 7,535,409.25	\$ 4,862,012	\$ 12,559,015	\$ (161,594)	\$ -	\$ 14,496,841	28.9%
2032	\$ 51,797,037	\$ (538,445)	-1.0%	\$ 51,491,963	\$ 305,073	\$ 7,455,144	\$ 1,255,902	2.4%	\$ 14,496,841	28.2%	\$ 7,723,794.48	\$ 6,773,047	\$ 12,872,991	\$ 1,623,851	\$ -	\$ 14,801,915	28.7%
2033	\$ 51,756,629	\$ (40,408)	-0.1%	\$ 52,779,262	\$ (1,022,634)	\$ 6,432,510	\$ 1,287,299	2.5%	\$ 14,801,915	28.0%	\$ 7,916,889.34	\$ 6,885,025	\$ 13,194,816	\$ 1,607,099	\$ -	\$ 13,779,281	26.1%
2034	\$ 52,529,687	\$ 773,059	1.5%	\$ 54,098,744	\$ (1,569,056)	\$ 4,863,454	\$ 1,319,482	2.5%	\$ 13,779,281	25.5%	\$ 8,114,811.57	\$ 5,664,469	\$ 13,524,686	\$ 254,595	\$ -	\$ 12,210,225	22.6%
2035	\$ 54,938,856	\$ 2,409,169	4.6%	\$ 55,451,212	\$ (512,356)	\$ 4,351,097	\$ 1,352,469	2.6%	\$ 12,210,225	22.0%	\$ 8,317,681.86	\$ 3,892,543	\$ 13,862,803	\$ (1,652,578)	\$ -	\$ 11,697,868	21.1%
2036	\$ 54,847,557	\$ (91,299)	-0.2%	\$ 56,218,746	\$ (1,371,189)	\$ 3,492,265	\$ 2,120,002	3.9%	\$ 12,210,225	21.7%	\$ 8,432,811.94	\$ 3,777,413	\$ 14,054,687	\$ (1,844,462)	\$ -	\$ 10,839,036	19.3%
2037	\$ 56,568,877	\$ 1,721,320	3.1%	\$ 57,624,215	\$ (1,055,337)	\$ 3,295,760	\$ 2,173,003	4.0%	\$ 11,697,868	20.3%	\$ 8,643,632.24	\$ 3,054,236	\$ 14,406,054	\$ (2,708,185)	\$ -	\$ 10,642,531	18.5%

NAME OF RESPONDENT:

City Council
Program Survey - FY2022-2023

Department	Service/ Function	Description of Service or Function	Level of Service (Check One)		Comment	Average Criticality Rating	City Staff Rating
			Acceptable	Unacceptable			
City Manager's Office	Fiscal Oversight and Administration	provides central oversight of the City finances, including debt financings, large transactions and budget development	5		Doing well in providing recommendations for and assisting with the implementation of the annual budget.	10.00	9.78
Police	Communications	911's , dispatch radio calls, admin lines in/out	5			9.75	9.67
Fire Services	Fire Protection	this includes operation of one fire station and split funding of personnel for a second fire engine to provide fire response service within the City	5			9.75	8.11
Fire Services	Medical Response	this covers advance life paramedic support for emergency medical services within the City limits	5		Based on our cities paramedic needs I would like to see more options made available for manning our stations. I don't like sending a large fire engine for medical emergencies. Especially when 90% of the calls are medical.	9.75	9.44
Police	Patrol	Emergency calls for service, crime prevention, public awareness, community policing, Response times, High visibility patrol	5		I didn't see anything on our emergency preparedness/response?	9.50	9.67
Wastewater	Collections/Conveyance	Carries wastewater collected from homes and business through underground piping to the wastewater treatment facility.	5			9.50	9.33
Finance	Accounting	accounting policies, purchasing, payables, daily, monthly and annual transactions	5		Accounting policies are critical to maintaining the publics trust. Develop a Cash Flow Projection report representing monthly increments.	9.25	9.11
Wastewater	Treatment Plant	Treatment of Wastewater to meet State/Federal regulations	5			9.25	9.56
Finance	Revenue/ Cash Mgmt	cash receipts, receivables, cash management and bank reconciliations	5			9.00	9.11
Wastewater	Pre-Treatment	Permitting and Monitoring of Dischargers to the sewer system to protect the treatment plant and ensure regulatory compliance.	5			9.00	9
Wastewater	Brine Line Maintenance	Maintenance of 23 mile Brine Line lateral	5		Would like to know if maintenance of the Brine Line will be carried out through contract or staffing.	8.75	8.67
Public Works	Streets and Pavement Management Programs	Implementation of a multi-year, City wide pavement management and maintenance program/ maintenance of streets, storm drains, street lights and City infrastructure	5		Ditto above.	8.75	8.11
Fire Services	Wildland Fire Protection Agreement	this provides for coverage using State fire resources (air, helicopters, ground, etc.) for fire suppression in wildland areas within the City near State responsibility areas	5			8.75	9.33
City Manager's Office	Strategic Planning and Administration	coordinates with the City Council to implement policy directives/ leads City management in the execution of services and functions	5		Beaumont success begin/continue with effective relationships among the City Council & City Manager in supporting, guiding & directing the CM.	8.50	8.33

