



CITY OF POMONA COUNCIL REPORT

August 1, 2022

To: Honorable Mayor and Members of the City Council

From: James Makshanoff, City Manager

Submitted By: Anita Gutierrez, Development Services Director

SUBJECT: ADOPT A RESOLUTION AMENDING THE FY 2021-22 OPERATING BUDGET BY INCREASING REVENUES BY \$129,595 AND APPROPRIATIONS BY \$84,232 TO ACCOUNT FOR BUILDING AND SAFETY ACTIVITY

RECOMMENDATION: It is recommended that the City Council adopt the following Resolution:

RESOLUTION NO 2022-131. – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA, CALIFORNIA, AMENDING THE FY 2021-22 OPERATING BUDGET BY INCREASING REVENUE ESTIMATES BY \$129,595 AND APPROPRIATIONS BY \$84,232 TO ACCOUNT FOR BUILDING AND SAFETY ACITIVITY

EXECUTIVE SUMMARY:

The Development Services Department, Building and Safety Division has experienced a greater level of service than anticipated in the last month of Fiscal Year (FY) FY 2021-22. In order to appropriately compensate the contractor, Interwest, an amendment to the adopted budget is required (Attachment No. 1) to appropriate an additional \$84,232 (for Interwest contract services) and to recognize increased revenue generated by permit/inspection fees in the amount of \$129,595.

FISCAL IMPACT:

Currently the adopted FY 2021-22 budget for building permit revenue is \$3,730,770 and to date \$3,860,365 in revenues has been generated. An additional \$129,595 was generated in June of Fiscal Year (FY) 2021-22 and a budget amendment in this same amount will revise the FY 2021-22 revenue estimate to a total of \$3,860,365. There is also a request to increase the FY 2021-22 appropriation for the Building and Safety Contract by \$84,232 to pay for the Interwest Consulting Services contract that provides Building and Safety Services, increasing the total line item to \$2,509,231.

Building Permits	Requested Revenue Adjustment FY 2021-22	Requested Appropriation Adjustment FY 2021-22
Fund/Div/Account		
101-2521-40090-00000	\$129,595	
101-2521-52930-00000		\$84,232

PREVIOUS RELATED ACTION:

City Council adopted the FY2021-22 Operating Budget, on June 7, 2021.

DISCUSSION:

As adopted, the City's FY 2021-22 General Fund Operating Budget accounts for building permit revenue forecasted in the amount of \$3,730,770. The forecast was based on activities in the prior year, as well as anticipating major projects that would be coming up during the fiscal year. The City Pomona recorded an increase in Building and Safety revenues throughout the month of June by just under 4%. This can be primarily be attributed to the following project:

- 4-Story Apartment Building at 851 Corporate Center Drive, Pomona - \$204,158.04 in building fees were collected

As a result, staff is requesting that revenue for the building permits budget be increased by \$129,595, bringing the year-end to \$3,860,365 for the closeout of the fiscal year. Along with the revenue increase, expenditures will need to be increased by \$84,232 to pay June's required contract amount with Interwest Consulting Services, bringing the total to \$2,509,231.

COUNCIL PRIORITIES & GOALS: This item supports the 2021-2022 City Council Priority 1: Fiscal and Operational Responsibility; Take action to ensure the fiscal sustainability of the City and make operation decisions that align with the City's core values and priorities.

Prepared by:

Nancy Garcia
Management Analyst

ATTACHMENT(S):

Attachment No. 1 – Resolution No. 2022-131