



COUNCIL UPDATE

March/April 2017

Transportation

In late March we reached a settlement agreement with the Western Riverside Council of Governments (WRCOG) concerning the \$60 million lawsuit which threatened the financial future of the city. The settlement provides the city the breathing room we needed to move forward. The annual increase in local transportation funding (Measure A funds) the City will begin receiving as a result of the agreement will enable Beaumont to add a street maintenance department and implement a pavement management program. By working with neighboring cities and WRCOG, we can also begin addressing major regional transportation projects such as a new access ramps at Pennsylvania Avenue to the I-10.

Budget

Sacrifices made by our staff and citizens over the last two years has put us back on the right financial track. At the end of the 2016/17 Fiscal Year we are projecting about 15% of our annual expenses in true reserves. This level of General Fund reserves is something Beaumont hasn't had in nearly a decade. We are developing a budget for 2017/18 Fiscal Year that will add back many positions eliminated when we verified our significant budget insolvencies two years ago. We are operating in the black but we still have a lot of work ahead of us before we will have the level of reserves across all our funds that will satisfy this council.

CFD/Mello Roos

In May City Staff will be holding community workshops to begin a dialog about providing relief to CFD/ Mello Roos tax payers and to look for ways to reduce their annual burden. The improvement in our financial condition has enabled the council to bring the CFD reform effort to existing homeowners. We hope to establish a long-term plan to provide relief where we can now and expand the relief program to other areas as they become eligible for bond refunding.

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