City Manager's Office	Economic and Fiscal Forecasting	tracks and evaluates economic data at state, regional and local levels (housing, tax revenues, etc.) to help drive long term financial planning	5		Provide an Annual Fiscal Year Budget vs Actual with variances, Update the long term budget forecast periodically as basically needed. Develop Cash Flow Projection on monthly increments.	8.50	8.89
City Manager's Office	Project Implementation and Administration	this involves managing and overseeing numerous projects occurring throughout the City and covers a full range of operational areas (public safety, parks and recreation, transportation, housing, finance, etc.)	5		I would like to have construction schedules provided once a prokect is started, so we know what the expectations are and we can communicate this to residents. Develop a master plan, not general plan, in each mentioned operational division projects for financial health and resilience.	8.50	9
Community Development	Building & Safety	Inspection services, plan review, enforcement of State construction laws	5		Innovate to ensure the efficient, timely and effective services.	8.50	8.33
Parks and Recreation	Parks and Facilities Maintenance	central coordination and management of maintaining all City-owned facilities and Parks/ this includes removal of graffiti on City-owned properties	5			8.50	6.44
Finance	Budget	central coordination and management of annual budget/ monitoring and updating	5			8.50	7.67
Finance	Project/ Debt Mgmt	tracking and classification of capital improvement projects, DIF funds, CFD fund management, debt service mgmt and reconciliation	5			8.50	8.78
Police	Records /Frnt Counter	DA Packets, In-custody reports, records retention, crime stats	5			8.50	8
Wastewater	Recycled Water	Production of Recycled Water	5			8.50	8.44
Building	Plans Examining	Examination and approval of construction plans to ensure code compliance to safeguard the public health, safety, welfare & accessibility and to provide safe access to emergency first responders	5		Ditto above.	8.25	8.22
Building	Inspections	Monitor construction sites to ensure compliance of approved plans and codes to safeguard the public health, safety, welfare & accessibility and to verify the safe access to emergency first responders	5		Ditto above.	8.25	7.78
Community Development	Planning	State mandated General Plan (short & long range planning), RHNA, CDBG grants, private land development	5		Be in compliant.	8.25	8.78
Community Development	Fire Safety Specialist	Plan check for new construction, oversight of installation of fire suppression systems, annual saftey inspctions	5		Shouldn't this fall under the Frie Services responsibilities?	8.25	8.22
Economic Development	Business and Development Attraction	Attraction of New Business (local serving and employers) and residential development in order to meet resident demands and increase City revenue sources/ this includes marketing the City as a place to locate and to live/ targeting specified industries or groups	5		Develop a Economic Development website that exclusively features new, existing and upcoming businesses in the city with all statistic information datas for public & private sectors engagement. Informative brochures will be beneficial to promote and market this beautiful city. Excellent graphic professionally done delivers.	8.25	5.67
Police	Community Policing	Homeless outreach, business liaison, community policing, mental health	5			8.25	7.56
Public Works	Inspections	Provide City inspection services for all encroachment and construction permits	5		Ditto above.	8.25	7.89

