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2025 POPULAR ANNUAL FINANCIAL REPORT

July 1, 2024 -
June 30, 2025

Message from the Finance Director Jennifer Ustation



To the Citizens of the City of Beaumont:

Welcome to the City of Beaumont's Popular Annual Financial Report (PAFR), for the fiscal year ending June 30, 2025. Our PAFR provides an overview of the City's financial position in a manner that is easy to understand and provides a brief analysis of where the City's revenues are derived and where those dollars are spent. The information in this report is based on the audited results presented in the City's Annual Comprehensive Financial Report (ACFR).

It is important to note, this PAFR is unaudited and is presented on a non-GAAP basis*. This means the presentation of financial data in this report differs from the GAAP basis presentation in the City's ACFR.

I hope you find this report helpful and encourage you to access the City's website (www.beaumontca.gov) or contact Finance at (951) 572-3236 for more detailed information about the City's finances.

A handwritten signature in black ink, appearing to read 'Jennifer Ustation'.

Jennifer Ustation

*Generally Accepted Accounting Principles (GAAP) is a combination of authoritative standards and the commonly accepted way of recording and reporting accounting information. To review the audited GAAP-based, full disclosure financial statements, please refer to the City's ACFR, which is available on the City's website at www.beaumontca.gov.

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<https://www.beaumontca.gov/921/Audits-and-Reports>

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"Beaumont is a vibrant city whose charm is exceeded only by the remarkable people who call it home. While times have changed, the friendliness and hospitality that recall a simpler era have not. In Beaumont, residents enjoy a way of life that includes not only the charming characteristics of a small town but all the amenities of a dynamic suburban environment."

About the City



Beaumont has a rich history and is nestled in the foothills of the San Bernardino National Forest. Originally settled in the mid-1800s as a stop along the Southern Pacific Railroad, people drawn to the beautiful mountain views, crisp air and abundance of apple orchards remained in the area and City of Beaumont was incorporated on November 18, 1912.

Beaumont's continued growth can be attributed to its desirable location and its reputation as an affordable community that offers a high quality of life. Local officials, supported by engaged community members, have worked tirelessly to prepare for a sustainable future and a vibrant community. Exceptional public services that are provided for the community include community-oriented public safety, an excellent school system, and 18 scenic parks and recreation areas, ensuring that Beaumont is a great place to live, work and explore.

Elected Officials



Lloyd White



Julio Martinez



Mike Lara
Mayor



David Fenn

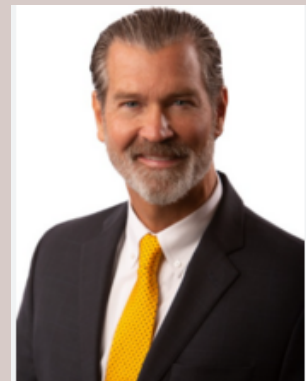


Jessica Voigt
Mayor Pro Tem



Elizabeth Gibbs
City Manager

Appointed Officials



John Pinkney
City Attorney

Elaine Morgan.....	City Clerk (Elected)
AJ Patel.....	City Treasurer (Elected)
Nicole Wheelwright.....	Deputy City Clerk
Gustavo Romo.....	Deputy City Manager
Shannan Doyle	Executive Assistant
Kari Mendoza.....	Administrative Services Director
Christopher Ramos.....	Chief of Police
Jennifer Ustation.....	Finance Director
Robert Vestal.....	Public Works Director
Doug Story.....	Community Services Director
Thaxton VanBelle.....	General Manager of Utilities
Julie Van Hook.....	Public Information Officer
Steven Jones.....	Community Development Director
Kirk Pelser.....	Economic Development Director

City-Wide Organizational Chart



For Fiscal Year 2024/25
Beaumont employed 247.5
Employees.

Dedicated to the City’s mission to
provide the highest quality service
to its citizens.



Council	5
City Clerk	3
Administration	7
Communication	1
Finance	10
Information Technology	6
Economic Development	3
HR Risk	4.75
Planning	6.5
Community Recreation Center	15
Animal Control	2
Community Enhancement	2
Police	60
Police Support	28.5
Building Inspector	7
Public Works	13
Streets	9
Building Maintenance	5
Grounds Maintenance	22
Wastewater	15
Transit	22.75
Total Employees	247.5

City Demographics and Key Statistics

Source: US Census Bureau



population
59,708



median age
35.4



median household
income
\$102,200



unemployment Rate
4.6%



median home price
\$528,750



average household size
3.09

PRINCIPAL EMPLOYERS 2024

Employer	Employees	Rank	% of Total City Employment
Amazon	5,800	1	69.36%
Beaumont Unified School District	1,382	2	16.53%
CJ Foods	630	3	7.53%
Walmart	550	4	6.58%

