



CITY OF POMONA

07/01/2020

The Honorable Mayor and Members of the City Council and Residents of Pomona

In accordance with Article X Sec. 1003 of the City's Charter, submitted within is the Adopted Fiscal Year (FY) 2020-21 Citywide Budget and Budget Message. The enclosed budget is consistent with City Council's priorities for public safety, customer service and transparency. The budget process this year has been challenging. The global COVID-19 pandemic is taking a toll on everyone, and the City of Pomona is certainly no exception. Like most, if not all California cities, Pomona faces financial challenges in the current fiscal year and beyond. Difficult times such as these require the City to look at all areas of operations to identify potential savings or opportunities for increased efficiency. As always, our chief goal is to provide the highest level and quality of services to our residents.

While the annual development of this type of comprehensive budget document is a challenge even in the best of times, staff has endeavored to present a realistic estimate of service and program costs along with an educated estimate of the resources available to pay for them. The General Fund budget for FY 2020-21 will have its challenges. It is important to note the City has included the estimated impacts of the rapid reduction of resources over a short period of time due to COVID-19 in the FY 2020-21 budget herein. In March 2020, the FY 2019-20 General Fund Mid-Year Budget Review was presented to the Mayor and City Council with an anticipated surplus of \$483k. Shortly thereafter, Los Angeles County mandated "Stay at Home" orders to all residents related to the COVID-19 pandemic. This change in everyday life impacted all City of Pomona residents and businesses. With the closure of City facilities, economic impacts to citizen's incomes due to workforce reductions, the City's major revenue sources were significantly altered. The three largest General fund tax revenue categories known as the "Big 3" make up 75% of revenues, they are respectively, Sales tax (34%), Property tax (27%), and Utility User tax (15%). With a reduction of \$7.6M in projected revenue to be received by June 30, 2020, along with City Departments tightening the spending, the City is projecting \$2.0M savings in the FY 2019-20 year. However, it is projected the City will still need to use \$5.8M of reserves to balance the budget in the current fiscal year. The economic impacts are projected to be long lasting in many regards and this makes the FY 2020-21 budget even more difficult with these bleak circumstances. To begin, presented herein is the FY 2020-21 Adopted Budget with an estimated General Fund deficit of \$5.8M, along with the other City funds.

CITYWIDE BUDGET HIGHLIGHTS

The Adopted FY 2020-21 Budget for Citywide expenditures are \$272.2M, and it is comprised of seven operating fund types as shown in Table 1.



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Total City Appropriations by Fund Type - Table 1

FUND TYPE	FY 2019-20	FY 2020-21
General Fund	\$117,388,957	\$116,690,369
Special Revenue Funds	48,461,997	33,366,509
Debt Service Funds	6,261,898	6,256,858
Capital Project Funds	21,045,846	8,339,557
Enterprise Funds	66,315,004	80,955,818
Internal Service Funds	9,595,787	9,611,008
Housing Authority Funds	17,439,066	17,015,241
Total	\$286,508,555	\$272,235,360

- FY 2020-21 General Fund Budget has been prepared over the last few months. Departments' original projections had to be revised due to COVID-19 pandemic economic impacts. Appropriations reflect an almost \$700k decrease when comparing FY 2019-20 to FY 2020-21 expenditures. This minimal decrease is primarily related to a hiring freeze of vacant positions in the City, as well as all General Fund Departments cutting costs, which in total will result in reducing \$5M projected deficit from the original preliminary budget. Even with that cost savings offered by Departments, the adopted deficit is estimated still at \$5.8M.
- The decrease in Special Revenue Funds is due to lower anticipated revenue receipts for Prop C, Measure R, Measure M and Measure H. Other Special Revenue Funds expecting less revenues are Miscellaneous Grants, Lead Based Paint, Home Program and Supplemental Law Enforcement Grant. FY 2019-20 received the majority of COVID-19 specific revenue for ESG and CDBG, and therefore, less revenue will be received for the special revenue type in FY 2020-21. More details are provided in the "Other Funds" section of this report.
- The decrease in the Capital Project Funds is from budgeting one-time revenue sources such as bond proceeds that were used to fund Capital Projects in the previous year which have now been completed. It is possible, however, that the FY 2020-21 budget will increase as the year moves forward and new funding sources (i.e. Federal and State money) and capital projects are identified.
- The decrease in the Housing Authority is primarily due to less expenditures and transfers out from the Low/Mod Housing Asset Fund.
- The increase in the Enterprise Funds is the result of a new Renewal Energy Sustainability Program Fund, with an increase also in Water Funded Capital Projects in FY 2020-21.