<i>Public Works</i>	Capital Improvement Projects	Oversee and implement City Council approved CIP for various related infrastructure projects throughout the City, inclusive of master plan level studies.	5		Ditto above.	8.25	8.11
<i>Human Resources</i>	Personnel	this includes central management of employee records, hiring, recruitment, background checks , temporary help, skills testing, etc.	5			8.25	7.89
<i>Risk Management</i>	Loss Exposure Management	management of loss exposure due to claims against the City - including workers compensation, TORT claims or other general claims against the City/ this also includes monitoring self insurance elements/ coverage levels and risk/reward analysis	5			8.25	7.67
<i>Risk Management</i>	Risk Control and Financing	Avoidance of activities which cause loss, Reduction of the frequency of loss - risk prevention, Reduction of the severity of loss - risk reduction, Contractual transfer of responsibility for loss occurrence/ Insurance management	5			8.25	7
<i>Information Technology</i>	Data Collection & Management/ Disaster recovery	Centralized processing, data integrity, backup solutions, disaster recovery and business continuity	5			8.25	8.33
<i>Information Technology</i>	Information Security Management	Both virtual and physical security of the network	5			8.25	8.33
<i>Customer Service</i>	Utility Billing	Sewer billing and payments, updating accounts	5			8.25	8
<i>Building</i>	Permits/Fee collection	Processing of building permits and the collection of development, permit & plan review fees	5		Emerge latest technologies available right now to provide new options for city services and reporting.	8.00	8.22
<i>Community Development</i>	Community Enhancement	Enforcement of zoning & building codes, Property health & safety, property maintenance	5		Ditto above.	8.00	8.11
<i>Public Works</i>	Permitting	Process permits for all work within City right of way for business owners, contractors, utility companies, etc..	5		Overall, doing so well.	8.00	7.78
<i>Public Works</i>	Plan Check Services	Engineering plan review of all infrastructure related plans for entitlement and construction, inclusive of various technical study review (traffic, hydrology, sewer studies, etc...)	5		Can we look to bring a staff member on board for in house plan review? Would the plan check fees cover 100% of the positions salary? Ditto above.	8.00	8.11
<i>Public Works</i>	Solid Waste	Oversee and manage recently approved 20-year solid waste contract with Waste Management. Oversee and implement Cal-Recycling requirements.	5		Overall, doing so well.	8.00	7.44
<i>Public Works</i>	Mark and Locate (USA)	Identify City Infrastructure for various projects prior to construction to ensure protection of City Assets and/or potential disruption of service.	5		Ditto above.	8.00	7.89

<i>Fire Services</i>	Fire Prevention	this includes services of the Fire Marshall to ensure buildings meet current fire codes and have required prevention practices in place for new construction and existing businesses to stay in compliance. This also provides for business and community education regarding fire safety best practices from fire station personnel.	5			8.00	8.44
<i>Human Resources</i>	Compensation & Benefits	Employee Salaries, Payroll Costs, Overtime, Incentive compensation, Health, dental, vision, Life Insurance, Short and long-term disability, Pension /457/401, Cafeteria Plan Administration	5			8.00	8.67
<i>Information Technology</i>	Data Center Management	this includes management of the City's central data infrastructure (servers, switches, network communications, etc.)	5			8.00	8.56
<i>Information Technology</i>	Telecommunications	Provides connectivity for wired and wireless infrastructure	5			8.00	8.22
<i>Customer Service</i>	Customer Service	this is often the face of the City - it includes greeting the public, phones, a myriad of support functions and general information	5			8.00	7.56
<i>Parks and Recreation</i>	City-owned Right of Way Maintenance	planning, organizing, scheduling, staffing, budgeting, and reporting of all City rights-of-way	5			7.75	6.22
<i>Transit</i>	Paratransit Services	planning, organizing, scheduling, staffing, budgeting, and reporting paratransit services	5			7.75	6.11
<i>Public Works</i>	Customer/Resident support	Front counter support for homeowners, developers, residents, business owners, etc.. Includes research, property information, utility information, building requirements, etc.	5		Accessibility is vital for the individual to access progress information data. Technology update needed to response on timely manner.	7.75	7.44
<i>Information Technology</i>	Customer Relations Management	Technical Support for all departments, employees	5			7.75	8.11
<i>Police</i>	Traffic Enforcement	collision prevention/ reduction, driver awareness, driver education, car seat install	5			7.50	7.44
<i>Human Resources</i>	Employee Labor Relations	Labor Negotiations, Recognition program, Service awards, Performance Appraisal Software, Employment attorney fees, Outplacement expenses	5			7.50	7.22
<i>Communications</i>	CITY COMMUNICATION	internal and external communication of city events, programs, and news. Internal communication consists of email and posted flyers/invitations. External communications consist of press releases, website, social media, flyers/posters, advertisements, monthly reports etc.	5		Develop & publish a City Brochure featuring the entire city information data, events, accomplishments, goals, services, public activities, and developments. NO city council or other city official information. Time to do a reputable image of the city.	7.50	5.67
<i>City Manager's Office</i>	Intergovernmental Affairs	this includes relationships at the state, regional and local level to help the City move forward with activities that require collaboration and coordination (i.e, contracted fire services, County transportation projects, state housing requirement and other legislation, etc.)	5		Government Agencies outreach effort to establish a meaningful relationships that will serve our city's community at its highest level in all situations such as available grant fundings for City technology and infrastructure innovations. Explore all Senate & Assembly Bills that positively affects the city. Collaboration=Distribution of Resources.	7.25	7.89