City Demographics and Key Statistics

Parks & Recreation



17 parks and playgrounds



3,250 class registrations



8,973 city trees

Public Safety



60 sworn officers

2 K-9 officers



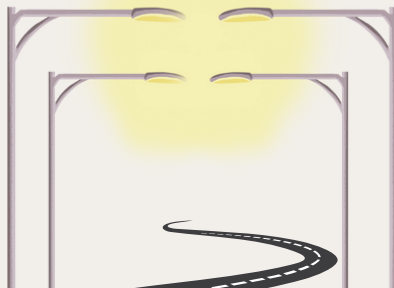
6,462 Fire service calls

74,410 Police service calls



Public Works

315 street lights repaired



388 potholes repaired



5 lane miles rehabilitated

Wastewater



10 lift stations
& 26 sewer pumps

- approx. 188 miles of gravity main line
- approx. 25 miles of force main
- 23 miles of Brine line

Number of Utility Accounts	
Residential	18,319
Mobile	773
Multi Family	70
Commercial	534
Industrial	5
Other	4
Total	19,705



The City's Financial Position

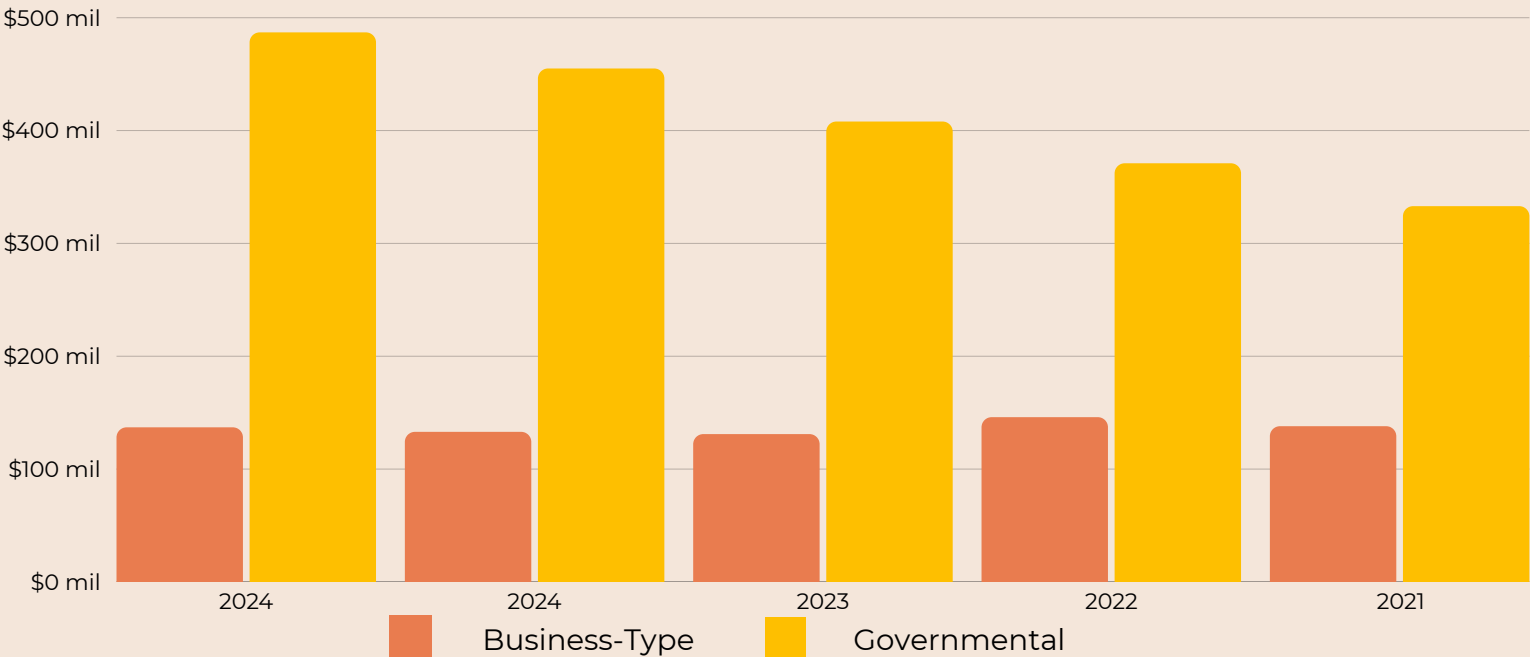
The Statement of Net Position presents information about the financial position of the City; much like a balance sheet does for a corporation. It represents the difference between all of its assets (what the City owns) and its liabilities (what the City owes) on an accrual basis. It is an indication of the City's financial health at the end of the fiscal year. Over time, increases or decreases in the City's net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. For the fiscal year ended June 30, 2025, the Citywide net position improved by \$37.3 million. The assets of the City exceeded its liabilities by \$624.5 million (net position). The five-year history presented below, indicates positive growth for the City's net position.

