



City of Pomona
505 South Garey Avenue
Pomona, CA 91766

July 1, 2010

The Honorable Mayor and Members of the City Council

Respectfully submitted for your consideration, please find herein the City of Pomona's Fiscal Year 2010-11 Adopted Operating Budget. The document before you is the product of an unprecedented effort to not only address the vast array of immediate and pressing challenges before us, but to also develop a sustainable spending plan which will allow the City to live within its limited means for this, and future fiscal years. While such a task has been made urgent by the ongoing effects of a deep and persistent recession, the resulting fundamental changes to City operations will create a foundation which will help ensure the continued provision of essential services, while also safeguarding Pomona's current and future fiscal well being.

The creation of this budget was, as always, a team effort which reflects the collaborative spirit within our community and organization. I would like to thank the department directors, departmental budget coordinators, and other contributing staff for their efforts during the budget process. Lastly, and most emphatically, I would like to thank the budget staff in the Finance Department.

As evidenced throughout the balance of this document, these efforts closed the gap between revenues and expenditures for the Fiscal Year 2010 -11. The budget represents a best estimate as of July 1, 2010, and will, without doubt, require amendment during the ensuing fiscal year. At this time the formal process is completed, many decisions have been made, with resulting actions that will shape the City's future both for now, and many years to come. As always, with the diverse and reasoned guidance of Pomona's many stakeholders as given form by the wisdom of the City Council, we will together continue seeking solutions to those challenges before us to the very best of our combined abilities.

Respectfully submitted,

Linda Lowry
City Manager

THE DOCUMENT

The Adopted 2010-11 Budget document has been developed to highlight and refuel the overall budget. Herein you will find six tabs for the respective sections including the Budget Message, User Guide, Financial Summaries, Revenues, Authorized Staffing and Capital Improvement Program (CIP). Department details can be viewed in the individual titled tabs that follow.

SUMMARY OF FUNDS 2010-11

The operating budget is the City's financial plan for all funds, and consists of the revenues and expenditures to finance the current year operations of the various funds and programs for the fiscal year beginning July 1, 2010 and ending June 30, 2011. It is a flexible spending plan that is the legal authority for departments to commit financial resources for the provision of services within the City of Pomona. The adopted 2010-11 Operating and Capital Improvement Budgets total \$236 million as follows:

Fund Type	Expense	Transfers Out	Total	% of Operating
General Fund	75,062,943	4,283,214	79,346,157	48%
Special Revenue Funds	21,090,610	4,578,837	25,669,447	15%
Debt Service Funds	5,314,414	885,000	6,199,414	4%
Capital Projects Funds	30,730	439,764	470,494	0%
Enterprise Funds	45,163,013	1,560,700	46,723,713	28%
Internal Service Funds	8,114,167	0	8,114,167	5%
City Operating Budget	154,775,877	11,747,515	166,523,392	100%
Redevelopment Agency	32,387,851	14,882,354	47,270,205	
Pomona Housing Authority	13,204,080	0	13,204,080	
Capital Improvements	8,893,186	0	8,893,186	
Total	209,260,994	26,629,869	235,890,863	

GENERAL FUND REVENUES

Total General Fund revenues for Fiscal Year 2010-11 have been estimated at \$79,403,813. The amount reflects a decline of more than \$12.1 million from the budget adopted by the City Council just one year ago. This decline, however, moderates to just over \$9.9 million when adjusting for the 'prospective' revenues and the Proposition A Exchange included in the FY 2009-10 adopted totals. While this is primarily due to the effects of the ongoing recession and other economic woes, the following section more fully addresses some of the underlying causes. Additionally, a comprehensive review and calculation methodology of the major revenue sources may be found within the Revenue Section of this document.

Property Taxes are down over \$940,000 from current year-end estimates due to the impact of declining property values and resulting trends in taxes paid thereon. This decline affects three individual line items; Secured, Unsecured, and Property Tax In-Lieu of VLF, all of which are expected to decline approximately 4% versus the 2009-10 fiscal year. There may