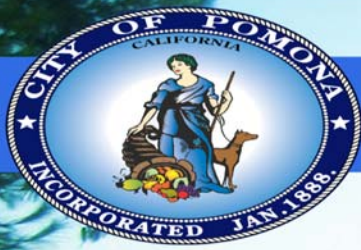


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KEY BUDGET ASSUMPTIONS

Key assumptions for the FY 2020-21 Adopted General Fund Budget:

- Revenue estimates are based on data made available through various sources such as: the City's sales and property tax consultant, reports from various State and Federal agencies, the League of California Cities, HUD, Department of Finance, and the State Controller's Office, as well as the recent COVID-19 revenue impact analysis.
- The Cannabis Licensing and Zoning Ordinances have been adopted. The Cannabis application process is underway and once completed, the City will be able to collect the tax and therefore increase General Fund revenues. No Cannabis tax revenues are included in the Adopted FY 2020-21 Budget, however it is anticipated Cannabis tax collection will begin in FY 2021-22.
- The cost of services as provided by L.A. County Fire District is budgeted with an increase of \$1.7M. Contributing to the contract increase is a 3.9% overall increase as a result of the 2.5% salary COLA effective July 1, 2020, and a 2.75% sustainability adjustment effective January 1, 2021. A 0.7% increase to District overhead was also factored in the Fire District budget.
- At the end of FY 2019-20, it is anticipated the General Fund will not meet City Council's graduated benchmark Fund Balance Policy goal of 17% per current projections. This factors a \$22M starting fund balance based on the anticipated surplus in FY 2019-20, which could be even less based on year-end projections. With the anticipated use of \$5.8M of General Fund reserves to be used by June 30, 2020, the fund balance would be 14% of projected expenditures.
- All other bargaining units have a 4% (non-sworn personnel) and 5% (sworn personnel) salary increase in October 2020 that are included in the FY 2020-21 Adopted Budget.
- No Supplemental requests are included in the FY 2020-21 Adopted Budget.
- This budget includes no requests for Full Time Equivalent (FTE) position changes.
- Per Section IX, Items 5 and 12 of Section IX (Capital Improvement Program and Asset Replacement) of the Fiscal Sustainability Policy require a dedication of General Fund revenue to the Capital Improvement Program and the initiation of a Building and Equipment Replacement Fund. However, these requirements were allowed to be suspended until the 17% General Fund Balance Policy level has been achieved. The General Fund would deposit 0.10% each year until reaching 1.0%. Over the last several fiscal years, significant contributions have been made from the General Fund well over 1.0%. The Building and Equipment Replacement Fund was established in FY 2015-16 and finances annual Police vehicle leases. Since the 17% General Fund Balance will not be achieved based on FY 2019-20 year end projections, it is recommended the provisions within the Fiscal Sustainability Policy requiring contributions to future capital improvement projects and equipment replacement be suspended at this time.
- The Annual Budget includes allocated costs in a number of line-items which are common to most of the City's Departments. These line-items include Information Systems, Workers' Compensation, Unemployment, Liability Administrative functions, and the



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maintenance and operation of the City's Fleet. In addition, costs are recovered for Administrative Support and Mailing/Printing Services. These costs, which include both the actual service expense(s), as well as, related personnel expenditures, are recovered from those Departments making use of the respective service in proportion to the extent the provided services are actually used.

General Fund Revenues

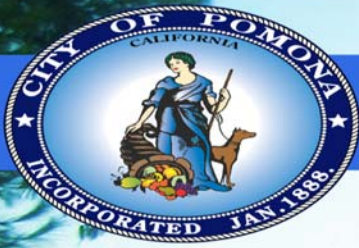
The FY 2020-21 General Fund Revenues have been estimated at \$110.8M. Overall, the estimates have decreased by 5% from last fiscal year mostly due to anticipated shortfalls in revenue due to the COVID-19 pandemic. Property Tax, Sales Tax and UUT make up 75% of the total General Fund Revenues and are estimated to decrease by \$6.3M over the prior fiscal year. Following Table 2 is a brief discussion of each of these revenue sources.

General Fund Revenues - Table 2

Revenue Category	FY 2019-20 Budget	FY 2019-20 Y/E Est.	FY 2020-21 Adopted	FY 2019-20 Budget vs. FY 2020-21	FY 2019-20 Y/E Est. vs. FY 2020-21
Property Taxes	\$ 37,554,791	\$ 37,514,902	\$ 37,793,320	\$ 238,529	\$ 278,418
Sales Tax	31,646,180	26,547,250	29,391,975	(2,254,205)	2,844,725
Utility Tax	17,247,586	16,081,595	16,449,543	(798,043)	367,948
Total - Big "3"	\$ 86,448,557	\$ 80,143,747	\$ 83,634,838	\$ (2,813,719)	\$ 3,491,091
Other Taxes	13,175,575	13,229,200	12,760,042	(415,533)	(469,158)
Licenses, Permits, & Fees	7,235,600	6,419,409	5,956,282	(1,279,318)	(463,127)
Charges for Svc	4,631,584	4,241,222	2,977,164	(1,654,420)	(1,264,058)
Fines	2,224,436	2,151,826	2,277,000	52,564	125,174
Other Revenues	3,412,271	3,315,708	3,200,117	(212,154)	(115,591)
Total - All Sources	\$ 117,128,023	\$ 109,501,112	\$ 110,805,443	\$ (6,322,580)	\$ 1,304,331