Community Development	Legislative Review	Review of State and Federal Legislation (proposed and new)	5			7.25	7.22
Parks and Recreation	Weed Abatement	planning, organizing, scheduling, staffing, budgeting, and reporting weed abatement of all City-owned open space/lots	5			7.25	5.67
Transit	Fixed Route Services	planning, organizing, scheduling, staffing, budgeting, and reporting public transit services	5			7.25	6.22
Transit	Vehicle Maintenance	central coordination and management of vehicle maintenance for all City-owned vehicles	5			7.25	6.67
Economic Development	Business Retention and Expansion	Identify needs and provide assistance to existing businesses to ensure their success, prevent relocation, and encourage expansion and growth	5		Consistance outreach relationship to business establishments and future entrepreneurs is key for better business future.	7.25	5
Police	Animal Control	Animal Control, licensing, pet owner education, shot clinics, Food and Ag Code, BMC	5			7.25	7
Parks and Recreation	Recreation Programs	planning, organizing, scheduling, staffing, budgeting, and reporting quality of life events and programs	5			7.00	5
Economic Development	Real Estate Revitalization/ Entrepreneurial Development	Facilitate new development and redevelopment projects with brokers and developers, provide insight on local market conditions, and promote investment in the community, including new startup businesses	5		Be aware or familiar of all available grants & loans to businesses of any size through Small Business program and California Grant program.	7.00	5
Human Resources	Training & Development	Registration, Certification, Exam Fees, Travel Expenses, Internal programs, Consulting fees/trainers salary, Program materials, Training Logistics	5			7.00	6
Communications	SPECIAL PROJECTS	this includes events such as the Veterans Day Celebration, military banner program, video projects/UAV program, City renovation projects and representing the City at various local events.	5		Ditto above.	7.00	5.11
Economic Development	Coordination of Infrastructure	Long-term planning of infrastructure to ensure core resources are adequate to accommodate targeted development and business growth. This includes coordination of development impact fees.	5		Involve & explore technology and infrastructure innovations are evolving fast.	6.75	5.78
Human Resources	Health, Safety & Security	Employee assistance program, Fitness facilities, Safety training/promotion, Workplace violence prevention/training	5			6.75	6.11
Parks and Recreation	Facility Rental	central coordination and management of facility use rentals	5		I would like to see an improved facilities rental program that helps to cover the cost of both staffing and maintenance.	6.50	4.67
Transit	Regional Transit Services	planning, organizing, scheduling, staffing, budgeting, and reporting public transit services to regional destinations	5		Transportation is an important part of our services, but its unfortunate we don't get the support we need from RTA.	6.50	5.33
Communications	CITY BRANDING	provides for a consistent presentation of the City from City Staff (logos, messaging, etc.) to provide a quality message regarding the City and what it offers as a community	5		Ditto above.	6.25	5



Beaumont City Council FY 2022-23 Budget Workshop

SPECIAL WORKSHOP | NOVEMBER 15, 2021



Workshop Objectives

- **Establish Mission, Vision, Value Statements**
- **Confirm City Council Goals**
- **Discuss Program Survey Results**
- **Review Current Financial Conditions**
- **Affirm Multi-Year Revenue Model**



Mission, Vision and Values

Why do we need Mission, Vision and Value Statements?

- Mission, Vision and Values determine the City's purpose
- Focuses on the City's future direction
- Provides a template for decision-making
- Support the City's mission
- Achieve the City's vision

Core values support these goals and objectives while reinforcing the underlying operational decisions, actions and priorities.



Proposed Mission, Vision and Values

STAFF RECOMMENDED MISSION STATEMENT

The City of Beaumont is committed to provide core services to the community that ensure it remains a desirable place to live, work and play. Through proper stewardship, City leadership will maximize resources to enhance the quality of life and positive economic growth.

Proposed Mission, Vision and Values *(cont)*



STAFF RECOMMENDED VISION STATEMENT

The City of Beaumont maintains its reputation as a safe community and evolves to meet the needs of Beaumont’s residential and commercial growth. The City strives to create an economically balanced community to achieve fiscal sustainability and ensure that city resources are maximized and deployed in a manner that meets Beaumont’s long-term needs, as well as the needs for every citizen while enhancing and maintaining Beaumont’s natural beauty.



Proposed Mission, Vision and Values (*cont*)

STAFF RECOMMENDED VALUES

The City of Beaumont **ASPIRES** to reach new heights.

Accountability

Stewardship

Promote Trust

Integrity and Ethics

Responsibility

Excellence



Proposed Mission, Vision and Values (*cont*)

STAFF RECOMMENDED VALUES

The City of Beaumont **ASPIRES** to reach new heights.

- **A** stands for **Accountability**. We hold ourselves accountable for our actions and to be transparent with one another and with our community.
- **S** stands for **Stewardship**. We will be good stewards of city resources and the public.
- **P** stands for **Promote Trust**. We strive to promote trust in our community and with one another through effective communication, respect, transparency and broadly sharing information.