Statement of Net Position - Citywide (in thousands)

	2025	2024	2023	2022	2021
Assets - What We Own	\$825,614	\$794,139	\$772,766	\$751,313	\$716,413
Deferred Outflows	\$11,096	\$13,612	\$13,410	\$6,237	\$5,999
Liabilities - What We Owe	\$210,195	\$218,294	\$245,733	\$231,828	\$251,420
Deferred Inflows	\$2,007	\$2,202	\$2,252	\$8,032	(\$881)
Total Net Position	\$624,508	\$587,255	\$538,191	\$517,690	\$471,873

Net Position - 5 Year Comparison

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Statement of Activities

More formally referred to as the Statement of Activities, the City's income statements reflect all the financial activity for the City during the fiscal year ended June 30, 2025. This statement presents information to illustrate how the City's net position changed during the year as a result of the financial activity (i.e. revenues and expenses). This is a summarized version of the more detailed statement found in the City's complete ACFR. For fiscal year ended June 30, 2025, the City's revenues exceeded expenses by \$37.3 million.

Statement of Activities - Citywide (in thousands)

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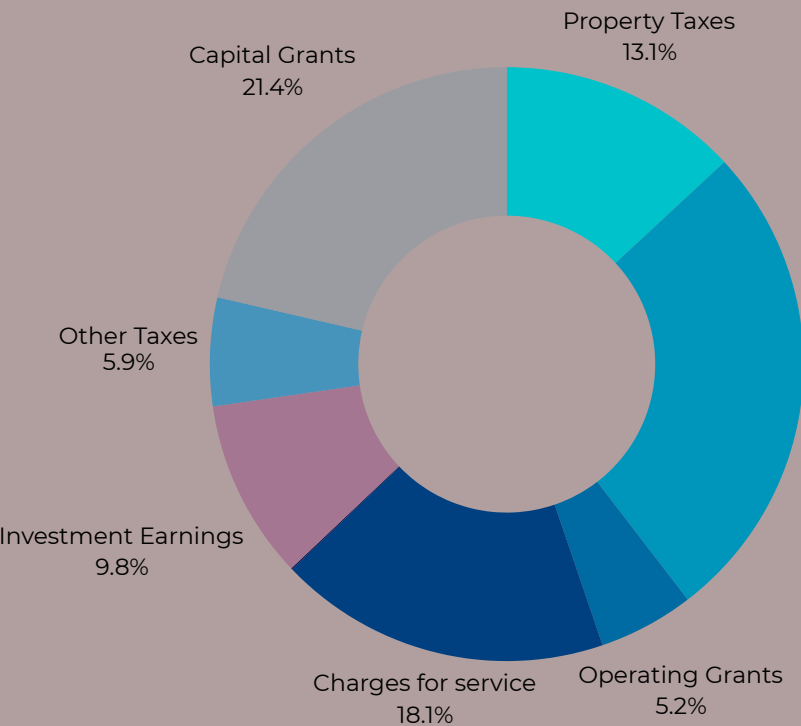
	2025	2024	2023	2022	2021
Revenues	\$135,569	\$128,591	\$94,341	\$103,415	\$79,975
Expenses	\$98,316	\$79,258	\$73,839	\$57,836	\$67,960
Change in Net Position	\$37,253	\$49,063	\$20,502	\$45,579	\$12,015
Restatement of Net Position *	\$0	\$0	\$0	\$239	(\$343)
Beginning Net Position	\$587,255	\$538,192	\$517,690	\$471,872	\$460,200
Ending Net Position	\$624,508	\$587,255	\$538,192	\$517,690	\$471,872

* Restatement noted above was for accounting corrections



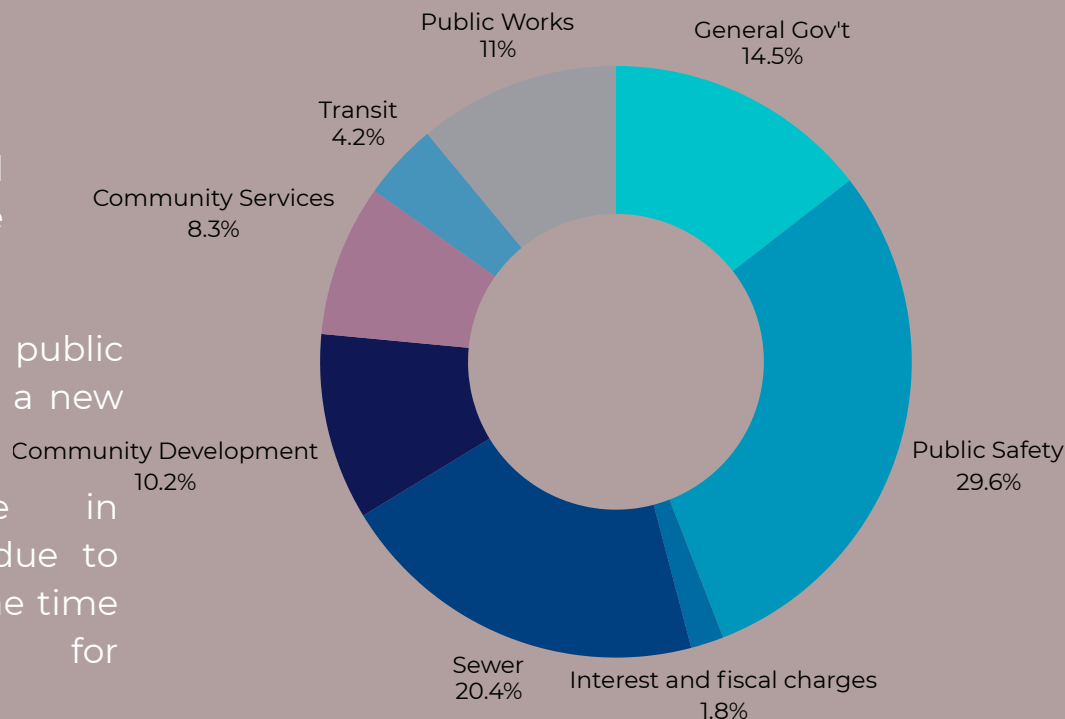
The City's revenues increased by \$6.98 million, with the majority due to the following:

- \$5.82 million sales tax increase due to a one-time audit recovery of misallocated county allocations
- \$1.1 million increase in property taxes due to the completion of new home sales.
- \$1 million increase in investment earnings.
- \$940 thousand decrease in all other revenues, mostly due to a decrease in community development charge for services.



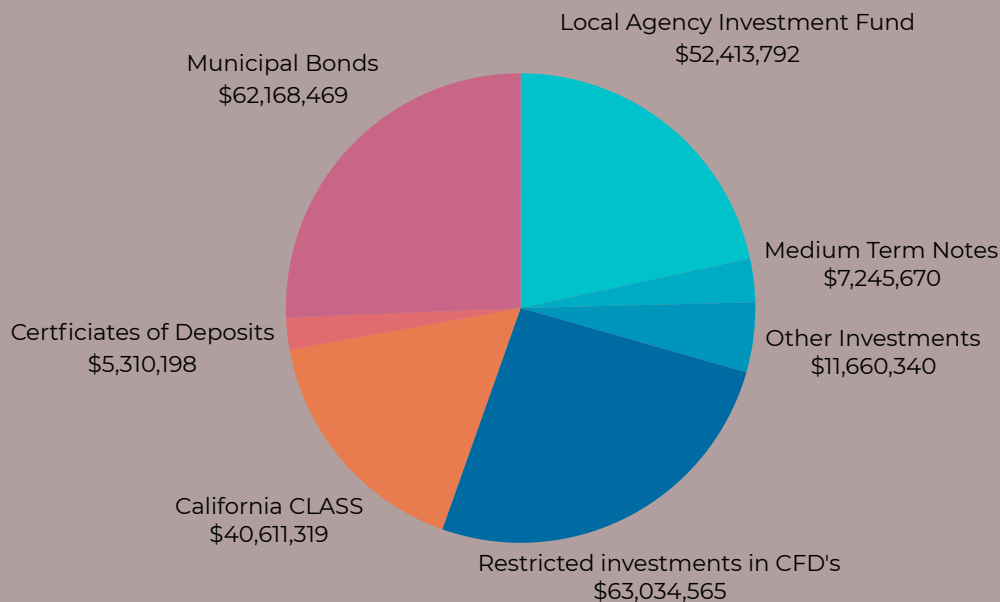
The City's expenses increased by \$19.1 million, with the majority due to the following:

- \$5.27 million increase in public safety for the operation of a new fire station.
- \$7.25 million increase in community development due to staffing realignment and one time infrastructure allocations for capital facilities.
- \$4.54 million increase in general government due to a one-time cost for audit recovery, increase in insurance costs and an increase in capital assets and software purchases.



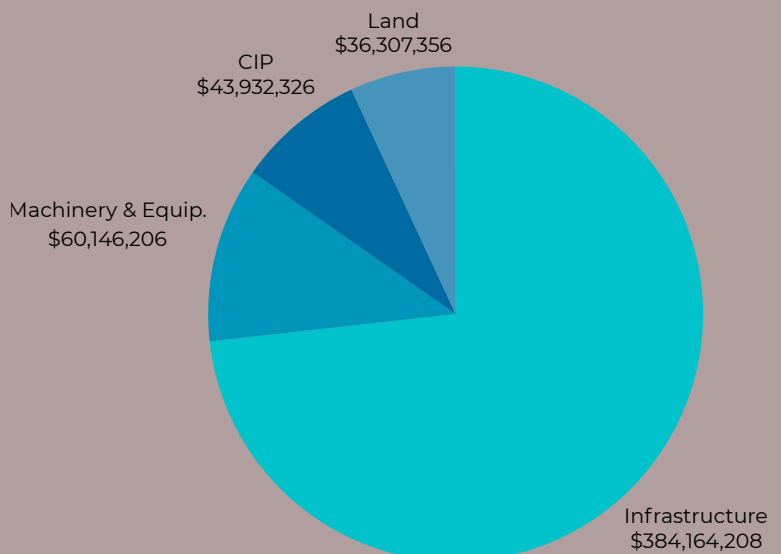
The City revised its investment policy at the end of Fiscal Year 2021 and was certified by the California Municipal Treasurers Association in March 2022. This policy is reviewed annually for compliance. The intent of the policy is to formalize the framework for the investment activities that shall be exercised to ensure the effective and judicious fiscal and investment management of the City's funds. The City's portfolio shall be designed and managed in such a manner as to comply with state and local laws, provide for daily cash flow requirements, ensure consistency with the prioritized objectives of safety, liquidity, and return, and in a manner consistent with prudent investment management and worthy of the public trust. The chart below reflects the types of investments held by the City as of June 30, 2025.