Property Tax – There is a projected 1% increase over the prior fiscal year in property taxes. This narrow increase is due to the uncertainty in property tax revenue anticipated due to the COVID-19 pandemic for adopted FY 2020-21.

Sales Tax – Sales tax is estimated to decrease by 7%. This projected decline is due to the shortfall already experienced since the COVID-19 pandemic began, as well as the continued shortfall estimated to continue for at least a portion of FY 2020-21. The strongest economic segment for sales tax generators is General Consumer Goods tied with Business and Industry at 21% followed by Autos and Transportation at 14%. The third strongest economic segment is Restaurant and Hotels at 14% of total sales tax generated as of fourth quarter 2019. However, these top sales tax generators may change as the COVID-19 impact is recorded during the next two quarters of 2020.



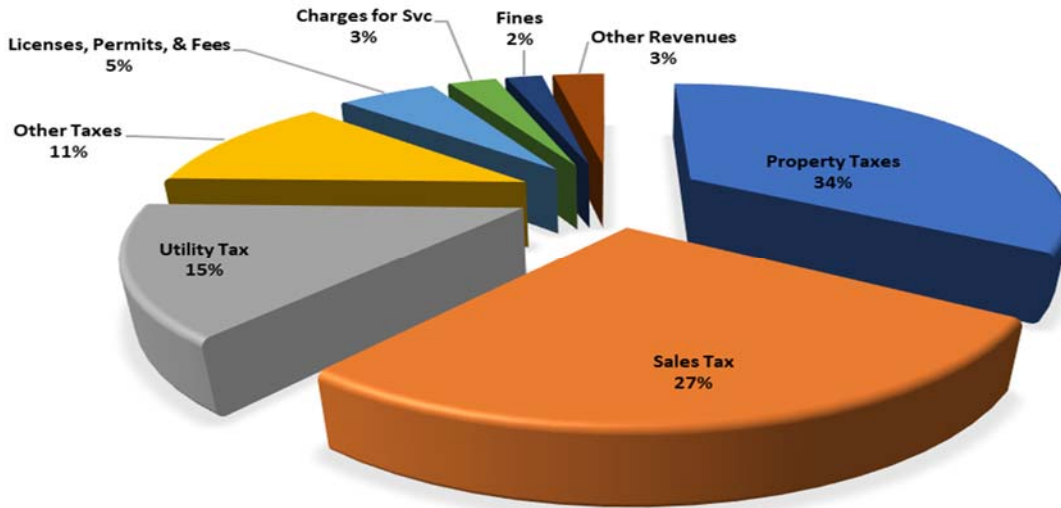
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Utility User Tax (UUT) – UUT revenues are estimated to decrease 5% (\$.8M) for adopted FY 2020-21. UUT for gas and electric are estimated to decline due to COVID-19 business closures. UUT for telecommunications continues to decline due to a decrease in homes that have landline service and more competitive cell phone plans.

Other Revenues – This category includes several revenue streams (other taxes, licenses, permits, fees, other miscellaneous revenue, transfers-in and other financing sources). Changes in this category from FY 2019-20 to Adopted FY 2020-21 are estimated at a decrease of 3% in revenue expected due to the pandemic.

Table 2A displays the General Fund Revenue by Category including a breakdown of each major category that is budgeted in the FY 2020-21 Adopted Budget.

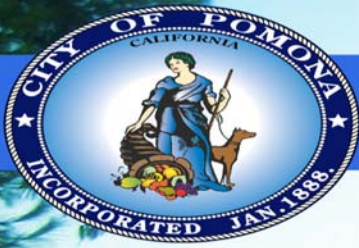
General Fund Revenues By Category - Table 2A



General Fund Expenditures

The General Fund (Table 3) is the largest fund of the City and represents approximately 43% of the City’s Operating Budget. The General Fund accounts for services such as Police, Fire, Library, Parks, Recreational Programs, certain Public Works operations, Development Services, City Council, Administration, City Clerk, City Attorney, Finance, and Human Resources. The Adopted FY 2020-21 expenditure budget is \$116.7M, which is a \$698k decrease over the prior fiscal year’s budget. Table 4 and Table 5 shows details of the \$698k decrease by Department and by category.

