



City of Pomona

505 S. Garey Ave
Pomona, CA 91766

Meeting Minutes

Citizens Oversight Committee

*Chair Committee Member Guillermo Gonzalez
Committee Member Julian Lucas
Committee Member Rafael Sandoval
Committee Member Leticia Casillas Sanchez
Committee Member Dean Rudenauer
Committee Member Barry Lawrence
Committee Member Debra Watkins*

VISION STATEMENT

*Pomona will be recognized as a vibrant, safe, beautiful
community that is a fun and exciting destination and the home of
arts and artists, students and scholars, business and industry.*

Thursday, February 18, 2021

6:30 PM

Via Teleconference

CALL TO ORDER

The Citizens Oversight Committee Meeting was called to order at 6:40 p.m. by Finance Director, Andrew Mowbray as the Chair of the Citizens Oversight Committee, Guillermo Gonzalez, was not present. A motion was made by Committee Member Leticia Casillas-Sanchez to make herself a Provisional Chair for the meeting. Motion is seconded by Committee Member Rafael Sandoval.

Roll Call for Nominating Provisional Chair-Leticia Casillas Sanchez:

Committee Member Julian Lucas – Yes
Committee Member Rafael Sandoval – Yes
Committee Member Leticia Casillas Sanchez – Yes
Committee Member Debra Watkins – Yes

All Committee Members present were in favor.

PLEDGE OF ALLEGIANCE

Director of Finance, Andrew, Mowbray, led the Pledge of Allegiance.

ROLL CALL

Present: *Committee Member Julian Lucas*
 Committee Member Rafael Sandoval
 Committee Member Leticia Casillas Sanchez
 Committee Member Debra Watkins

Absent: *Chair Committee Member Guillermo Gonzalez*
 Committee Member Barry Lawrence
 Committee Member Dean Rudenauer

STAFF PRESENT:

Andrew Mowbray, Finance Director
Shar Perez, Revenue Operations Manager
Joan Kingston, Budget Officer
Rosalia Butler, City Clerk
Brenda Karim, Senior Accounting Technician

OATH OF OFFICE

The City Clerk, Rosalia Butler, stated that the new Committee Members, Debra Watkins and Julian Lucas, had taken the Oath of Office at City Hall. The only committee members who need to take the Oath of Office presently are Chair Guillermo Gonzalez and Committee Member Dean Rudenauer who are not present.

PUBLIC COMMENT

There was no public comment.

COMMITTEE MEMBER COMMUNICATION

1. Introduction to New Committee Member

Newly appointed Committee Member Julian Lucas was introduced for District 1.

2. Vice Chair Nominations

A motion was made by Committee Member Watkins to discuss this item when the Committee Chair is in attendance. The Motion was seconded by Committee Member Sandoval.

Roll Call to Discuss this Item when Committee Chair is Present:

Committee Member Julian Lucas – Yes

Committee Member Rafael Sandoval – Yes

Committee Member Leticia Casillas Sanchez – Yes

Committee Member Debra Watkins – Yes

All Committee Members present were in favor.

STAFF COMMUNICATION

1. TUT Update: FY 2019-20 through FY 2020-21

The 2019-20 Budget was estimated to be \$12,070,000.00. The final figures were actually \$11,254,835.00.

The Budget for 2020-21 is \$11,077,000.00. July through December, the figures are at \$4,342,898.00.

2. Sales Tax Update

Referring to the “Sales Tax Update” document, the chart entitled “Sales Tax by Major Business Group” illustrates the total sales tax, not only PG specific sales tax.

The “City of Pomona Highlights” refers to what occurred during that timeframe, and the impacts of the COVID-19 pandemic. A list of “Top 25 Producers” is also located on the front page.

On Page 2, “Statewide Results,” gives information on how the pandemic affected the sales tax in certain business groups. The chart entitled “Revenue by Business Group” gives one an overview of the Sales Tax and Measure PG revenues. Building is our largest business group followed by County-wide Pools, and then Restaurants.

Provisional Chair Casillas-Sanchez stated that it appears that the grocery store numbers have declined in the area, however, in the County they have increased.

Manager Perez informed the committee that the decline in grocery sales is due to the fuel sales from the grocery stores being put into a separate category for Fuel, instead of remaining with the Grocery Store category. This then makes it appear as Grocery Stores had a slight decline.

Committee Member Sandoval requested why Cardenas Market was not on the Top 25 Producers List as they have two stores located in Pomona.

Many items in a grocery store are not taxable which is why Cardenas may not be in the Top 25 Producers stated Director Mowbray.

Committee Member Lucas queried if these figures are an average, not a decline, as there is no sales tax on food, and what is usually the average in Food and Grocery Sales Tax?

Manager Perez stated that she could pull up past reports to see the average for grocery stores. The percentage at this time was not a big concern as the fuel had been put into another category. The grocery stores here in Pomona have been doing more home delivery, and those figures would still be reflected in the Food category.

Committee Member Watkins inquired if the committee could see the exact figure for fuel from grocery stores so as to make a comparison to the last report, and if the fuel from grocery stores will remain in its own category so that analytics could be made from report to report.