Investment Type Total - \$242,444,353



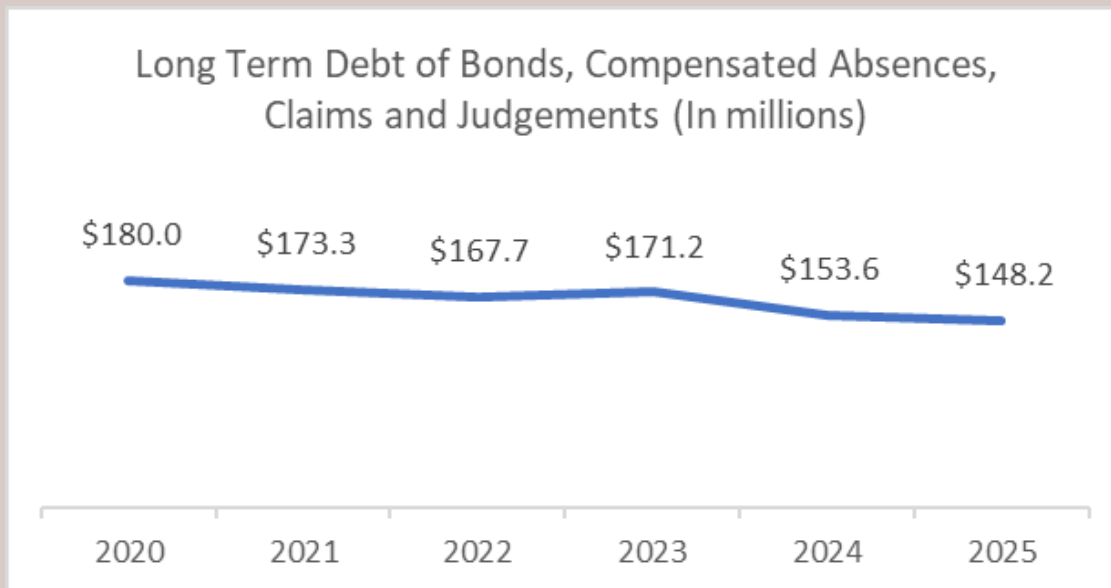
Capital Assets, Net of Depreciation

The city develops a five-year Capital Improvement Program (CIP) that projects capital needs with a focus on public safety, street repair and maintenance, machinery and equipment, sewer, parks and general infrastructure. In fiscal year 2025, major capital improvements included the completion of City hall office renovations and ADA ramps for \$3.88 million, Memorial Plaza for \$1.7 million, Potrero Fire Station for \$8.9 million, Street Rehabilitation for \$5.1 million and seven(7) new buses for \$5.7 million.



What The City Owes

As of June 30, 2025, the City had outstanding long-term debt totaling \$148.2 million. The debt decreased by \$5.4 million due to a combination of a decrease of \$6.2 million from the scheduled debt-service payment and increase in claims payable by \$637,000 and compensated absences by \$127,000. A six-year history of the long-term debt for governmental and business-type activities shows the City has been reducing debt levels over time since 2020.



compensated absences
\$4,119,910

Assigned liability related to unused employee earned vacation and compensatory leave time.

claims and judgements
\$2,180,661

Actuarial estimates of current and potential insurance claims and settlements.

wastewater revenue bonds
\$78,828,041

Bonds issued to finance the acquisition and construction of certain improvements to the City's Wastewater system.

local agency revenue bonds
\$63,034,565

Bonds issued to purchase District bonds to design or acquire certain public improvements relating to the District.