The Police budget for FY 2020-21 decreased from FY 2019-20 by \$19k. The impact of PERS increases and MOUs (memorandum of understandings) agreements create an increase, however, with a combined \$3.3M in reductions, mainly due to vacancies in the Department that will not be filled in FY 2020-21, there is an overall projected \$19k decrease. There are not many other significant increases in this Department.



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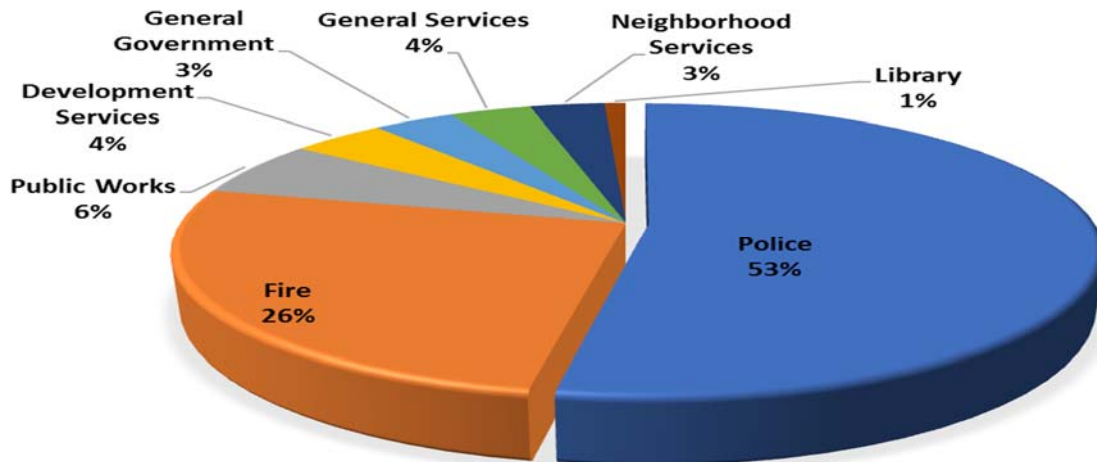
As previously discussed, the Los Angeles County Fire Contract as submitted has a \$1.7M increase over the previous fiscal year included in the budget. The decrease of \$1.1M in Public Works is related to methodology for the Liability Claims expense allocation. This allocation is based on actual expenses that are tracked by department/division within the Liability Fund. These expenses are charged back to departments/divisions based on a three year rolling average. This year's allocation significantly decreased in the amount of \$744k and is accounted for in this General Fund Department.

Development Services Department budget decreased by \$529k largely due to the methodology for the Liability Claims expense allocation (\$121k) and the Building and Safety services contract (\$369k) due to less building permits projected to be processed.

The General Government and General Services respective change is due to the offset for the recent contract with the new City Attorney. The previous City Attorney contract had been displayed as its own Department and included City personnel and internal costs within. The City Attorney contract line item is now detailed in the General Services Department budget as is common with other citywide contracts.

Expenditures By Department – Table 3

General Fund Expenditures	FY 2019-20 Budget	FY 2020-21 Adopted	Variance
Police	\$61,591,527	61,572,267	(\$19,260)
Fire	28,939,944	30,648,902	1,708,958
Public Works	7,860,582	6,784,209	(1,076,373)
Development Services	5,351,024	4,738,441	(612,583)
General Government	4,910,816	4,487,487	(423,329)
General Services	3,933,571	3,621,627	(311,944)
Neighborhood Services	3,732,066	3,749,883	17,817
Library	1,069,427	1,087,553	18,126
Total	\$117,388,957	\$116,690,369	(\$698,588)





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Table 4 sets forth the Adopted General Fund Budget broken down by Departments and in comparison to the previous year. Table 4 presents a recap and explanation of the budget category differences presented in Table 3.

Expenditures By Category – Table 4

Expenditures	Amount	Brief Summary
Personnel	\$1,016,902	The largest increase in the personnel budget was due to PERS retirement increases and step increases for staff. \$3.1M in savings is factored into the Proposed Budget.
Controllable Exp	(194,884)	The expense for controllable expenses is consistent with last fiscal year and with a decrease to the Building and Safety Contract in the amount of \$369k, savings of \$390k for IVHS contract, and the redistribution of the City Attorney contract categorized in prior years as a required expense.
Required Exp	1,097,895	There was an increase of \$1.7M for fire services provided by the LA County Fire District. Offsetting this amount are reductions in the PD crosswalk contract and redistribution of the City Attorney contract categorized as a controllable expense.
Utilities	(25,009)	The expense for utilities is consistent with last fiscal year.
Allocated Costs	(476,165)	The majority of the decrease (\$523k) is an anticipated decrease in General Liability claims. Fleet services has a decrease of \$172k and the needs of the IT fund increased by \$35k.
Recovered Costs	(44,442)	The \$44k change is a result of the CPI adjustment for the Cost Overhead Allocation.
Capital	(751,667)	This decrease is related to the deferred purchases of automobiles, trucks, equipment and a decrease in automation acquisitions.
Transfers Out	(1,321,218)	Transfers to CIP will be significantly lower in FY 2020-21. The majority of transfers are related to normal scheduled bond payments.
TOTAL CHANGE	(\$698,588)	