Proposed Mission, Vision and Values (cont)

STAFF RECOMMENDED VALUES

The City of Beaumont **ASPIRES** to reach new heights.

- **I** stands for **Integrity & Ethics**. Our actions will maintain the trust and confidence of the public and the organization.
- **R** stands for **Responsibility**. We take responsibility for our actions as an organization and achieving results.
- **E** stands for **Excellence**. We strive to maintain excellence in everything we do for the organization and for the public.



Adopted City Council Goals

- **Public Safety – Ensure Beaumont maintains its reputation as a safe community and evolves to meet the needs of Beaumont’s residential and commercial growth.**
- **Quality of Life – Enhance and maintain Beaumont’s natural beauty and offer parks and recreation services that addresses the needs for every citizen.**
- **Community Services – Provide core services to the community that ensure Beaumont remains a desirable place to live, work and play.**



Adopted City Council Goals (cont)

- **Sustainable Community – Ensure that city resources are maximized and deployed in a manner that meets Beaumont’s long-term needs.**
- **Intergovernmental/Interagency Relationships – Work with local agencies to achieve common goals and leverage area resources.**
- **Economic Development – Create an economically balanced community to achieve fiscal sustainability.**



City Programs Survey Results

- **City Council and Senior Management each individually completed the survey – results of individual respondents are anonymous**
- **Respondents asked to score individual/major services**
 - **Criticality?**
 - **Satisfactory?**
 - **Unsatisfactory?**
- **City Council and Executive Staff survey results tabulated separately**



Evaluation of Survey Results

City Council Survey

- 70 services were evaluated by City Council
- Aggregate results (averages)
 - 47 rated as 8 or above (highly critical)
 - 23 rated as 5 to 8 (moderately critical)
 - 0 rated as below 5 (low criticality)



Evaluation of Survey Results

Executive Staff Survey

- 70 services were evaluated by City Council
- Aggregate results (averages)
 - 35 rated as 8 or above (highly critical)
 - 34 rated as 5 to 8 (moderately critical)
 - 1 rated as below 5 (low criticality)



Current Financial Condition

- **General Fund Unassigned Fund Balance as of June 30, 2021 - \$17.3 million (unaudited)**
- **Wastewater Fund has a projected operating fund balance of over \$5.6 million as of June 30, 2021 (unaudited)**
- **Transit Fund Balanced – Currently Do Not have to meet farebox requirement**



