



CITY OF POMONA

COUNCIL REPORT

May 12, 2025

To: Honorable Mayor and Members of the City Council

From: Anita D. Scott, City Manager

Submitted By: Andrew Mowbray, Finance Director / City Treasurer

SUBJECT: FISCAL YEAR 2025-26 BUDGET STUDY SESSION

RECOMMENDATION:

It is recommended that the City Council review the Fiscal Year 2025-26 Proposed Operating (Attachment No. 1) and Capital Improvement Program (Attachment No. 2) Budgets and provide staff direction. The presentation is also included (Attachment No. 3). Physical copies of the Fiscal Year 2025-26 Proposed Operating Budget and Fiscal Year 2025-26 Proposed Capital Improvements Program Budget have been provided to the Mayor and City Council and are available for public review in the City Clerk's Office at City Hall. The documents are also on the City's web page at: [Budget | Pomona, CA \(pomonaca.gov\)](https://www.pomonaca.gov/Budget)

EXECUTIVE SUMMARY:

This report summarizes the City's overall financial position for FY 2025-26. The purpose of the study session meeting is for staff to present the Proposed FY 2025-26 Citywide Budget to City Council, answer related questions and receive feedback on the proposal for possible adoption on June 2, 2025. The Proposed FY 2025-26 Budget for Citywide expenditures is \$494M and is comprised of seven operating fund types (General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Enterprise Funds, Internal Service Funds and Housing Authority Funds). The General fund appropriation budget decreased by \$2.3M over the prior fiscal year. Overall, the FY 2025-26 General Fund Proposed Budget anticipates a \$5.4M deficit of revenues over expenditures.

FISCAL IMPACT:

No fiscal impact at this time.

PREVIOUS RELATED ACTION:

As part of the FY 2025-26 Budget Kickoff, the City Council approved the Budget Preparation Calendar, Guiding Principles and Process on January 27, 2025. City Council adopted the FY 2024-25 Operating Budget, Housing Authority Budget, and the Five-Year Capital Improvement Program on June 3, 2024. Amendments to the General Fund Operating Budget approved November 18, 2024 (FY 2024-25 General Fund 1st Quarter Review). The Mid-Year Budget

Review was presented on March 17, 2025. Community Budget Meetings were held on March 24, 2025 and April 2, 2025 to seek citizen feedback on the FY 2025-26 Preliminary Budget.

SB1439/GOVERNMENT CODE §84308 APPLICABILITY:

☐ When this box is checked, it indicates the agenda item is subject to the Levine Act SB1439 requirements. Councilmembers are reminded to check their campaign contributions and determine whether they have received a campaign contribution of \$500 or more that would require disclosure and/or recusal from discussing or acting on this agenda item. Campaign contributions of \$500 or more made 1) by any person or entity who is identified in the agenda report as the applicant or proposer; or 2) on behalf of the applicant or participant, including a parent, subsidiary or otherwise related business entity; or 3) by any person who has a financial interest in the agenda item requires a councilmember to comply with SB1439.

DISCUSSION:

The Proposed FY 2025-26 Operating Budget document is broken down into various sections. The first six (6) sections will provide a high-level overview of the Proposed Budget.

- The City Manager's **BUDGET MESSAGE** summarizes revenues, expenditures, and sets forth the major projections and budgetary issues for the upcoming fiscal year.
- The reader will find a wide variety of general information including a City overview, fund descriptions, the budget structure, a definition of revenue sources, and an explanation of the budget process, among other information in the **USER GUIDE** section.
- The **FINANCIAL SUMMARIES** section provides various charges and graphs including projected available balances, revenue and appropriation summaries, and planned transfers in and out.
- The **REVENUES** section contains information on major General Fund revenue sources along with line-item detail of historical and estimated revenues for all funds.
- The **AUTHORIZED STAFFING** section includes a comprehensive listing of full-time personnel with historical staffing trends.
- A section that summarizes the **CAPITAL IMPROVEMENT PROGRAM** budget.
- The **FUNDS/DEPARTMENTAL BUDGET SECTIONS** that follow the 6 sections described above give details on all General Fund departments within the City. This section is divided by Fund or Fund Type such as Special Revenue Funds, Debt Service, Capital Projects, Enterprise Funds and Internal Service Funds.

The Proposed FY 2025-26 Five-Year Capital Improvement Program (CIP) Budget Document provides a detailed description of the project detail, cost, status, and funding source for capital/construction improvement projects scheduled to take place over the next five years. CIP

budget preparation deadlines and publication dates parallel those prescribed dates for the operating budget.

COUNCIL PRIORITIES & GOALS:

This item supports the June 21, 2021 City Council Priorities and Goals – Priority 1 (GOAL A): Continue to ensure that the City has sufficient financial reserves in accordance with City's Fund Balance Policy.

Prepared by:

Andrew Mowbray
Finance Director/City Treasurer

ATTACHMENT(S):

Attachment No. 1 – Fiscal Year 2025-26 Operating Budget
Attachment No. 2 – Fiscal Year 2025-26 Capital Improvement Budget
Attachment No. 3 – Fiscal Year 2025-26 Budget Presentation