GENERAL FUND

The FY 2020-21 General Fund budget process started with a \$10.6M deficit. This included a shortfall of \$5.6M in estimated revenue when compared to the original FY 2019-20 budgeted revenues, along with an increase in appropriations of \$5M versus FY 2019-20 Budget. Portions of this increase are for salary, retirement costs for current employees (PERS) and retiree benefits. To mitigate the \$10.6M deficit, the FY 2020-21 Adopted Budget reflects \$5.3M in reductions with \$3.1M in savings by leaving positions vacant, as well as Departments' reducing other operational line items, including, but not limited to training, materials, supplies, contracts, and hourly personnel totaling \$2.2M. These two efforts combined reduced the deficit to \$5.8M as adopted (Table 5). Also factored in was a \$573k less revenues from the original proposed revenue budget related to a reduction in the contract for Police Services provided to PUSD and reducing the corresponding revenue source for the Homeless Outreach Support Team (HOST). It is important to reiterate that the General Fund is earmarked to use at least \$5.8M of reserves to balance the FY



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2019-20. With the use of reserves, plus the anticipated amount to be used for FY 2020-21, the General Fund's ending reserve balance is projected to be \$16.1M by June 30, 2020 and \$9.5M which is 9% of the FY 2020-21 operating expenditures by June 30, 2021 (Table 6). At this time, the adopted budget is balanced with the use of reserves. For reasons described below, the goal is to balance the budget without use of reserves by June 30, 2021. That can only be done by exploring further reductions, as an increase in revenues will be unlikely in this COVID-19 pandemic environment. The City personnel budget makes up 54% of the total General Fund budget. Eliminating positions, which could result in layoffs, continues to be explored. Furlough programs reducing employee's workday with a percentage of pay reduced also must be considered. Contract reductions for those services provided such as the Los Angeles County Fire Department will continue to be discussed.

FY 2020-21 Adopted Budget - Table 5

GENERAL FUND	Amount	FTE	Hourly
Revenue	\$111,378,826		
Appropriations	\$122,010,038		
FY 2020-21 Preliminary Budget Deficit	(\$10,631,212)		
Hiring Freeze of Vacant General Fund Positions (FTEs)			
City Clerk	\$103,338	1.00	
Finance	\$97,888	1.00	
Development Services	\$232,560	1.70	
Police - Sworn	\$1,575,383	8.00	
Police - Non Sworn	\$1,051,944	10.00	
Public Works	\$74,774	0.90	
TOTAL	\$3,135,887	22.60	0.00
Department Reductions			
General Services	\$395,681		
City Council	\$25,000		
City Clerk	\$13,400		
Human Resources	\$54,950		1.00
Finance	\$86,322		1.00
Administration	\$14,323		
Development Services	\$54,839		
Police	\$923,601		
Public Works	\$137,308		
Neighborhood Services (Community Services)	\$317,359		
City Attorney (General Services)	\$60,000		
Library	\$101,000		
TOTAL	\$2,183,783	0.00	2.00
Revenue	\$110,805,443		
Appropriations	\$116,690,368		
FY 2020-21 Proposed Budget Deficit	(\$5,884,925)	22.60	2.00



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The current reserve policy goal of 17% is based on recommendations by the Government Accounting Standards Board and the Los Angeles County Civil Grand Jury. In June 20, 2011, the City Council approved Resolution #2011-63A Fund Balance Reserve Policy, which included a graduated benchmark plan that would allow the City to reach the 17% policy goal by FY 2019-20. This plan was a nine-year plan and the benchmark goal for FY 2019-20 is 17%. The projected fund balance for FY 2019-20 and FY 2020-21 will both be below the benchmark goal of 17%. If the City does not meet its reserve requirement, the City's bond rating could be impacted and that could drive up interest rates. It will also reduce the amount of funds available for emergency situations, cash flow needs in the first six months of the fiscal year and one-time capital replacement projects in the future. As the General Fund appropriations increase, the fund balance will also need to increase. A revised Policy will be brought forward to the City Council in the coming months, however, to set the level below 17% could hinder the reserve balance that has been fostered over the last ten years.