As the itemizations per business are not public record, Manager Perez stated that we can only see the general totals, not per business. As the fuel totals for grocery stores went into the Fuel Category, they will remain in that category from this point on.

3. General Fund FY 2019-20 Unaudited Year-End Overview

This report illustrates how FY 2019-20 ended. It shows that the Adopted Budget had a surplus of \$1,164,367, however, once amended, a \$260,000 deficit had been factored in. The year-end estimate was projected to be a deficit of \$6M, however, the actuals are estimated to be a deficit of only \$209,339 which will be used from reserves. The year-end estimate was high as our consultants projected that many businesses may defer their sales tax payment per the State Sales/Use Tax Deferral Relief program.

Committee Member Watkins inquired as to what type of State program.

Director Mowbray stated that the State program offered businesses the opportunity to defer their sales tax until later, however, most of the businesses in Pomona did pay their sales tax. This State program will remain in effect this fiscal year as well.

The State Sales/Use Tax Deferral Relief program allowed the businesses to defer the payment of their sales tax for up to a year related Manager Perez. It can be noted that the businesses in the city who did defer one quarter paid it back the next quarter.

4. Fiscal Year 2020-21 Mid-Year Update

These Charts are a preview of the mid-year figures for FY 2020-21. It was anticipated that the City would have a deficit of \$6M this year as well. However, by introducing

Pension Obligation Bonds and not filling vacant positions, there was a significant savings to the budget. The Amended Budget now stands with an estimated surplus of \$273,000.00. The Revenue/Expenditure Comparison Chart states how much revenue was spent as of December 31. The right hand column states the year-end revenues which are coming in close to budget.

In the next table, Revenue Comparison, the item this committee will focus on is the Sales and Use Tax (Measure PG). We are projecting the revenues to be close to \$31M by year-end. Property taxes are slightly up. The Utility Tax is projected to be down as the telecommunication world impacts that area.

The Expenditure by Category chart is the amended budget versus the year-end budget. The Personnel budget has an anticipated savings of \$3M due to the Pension Obligation Bonds and to not filling job vacancies.

Provisional Chair Casillas Sanchez required to know if the category of Allocation and Utilities, as it relates to utility tax revenue, is anticipated to go up as a result of Pomona Choice Energy?

Manager Perez stated that the City did not anticipate an increase. If a citizen remains with Edison, the City was already getting the utility tax revenue, and if they shifted to Pomona Choice Energy, it is the same.

Director Mowbray then referenced the second page of the document which is broken down by departments. Most departments are closely aligned. The Police Department Year-End Estimate figures are less than the Amended Budget, as they are receiving the Pension Obligation Bond savings, and they have a few employment positions vacant.

Due to less services and staffing, the Neighborhood Services Department and the Library expenditures are down. The Library is doing curbside pickup only at this time, and is not fully staffed. Next year we will get back to the prior budget levels for these departments.

Committee Member Sandoval inquired if Parks and Recreation Services are part of Neighborhood Services.

Director Mowbray related that Recreation Services are the community centers and pools which are under Neighborhood Services, whereas the park with its landscape maintenance would be under the Public Works Department.

5. Operating Budget Preparation for FY 2021-22

There were some changes to the Budget Calendar based on council feedback, as well as by feedback from this committee (e.g. to have a workshop or opportunity for the public to speak) stated Director Mowbray.

December 16th: The date when the City begins to prepare the budget.

January 4th: The Budget kickoff is presented to Council.

February 18th: The Citizens Oversight Committee is highlighted for the public and council to get a preview of numbers.

March 15th: A scheduled 10-year financial forecast on our City sustainability policy (The City is working with our consultant on that.)

March 22nd: This is a council meeting/study session on the mid-year report. At this time we will give a FY 2021-22 preview. Public comment will be encouraged. We are working with the Pomona Unified School District to inform the community so that they will have an opportunity to speak. The City Council would like more than one community meeting. The second meeting will be on April 1, at 2:30 p.m.

May 10th: Study Session.

June 7th: The City Council will give their direction on the budget.

The new budget needs to be approved by June 30, 2021.

CONSENT

Approval of meeting minutes for October 26, 2020:

A motion to approve the meeting minutes for October 26, 2020 was made by Committee Member Debra Watkins and seconded by Provisional Chair Leticia Casillas Sanchez.

Roll Call for Approval of Minutes:

Committee Member Julian Lucas – Yes
Committee Member Rafael Sandoval-Yes
Provisional Chair Leticia Casillas-Yes
Committee Member Debra Watkins-Yes

All committee members present in favor.

ADJOURNMENT

The next Citizens Oversight Committee Meeting will be Thursday, April 15, 2021, 6:30 p.m. via Zoom.

Adjourned at 7:17 p.m.

Respectfully submitted,



BRENDA KARIM

Secretary of the Pomona
Citizens Oversight Committee

ATTEST:

Approved via Zoom

GUILLERMO GONZALEZ

Chair of the Pomona Citizens
Oversight Committee