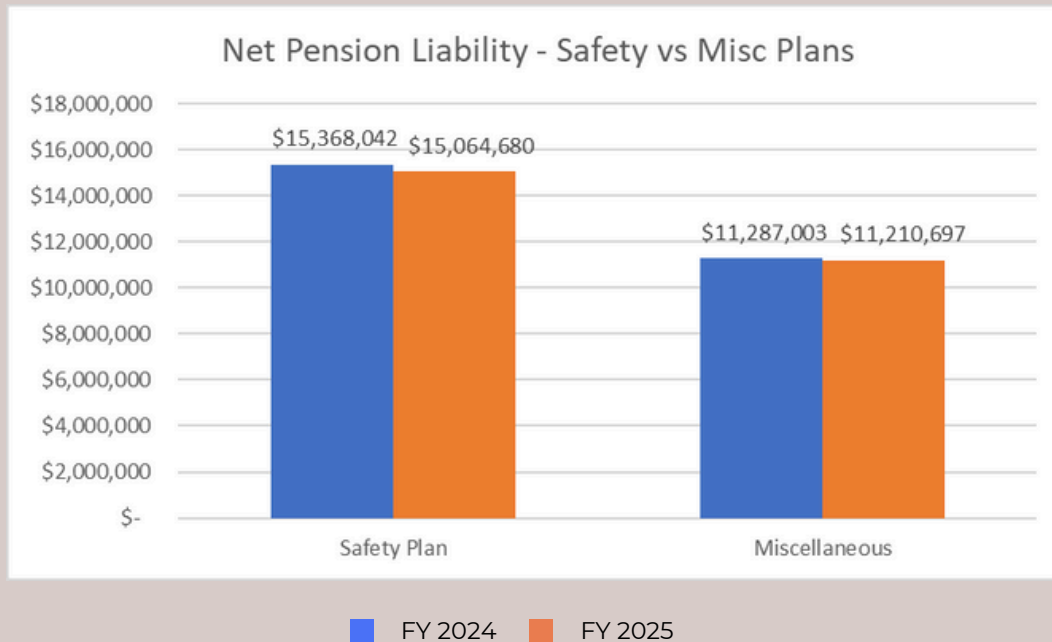
lease and subscription based Liabilities
\$1,904,093

Lease payments for the right to use various equipment, subscription based software and vehicles.

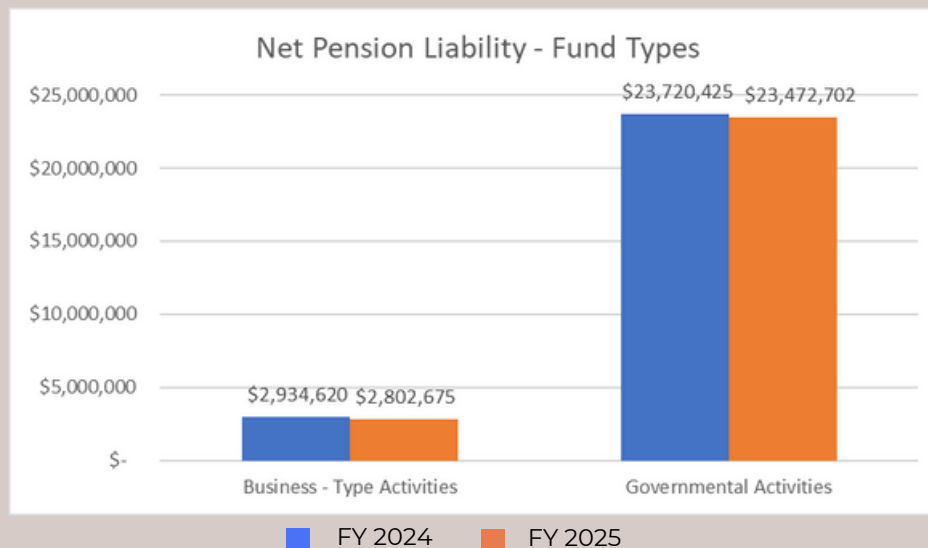
Net Pension Liability

Substantially all City employees working the equivalent of 1,000 hours per fiscal year are eligible to participate in multiple-employer defined benefits plans administered by California Public Employees Retirement System (CalPERS). The City currently offers two plans: the Safety Plan for public safety employees (i.e., Police employees) and the Miscellaneous Plan for all other city employees.

The largest impact on the City's long-term financial stability relates to the increase in pension costs from CalPERS. Per the most recent CalPERS annual valuation report, the funded status (the percentage of assets available to meet the total projected benefits payments) for the Safety and Miscellaneous Plans was 78.74% and 76.49%, respectively. The total net pension liability as of June 30, 2025 totaled \$26.3 million. The net pension liability for each plan as of the last two fiscal year end dates is shown below:



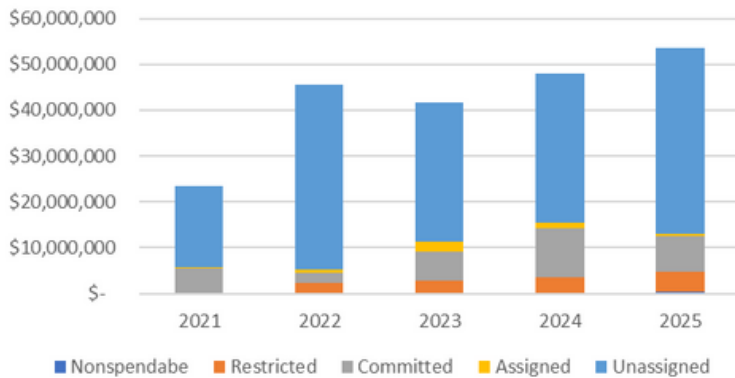
The City further allocates the total net pension liability by fund (i.e., Business-Type funds related to the activities of the Wastewater and Transit funds and Governmental funds related primarily to the City's General Fund activities). The distribution of the net pension liability by fund type is shown below:



