



**CITY OF POMONA
VEHICLE PARKING DISTRICT
BOARD OF PARKING PLACE COMMISSIONERS
AGENDA REPORT**

September 11, 2025

To: Vehicle Parking District Board of Parking Place Commissioners

From: Meg McWade, Public Works Director

Submitted By: Arnold Dichosa, City Engineer

SUBJECT: DISCUSS THE ADOPTED 2025/26 VEHICLE PARKING DISTRICT (VPD) BUDGET

RECOMMENDATION:

It is recommended that the Vehicle Parking District Board of Parking Place (VPD) Commission discuss the VPD Budget.

EXECUTIVE SUMMARY:

At the August 14, 2025 VPD Commission Meeting, the Commissioners requested staff agendize a discussion on the FY 2025/26 VPD budget.

FISCAL IMPACT:

No Fiscal Impact at this time.

DISCUSSION:

The FY 2025/26 VPD Budget was prepared in coordination with the Department of Public Works and the previous VPD Senior Project Manager prior to their departure from City service. Initial budget requests were due to the Finance Department in January 2025, when VPD administration first transitioned to the Department of Public Works.

City Staff would like to bring to your attention two topics for discussion, Budget Adjustments and Expenditure Highlights, and Revenue Outlook and Budget Deficit.

1. Budget Adjustments and Expenditure Highlights

Budget line items were reviewed with a focus on long-term operational needs. Notable changes include:

- Increases Over Prior Year Include
 - Landscape Maintenance funds were increased due to the five-year agreement extension expiring in March 2025 with Merchants Landscape

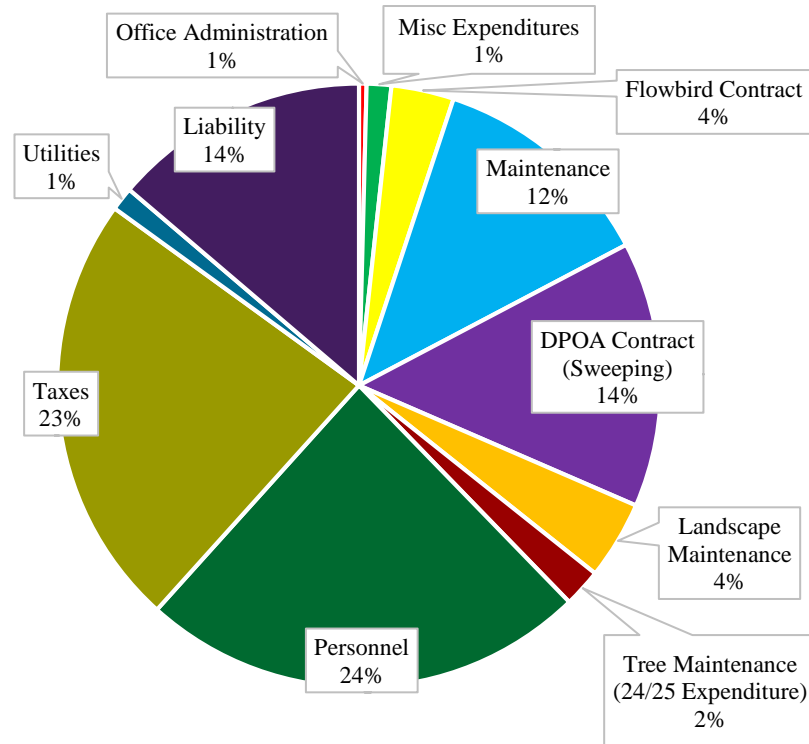
- and the need to rebid this agreement. It is anticipated that landscape maintenance costs will increase significantly when this agreement is rebid.
- Office Supplies were increased to accommodate ongoing operational needs.
- DPOA Sweeping was increased after the implementation of SB 1383. The previous agreement was \$59,400 per year; current spending reflects expanded requirements.
- Vehicle Repair:
 - This line item is being reallocated, potentially to fund sign-related costs. The VPD vehicle was returned to the Fleet division as it is not needed. VPD staff are utilizing Public Works pool vehicles when assessing VPD lots in the field.
- FY 2024/25 One-Time Payouts
 - Due to staff departures in FY 2024/25, a total payout for accrued time and benefits increase Retirement/Termination payouts to a one-time cost of \$60,405. This expense is not anticipated in the current fiscal year.
- Hourly Wages:
 - The FY 2024/25 Adopted Budget for Hourly wages was \$22,136 due to a part time Office Assistant. Actuals for hourly staff were approximately half that cost due to the employee's departure from City service in January. For FY 2025/26, Public Works staff decreased hourly due to the elimination of that part time position.

