

## **GENERAL FUND FY 2019-20 UNAUDITED YEAR-END OVERVIEW**

Based on the unaudited figures to date, the FY 2019-20 General Fund revenues and expenditures are on track to end at 98% of budget, which is estimated to create a minimal deficit of \$209k. See Table 2.

**Table 2 – Unaudited Fiscal Year 2019-20 General Fund Summary**

	<b>2019-2020 ADOPTED BUDGET</b>	<b>2019-2020 AMENDED BUDGET</b>	<b>2019-2020 ACTUALS TO DATE</b>	<b>% ACTUALS/ BUDGET</b>	<b>2019-2020 YEAR END ESTIMATE</b>
Total Revenue	114,928,251	117,128,023	115,140,065	98%	109,501,112
Total Expense	113,763,884	117,388,957	115,349,404	98%	115,375,407
<b>Net</b>	<b>1,164,367</b>	<b>(260,934)</b>	<b>(209,339)</b>		<b>(5,874,295)</b>

Actual General Fund revenues closely aligned with expenditures. Expenditure savings are almost \$2M compared to budget, however expenses are closely aligned with year-end estimates due to salary savings as a result of vacancies in several Departments not being filled in the closing months of FY 2019-20. General Fund revenues came in \$2M less than budgeted, however exceed year end estimates by \$5.6M. During budget deliberations in May and June, it was projected there would be major shortfalls in the three major revenues categories of sales tax, property tax and utility user tax. However, many of the revenue sources continued being received into August and booked for the year ending June 30, 2020. Sales Tax came in \$4.6M more than anticipated. This significant change as explained by the City sales tax consultant related to three key factors that included, but was not limited to: First, Pomona has a heavier weighting in categories (Including Building & Construction) that performed much better and were less impacted by Covid-19 during the last quarter of FY 2019-20 than anticipated. Second, the Countywide Pool grew faster primarily to a stronger than anticipated impact from the Wayfair/AB147 legislative change, which is allowing the taxation of additional internet sales, resulting in a larger share of the Pool each quarter compared to last year, coupled with an acceleration in shopping over the internet that offset the declines in all other major economic segments with the losses in fuel and restaurant related revenues of particular significance. Third, the deferral and loans offered to businesses owing sales tax were less than anticipated. Outperformance in the Bradley-Burns receipts (Pomona's main sales tax based) led to Pomona also outperforming for Measure PG portion as well. Property Tax also came in about \$500k higher than projected.

Even with a small amount needed from the General Fund reserves, as well as the net budget changes discussed herein this report, the General Fund balance will be at a level over 17% which is the requirement to be met by June 30, 2020 per the City's Fiscal Sustainability Policy.