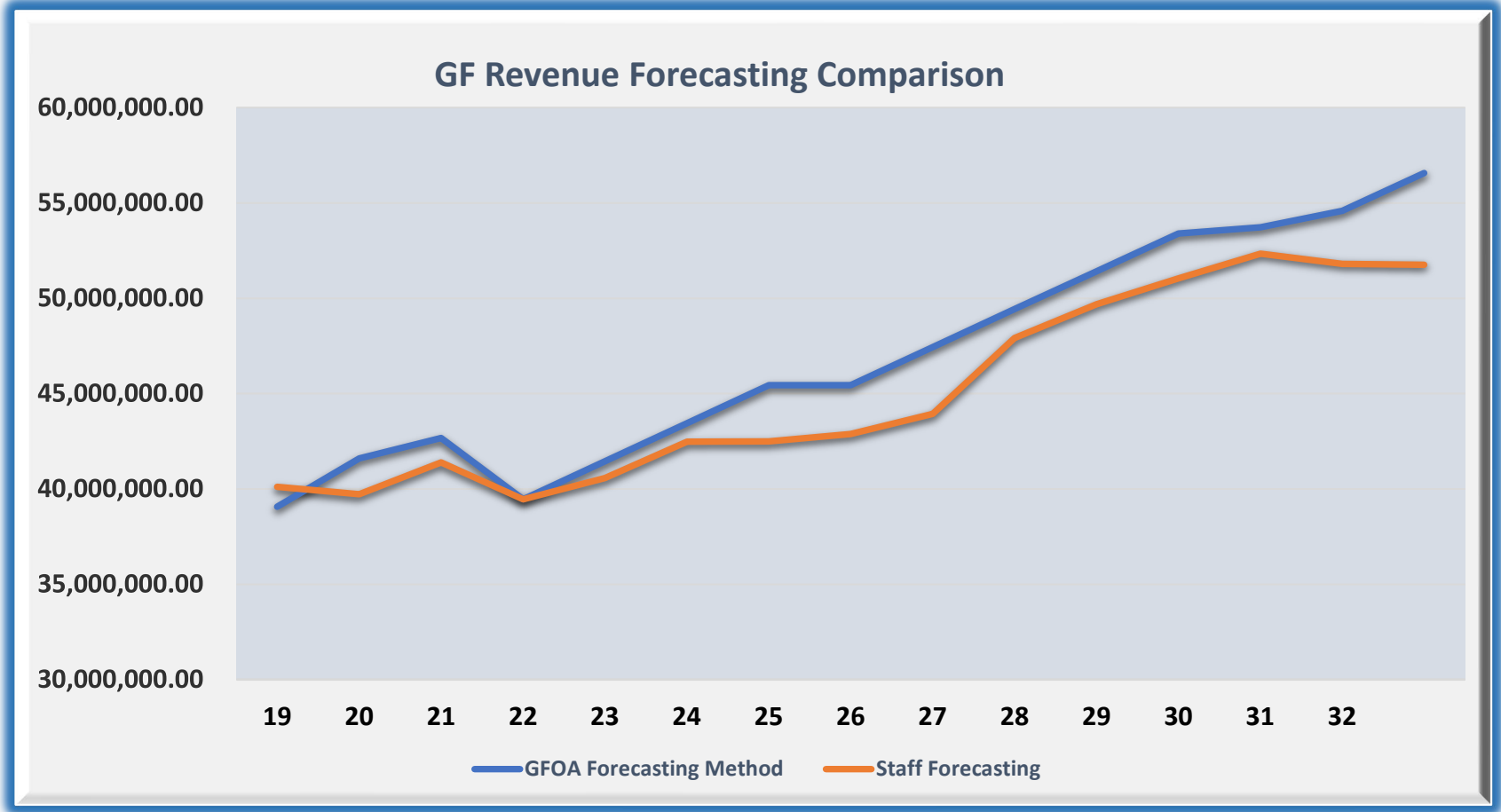
General Fund Revenue Models

Two models Prepared:

- **GFOA recommended forecasting methodology**
 - Statistical formulas
 - Historical data
 - Prior-year forecast errors
- **Independent City Staff model**
 - Historical data
 - Population and housing estimate
 - Commercial permit activity projection
 - Economic trend analysis