Fund Balance History - Table 6

	FY 2018-19	Est FY 2019-20	Est FY 2020-21
Fund Balance	\$22,000,261	\$16,125,966	\$10,241,040
Change in Fund Balance	\$4,026,261	(\$5,874,295)	(\$5,884,926)
Expenditures	\$100,949,320	\$109,314,334	\$111,968,972
Transfers	\$5,867,757	\$6,061,073	\$4,721,397
Total	\$106,817,077	\$115,375,407	\$116,690,369
Percentage	20.6%	14.0%	8.8%
Benchmark Amount	15.5%	17.0%	17.0%
Difference	5.1%	-3.0%	-8.2%

General Fund Supplemental Budget Items

Each year the budget includes supplemental budget recommendations for staffing, service, and equipment requests. Due to the COVID-19 pandemic and limited revenue available to support additional needs, no supplemental requests are included in the FY 2020-21 Adopted Budget.

OTHER FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for revenues derived from specific sources, which are required by law or financial best practices to be accounted for in separate funds. The most common Special Revenue Funds are grant funds; special taxes such as Gas Tax, Propositions A and C, Measure R, AQMD; Maintenance Assessment Districts; and the Vehicle Parking District (VPD). New Special Funds that were recently established include Fairplex Mitigation Fund, CARES Act: CDBG COVID-19 and Emergency Solutions Grant COVID-19.



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A Mitigation Fund was created to fund certain public safety measures and infrastructure around the Fairplex venue in order to address immediate impacts from music and continued historical year-round events that will be held during the Specific Plan planning period.

The CDBG and Emergency Solutions Grant (ESG) recently received specific grant monies to help the community as a result of COVID-19. This special allocation of funds is to prevent, prepare for, and respond to the COVID-19. The primary objective of the funding is to support activities that impact short-term and long-term social welfare and economic development recovery efforts.

Gas Tax Funds continue to provide partial funding for eligible expenses such as street maintenance, traffic and signal maintenance, the paint and sign program, tree maintenance, median maintenance, street sweeping and right-of-way maintenance. Gas Tax Revenue estimates are based on a reliable source the *California Local Government Finance Almanac*. For the past few years, revenues have been coming in lower than estimated creating a deficit which led to a negative fund balance. To add to this deficit, COVID-19 stay at home orders have resulted in less gas purchases impacting FY 2019-20 and adopted FY 2020-21 Gas Tax revenue estimates. Drastic changes will have to be made to the Public Works programs funded by this revenue source. A plan will be brought forward in the coming months which will include less funds available for CIP projects.

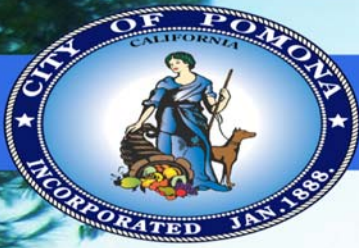
Enterprise Funds

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The City of Pomona has three enterprise funds: Water, Sewer, and Refuse with an adopted budget of \$76.4M and \$4.6M in depreciation expense. The operating budget for the Water Resources Department includes \$5.8M transfer to CIP for needed water infrastructure projects.

Internal Service Funds

Internal Service Funds include the Self-Insurance Services, Building and Equipment Maintenance, Information Technology and Printing/Mail Services.

- The Self-Insurance Fund has a fund balance reserve requirement of \$3.6M, which is 25% of total claims liability. Currently, the City meets this minimum requirement with available cash balance. The Self-Insurance Fund, which includes General Liability, Workers' Compensation, and unemployment, allocates its expenditures to Departments within the City. The allocation is based on each Department's number of employees, as well as its actual claims experience. In FY 2020-21, there is an overall projected increase in insurance premiums and claims expense, which will result in an additional \$581k in cost recovery from all Funds within the City which have employee expenditures.
- The IT Fund and Print/Mail Services Fund provide services to Departments throughout the City. The expenditures in these funds are allocated to Departments based on their usage or number of employees. These Funds receive 'recovered costs' funding rather than revenues.