City Activities: Highlights

The General Fund is the government's primary operating fund and the most discretionary. It accounts for all financial resources of the general government, except those required to be recorded in another fund. A five-year history of the fund balance and its designations is below. The fund balance of the General Fund at June 30, 2025 was \$53.6 million, a \$5.6 million increase from 2024 due to higher returns on investments and expenditures coming in lower than planned for.

Fund Balance - General Fund



Fund Balance Components

Nonspendable - Inherently non-spendable (e.g, receivables and prepaids items)

Restricted - Externally enforceable limitations on use (e.g., Investment in Section 115 Trust)

Committed - Self-imposed limitations on use (e.g., Self-Insurance and re-appropriation)

Assigned - Limitation resulting from intended use (e.g., capital assets)

Unassigned - Residual net resources (e.g., discretionary)

Functions of the City can be separated into two categories, those primarily supported by taxes and intergovernmental revenues (governmental activities) and those intended to recover all or a significant portion of its costs through user fees and charges (business-type).

Sales and Use Tax - consumable tax levied at the point of sale.

Property Tax - legally enforceable liens on property as of January 1.

Intergovernmental - motor vehicle in lieu taxes and vehicle license collections.

Charges for Services - revenue from charges to customers, applicants, or others who purchase, use or directly benefits from the goods, services, or privileges provided, or are otherwise directly affected by the service.

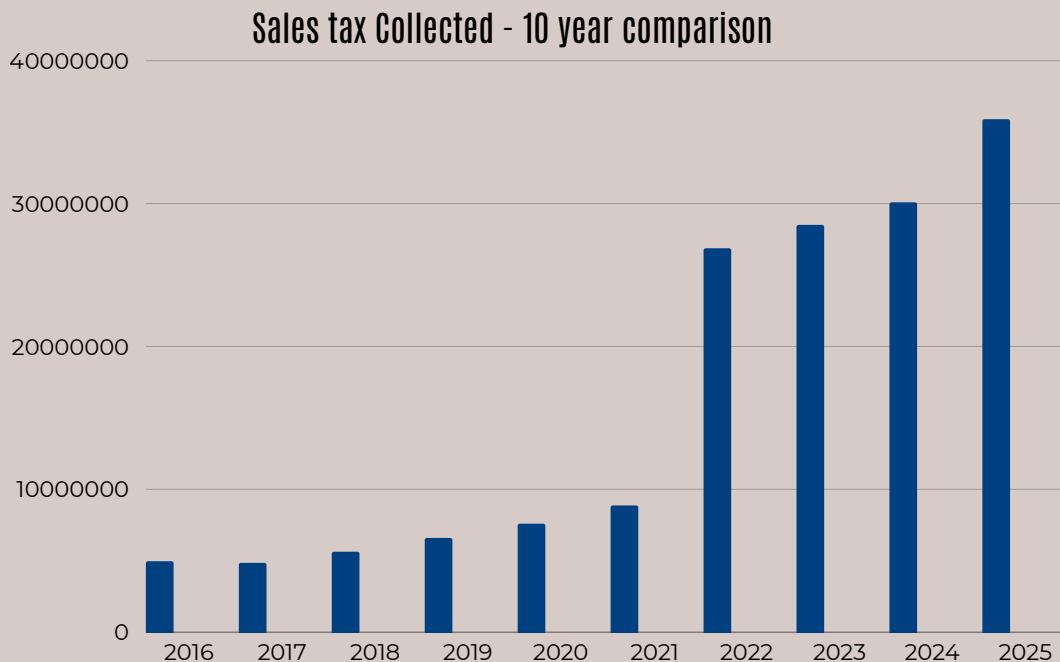
Other - includes transient occupancy tax, utility users tax, franchise fees and investment income.

Five-Year Revenue History - Governmental Activities



Sales Tax Highlights

Sales Tax is now the largest revenue source for the General Fund and is levied at the point-of sale. The amount of money collected through sales tax is contingent upon dollars spent on goods and services throughout the year. For Fiscal year 2025, the City of Beaumont's sales tax rate was 7.75%. The sales tax rate is set and imposed at the County level. Fiscal year 2025 saw an increase of \$5.8 million from the previous year, an increase of 19.3% due to a one-time recovery of misallocated county allocations . Please note: 2022 had an increase of \$18 million from the previous year, an increase of 203%. This was due to a reporting change in the commercial/industrial sector.