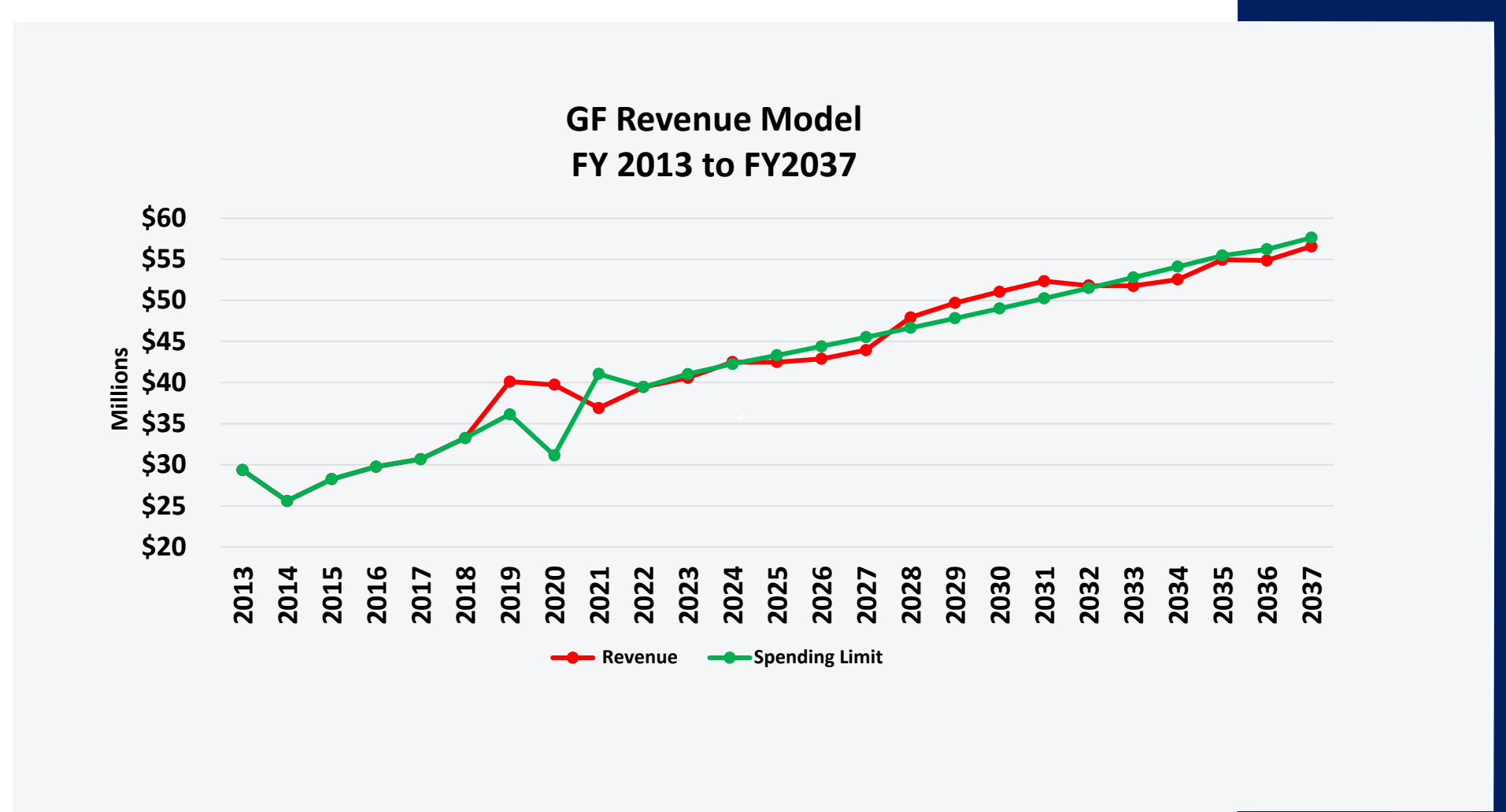


General Fund Revenue Forecasting



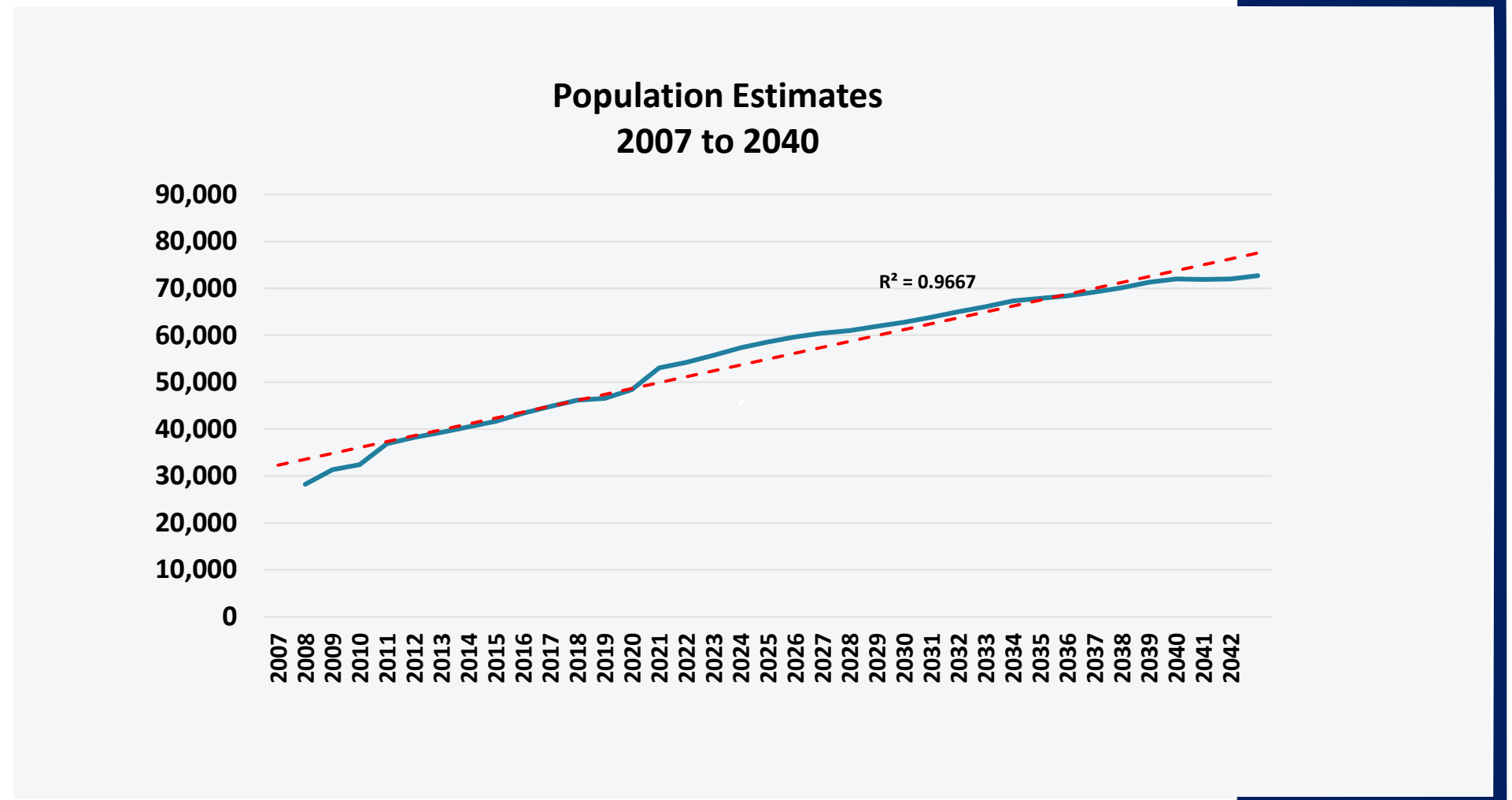


General Fund Spending Threshold





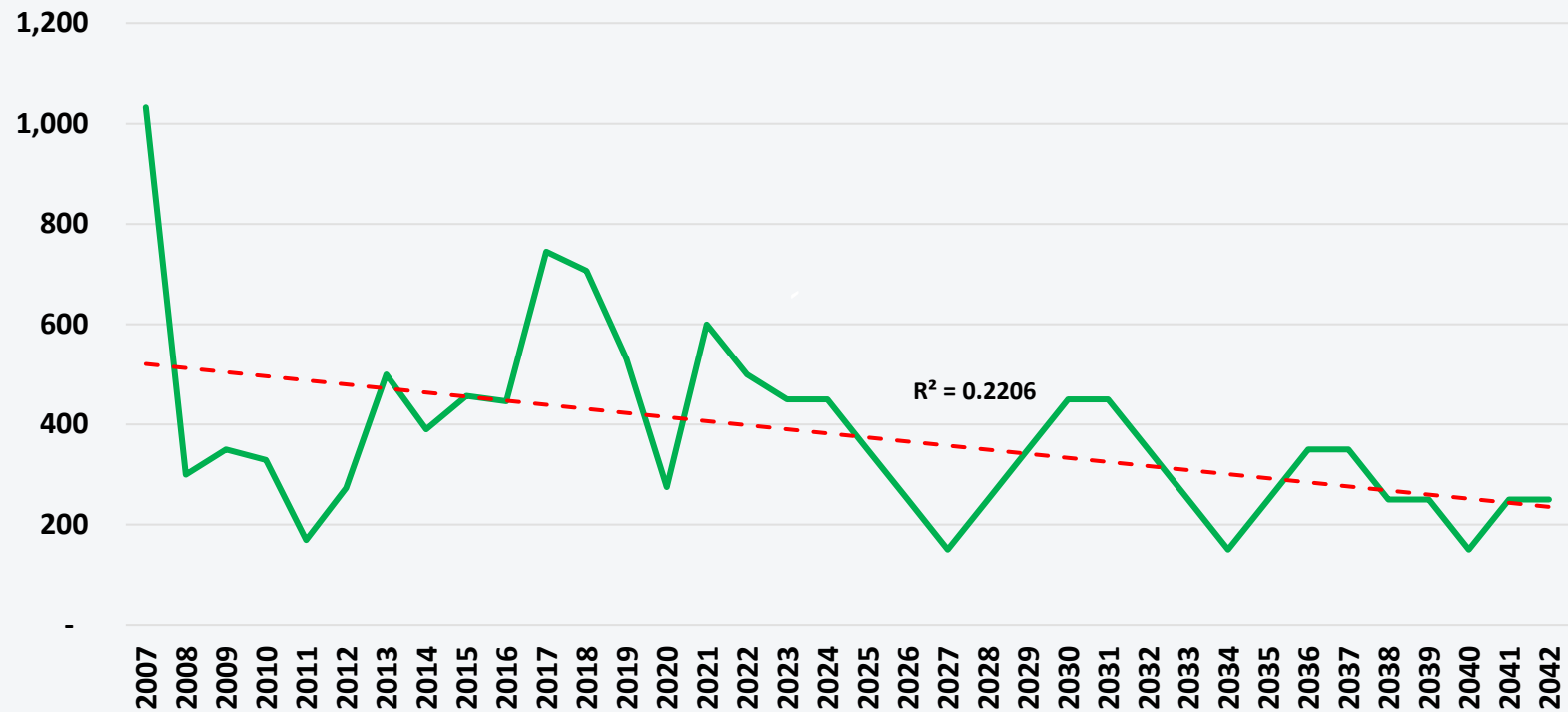
City Staff Population Estimates





City Staff SF Home Permits

New SF Home Permits 2007 to 2040





City's Financial Factors

- Making sure resources are deployed as effectively and efficiently as possible
- Monitoring and adjusting to local and regional economic trends



What's Next?

- Department budget submissions (Dec 2021 – Feb 2022)
- Preparation of a balanced budget (First draft Apr 2022)
 - Achieve City Council Mission, Vision and Goals
 - Prioritize critical programs
 - Address deficiencies
- City Council budget workshops (Apr 2022-Jun 2022)