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Successor Agency

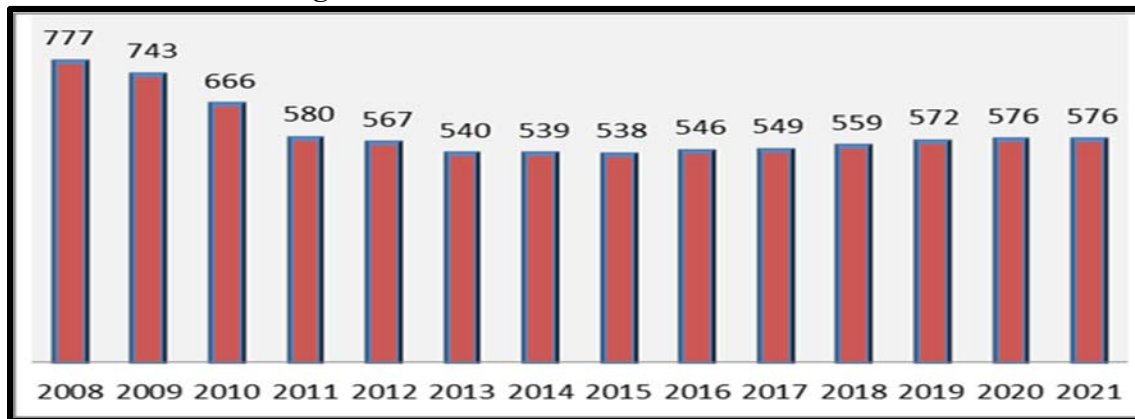
With the passage of AB1X-26, the Redevelopment Agency (RDA), which was established in 1966, was abolished. In accordance with provisions of the legislation, the City assumed the role of Successor Agency to oversee the dissolution of the Agency and its assets. In compliance with the legislation, an Oversight Board was established to approve the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget. In 2018, local Oversight Boards were eliminated and Countywide Consolidated Oversight Boards were created. Pomona is part of the First District Oversight Board and Mayor Sandoval sits on that Board. The ROPS is annually submitted to the State Department of Finance to approve funding of qualified Agency obligations.

The ROPS FY 2020-21 was approved for \$15.6M, however due to an adjustment in the debt service payment the revised required obligation amount was \$14M. In April 2020, the Department of Finance approved \$13.3M leaving a shortfall of \$0.7M that will be funded with Successor Agency reserves and other sources available to the former Redevelopment Agency (RDA).

STAFFING ALL FUNDS

Staffing cost for FY 2020-21 Budget is calculated using currently approved labor contract provisions, increases in the City's retirement contribution rates (PERS), step increases for staff, overtime, and hourly staff. Personnel history and funding allocations by Department are shown in the Authorized Staffing section of this document and include a adopted authorized staffing level of 575.60 full time equivalent (FTE) positions. In addition to these FTE positions, many Departments utilize part-time hourly employees to provide services to the community. As reflected in Table 7, there are no increases to the number of FTE's and reclassifications of positions since December of 2019. There are no adopted FY 2020-21 Full Time Equivalent (FTE) position changes in the adopted budget.

Historical FTE Staffing Levels - Table 7



CAPITAL IMPROVEMENT PROGRAM (CIP)

CIP projects include building, upgrading or replacing City infrastructure such as residential and arterial streets, bridges, traffic signals, storm drain systems, parks and public facilities. The separate five-year CIP document addresses, in greater detail, specific projects to be undertaken both short and long term. The capital plan includes a total of 129 projects, totaling approximately



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\$379.5M, of which \$167.0M is funded. The \$167.0M will be funded from prior year appropriations totaling \$153.5M of which approximately \$76.7M remains unspent, and nearly \$13.5M of new funding. The approved funding for projects within this document reflects City Council approvals through June 30, 2020.

Noteworthy CIP projects for FY 2019-20 - Table 9

CIP Highlights of 2019-20	TOTAL COST TO DATE \$34,921,785
ADA Path of Travel - Citywide (CDBG) (FY 14-15 to FY16-17)	Closed 7/15/2019
Street Improvements – Citywide (CDBG) (FY 15-16 to FY 17-18)	Closed 7/15/2019
Street Rehabilitation Districts 2 & 3	Closed 7/15/2019
Kennedy Park - Field Improvements	Closed 7/15/2019
Esperanza y Alegria Park	Closed 7/15/2019
Traffic Signal Improvements - Citywide	Closed 7/15/2019
Median Improvements – Towne/McKinley	Closed 3/16/2020
Transit Improvement Program – Bus Shelters	Closed 3/16/2020
Police Dispatch Radio Console	Closed 3/16/2020
Study - Sewer Model Update/Expansion	Closed 3/16/2020
Sewer Master Plan (2016)	Closed 3/16/2020
Police- Main Facility Roof Replacement	70% Completed
Pomona Transit Bridge Improvements and Beautification	Close to completion
City Hall First Floor Remodel	Close to completion
Phil and Nell Soto Park	Completed and close-out expected soon
ADA Compliance Program - Curb Ramps, Sidewalks and Public Facilities/Structures- Citywide	Phase II completed; Phase III started to be completed FY 20-21
Street Improvements- Citywide (CDBG) (FY 18-19 to FY 20-21)	Construction completed, closeout in FY 20-21
Alley Improvements - D6	Completed and close-out expected soon
Alley Improvements - Citywide	Phase I: Completed; Phase II: TBD
Year Round Emergency Shelter	Phase 1 Completed; Phase II in final phases. Phase III - Shelter shade coverage TBD
Emergency Shelter Annex / Water Utility Access	Design Phase completed; Site has been leveled to begin next Phase – Parking lot construction.
Water Resources Administration and Operations Facility (Formerly, Corporate Yard Facility)	Environmental impact review in progress.
Water Mains - Ellen Place	Design in progress.
Sewer Force Mains - Pumping Plants 1, 2 and 3 Design	Design in progress. SDLAC moving forward with relocation of PP 1.
Sewer Main Replacements - Design	Design in progress.