The line item for Parking Lot Maintenance is intended to cover as-needed services such as striping, pothole repair, concrete work, and sign repairs. However, for FY 2024/25, actual expenses included tree trimming with West Coast Arborists and Cale America, Inc (Flowbird) repairs, indicating a shift toward broader maintenance needs.

Notably, in FY 2024/25, \$94,200 was budgeted in Controllable Contract Services intended for a Parking Garage Analysis study. Based on the departure of previous VPD staff and the transition to Public Works Department, a decision was made to reduce Controllable Contracts for FY 2024/25 and move these funds to FY 2025/26. The agreement with Cale America, Inc. (Flowbird) is the only regular charge to this line item, leaving approximately \$70,000 available for lot maintenance.

A pie chart (Figure 1. FY 2025/26 VPD Budget by Category) is included below to illustrate the proportional breakdown of FY 2025/26 expenditures by major category, including Personnel, Office Administration, Utilities, Maintenance, and Large Contracts. This visual provides context for how VPD funds are distributed across operational areas. The allocation for Tree Maintenance is based on actual expenditures from FY 2024/25, as these costs have historically been charged to various line items depending on where funding was available. For a full breakdown of how individual budget line items were grouped into categories, please see Attachment No. 1.

Figure 1. FY 2025/26 VPD Budget by Category



2. Revenue Outlook and Budget Deficit

The VPD budget is structurally imbalanced. For FY 2025/26, expenditures exceed revenues, resulting in a draw of approximately \$211,000 from the fund balance. The VPD currently has a cash balance of approximately \$2.7 million. However, this reflects the total amount of money in the fund and does not account for existing obligations. After factoring in the projected FY 2025/26 operating deficit of approximately \$211,000 and the over \$500,000 allocation for the ADA Project in the Capital Improvement Program, the available fund balance (the portion of funds that remains uncommitted and available for future expenditures) is projected to decrease to approximately \$2.0 million by year-end. While this level of reserve provides a temporary buffer, ongoing structural deficits are not financially sustainable in the long term, particularly in light of anticipated capital costs associated with ADA-related construction. Without increased revenue or reduced expenditures, continued reliance on fund reserves will erode the District's financial flexibility and ability to fund future priorities.

The majority of VPD revenue continues to come from the lease agreement with Western University, which represents approximately 58% of the total FY 2025/26 budget. In contrast, revenue from daily permits issued at meters declined by nearly 50% in FY 2024/25 compared to FY 2023/24. Public Works staff are actively coordinating with Flowbird support and the traffic signal team to ensure meters are either functioning properly or clearly bagged with directions to the nearest operational meter and that all meters, operational or otherwise, indicate the option for Flowbird payment. In addition,

staff are working with parking enforcement to increase citation activity, with the goal of improving compliance and stabilizing meter-related revenue.

While the VPD has historically maintained a conservative budget and fund reserve, continued structural deficits, without offsetting revenue increases, will erode that reserve over time. Given the current fiscal outlook, the Commission may wish to begin discussing potential revenue strategies, including adjustments to parking rates. Parking fees have remained unchanged for several years despite increasing operational costs. Reviewing rate structures may offer a path toward stabilizing the budget and reducing the need for fund balance drawdowns in future years.

For reference, we have compiled a five year history of actual expenditures (Attachment No.2). This discussion item is intended to solicit Commission feedback and direction on how best to approach long-term revenue sustainability for the Vehicle Parking District.

Prepared by:

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ATTACHMENT(S):

Attachment No. 1 - FY 2025/26 VPD Budget Category Crosswalk
Attachment No. 2 – Five (5) Year History of Actual Expenditures