Completed Projects



Memorial Plaza 11/11/2024. The Beaumont Memorial Plaza at the Civic Center is a transformative and revitalized space dedicated to honoring and celebrating the lives of our veterans and public safety personnel. This project transformed the original fenced memorials into an accessible, open, and serene environment, creating a welcoming space for reflection and community gatherings.



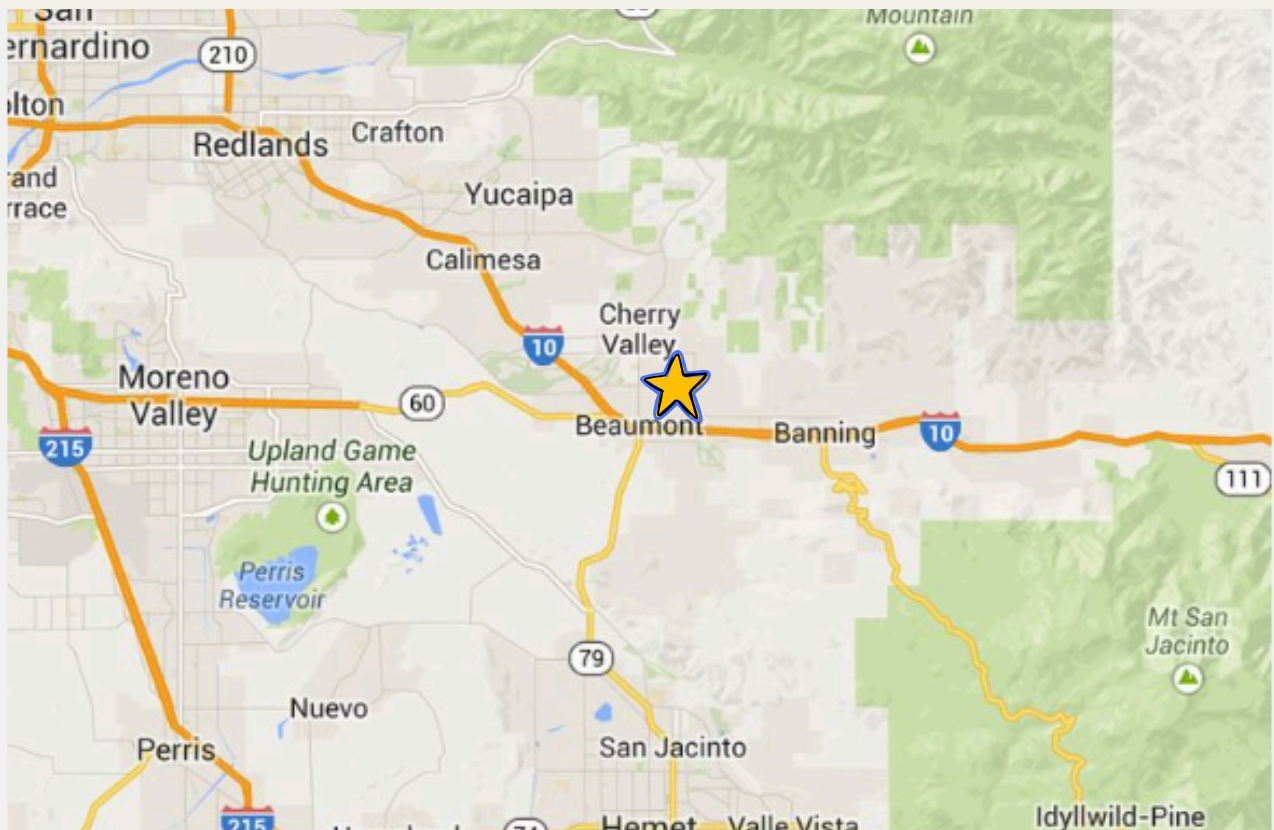
ADA Ramps for City Hall 06/23/2025. With the support from the Riverside County Board of Supervisors, funding was provided through a \$400k grant from the American Rescue Plan Act (ARPA) to accommodate the needs of Beaumont's growing population.

Come Visit Us

STRATEGICALLY LOCATED

A GEM AMONG GIANTS

ANAHEIM	67 MI
LOS ANGELES	78 MI
LONG BEACH	81 MI
SAN DIEGO	98 MI
TIJUANA	114 MI



The City of Beaumont received its 2nd GFOA Popular Annual Financial Reporting (PAFR) Award for fiscal year ending June 30, 2024.

The Award represents a significant achievement by the City of Beaumont. In order to be eligible for the PAFR Award, a government must also submit its annual comprehensive financial report to GFOA's Certificate of Achievement for Excellence in Financial Reporting Program and receive the Certificate for the current fiscal year. Each eligible report is reviewed by judges who evaluate the report based on the following categories: reader appeal, understandability, distribution methods, creativity and other elements.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Beaumont
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Contact Us



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finance@beaumontca.gov



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