CIP projects for FY 2020-21 - Table 10

Infrastructure Projects In Process for FY 2020-21	TOTAL BUDGETS \$80,933,799
ADA Compliance Program - Curb Ramps, Sidewalks and Public Facilities/Structures- Citywide	Phase II completed; Phase III started to be completed FY 20-21
ADA Path of Travel - Citywide (CDBG) (FY 17-18 to FY 19-20)	Project in design phase, project estimated for construction in Spring 2021 and completion by end of 2021.
ADA Curb Ramps and Path of Travel- Citywide (FY 19-20)	Project in design phase, project estimated for construction in Spring 2021 and completion by end of 2021.
Alley Improvements-D6 (CDBG) (FY 14-15 to FY 16-17)	Construction completed, closeout in FY 20-21
Alley Improvements - Citywide (CDBG) (FY 17-18 to FY 19-20)	Phase I: Completed; Phase II: TBD pending funding
Bridge Rehabilitation Program- Phase II	In Design with LA County DPW; Bid & Start Construction
Safety Improvements – At-grade Crossings	Estimated Completion Summer 2021
Street and Alley Rehabilitation Improvements - District 3	Philadelphia St. Re-paving
Street Improvements - District 5	Will Close Out
Street Rehabilitation - District 6	Towne Ave. Re-paving from Foothill to South as funds allow.
Major Street Rehabilitation - 2015 Metro Call, Phase 1	50% of Construction
Street Preservation - Local Citywide (FY 18-19)	70% Completed
Street Preservation - Local Citywide (FY 19-20)	Phase 1 Completed; Phase II in final phases. Phase III - Shelter shade coverage TBD
Street Rehabilitation - District 4 and 5	Project in design phase, project estimated for construction in Spring 2021 and closeout estimated in 2021.
TSSP Project - Valley Boulevard/Holt Avenue	Design in progress.
Traffic Signal Improvements - Battery Backup System	Field Testing in progress.
Traffic Signal Improvements - Towne & Philadelphia and Garey & Philadelphia	Design in progress. Estimated Completion Fall 2021
Water Resources Administration and Operations Facility (Formerly, Corporate Yard Facility)	Environmental impact review in progress.
Downtown Parking Structures	Separate RFP's for design and subsequent design/build services are anticipated to be published in FY 20-21.
Year Round Emergency Shelter	Phase 1 Completed; Phase II in final phases. Phase III - Shelter shade coverage TBD
Emergency Shelter Annex / Water Utility Access	Design Phase completed; Site has been leveled to begin next Phase – Parking lot construction.



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SUMMARY

The Adopted Budget document has been compiled with the cooperation of all City Departments and with the diligent attention and efforts of the Finance Department. An enormous amount of data is collected to accomplish the accurate layering of revenue estimates, anticipated expenses, cost allocations, transfers and accruals involved with accounting for a City with multiple operations like the City of Pomona. In the end, the FY 2020-21 Adopted Budget is staff's best estimate at that time of a spending plan within available resources to meet the Council's goals and public's expectations for the upcoming year. As reflected in the body of this message, the COVID-19 pandemic has brought forward challenges that has begun an economic downturn that brings with it uncertainty of when the economy will recover. With that said, this Adopted Budget has been crafted, with great appreciation, to continue City services at the level that is allowed per Los Angeles County health guidelines. The Adopted Budget encompasses the revenues that are available and projected at this time, while realizing serving the residents of Pomona is the organization's first priority. The adopted FY 2020-21 General Fund Deficit of \$5.8M will need to be reduced. Use of City reserves cannot be relied on long term and should only be used for catastrophic events, as is the case in covering the FY 2019-20 budget deficit. Other reductions will be explored and brought forward, as well as any new revenues sources that may be made available.

CONCLUSION

On a personal note, this document represents my first budget as Pomona's City Manager. I am grateful to the citizens of Pomona who, through their elected representatives on the City Council, have entrusted me to "take the reins" during this unique time in our world's history. The Adopted budget was approved June 29, 2020 by the City Council. In closing, let me note the continued importance attached to the vigilant pursuit of operating efficiencies and economies in order to ensure the best use of our limited resources. Together, we are committed to undertaking these fiscal challenges under the policy guidance of the City Council.

Respectfully submitted,

James Makshanoff
City Manager



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