



News Release

For Immediate Release

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Montebello Passes Balanced City Budget - Announces Dismissal of California Grocers Association Lawsuit

Montebello, CA – The City Council of Montebello (City) passed a structurally sound and balanced City budget for its 2021-2022 fiscal operations by a 4-1 vote. The City also announced that the Honorable Fernando Aenlle-Rocha of the United States Federal District Court issued an order last night as a result of the City filing a motion barring the position taken by the California Grocers Association (CGA) which effectively resulted in CGA dismissing their lawsuit against the City regarding the enforcement of its “hero pay” ordinance (CGA v. City of Montebello Case No. 2:12-cv-01011-FLA).

Regarding the City’s new budget, Mayor Kimberly Cobos-Cawthorne stated, “After a very difficult year it is extremely satisfying to present our residents a budget that is fiscally sound, responsible and showing a surplus.” She added, “This budget reflects great promise for our future and the resiliency of Montebello as we now focus on fully reopening City services and stimulating our local economy in this post-pandemic era. Montebello is once again on the right path.”

The Montebello budget for fiscal year 2021-2022 offers a fully detailed view of all projected revenues and expenditures in the year ahead. The City projects a General Fund operating surplus of \$310,460. With the special application of American Rescue Plan Act (ARPA) funds, Montebello will receive approximately \$16.59 million in Corona Virus State and Local Fiscal Recovery funding sometime in the next 12 months. The U.S. Treasury continues to provide guidance on how these funds can be used. Final guidelines from the Federal Government on the use of these funds, as well as any reporting requirements, are forthcoming. Due to greater flexibility in how these funds can be used, the monies may be directed to meet Montebello’s unmet capital and infrastructure needs. These decisions will be considered by the City Council during a future special study session once federal guidelines are confirmed.

In reference to the dismissal of the CGA lawsuit, “We are very pleased by this outcome,” stated City Attorney Arnold M. Alvarez-Glasman. “In the wake of this decision the City has reached an agreement with the CGA that they will voluntarily dismiss their complaint in exchange for a waiver of the City’s legal costs which were minimal in this case.” Alvarez-Glasman added this action is a positive result for the City and will end this matter in regards to the CGA’s lawsuit against the City. This dismissal applies solely to the City of Montebello and does not apply to cities involved in other CGA lawsuits.

Mayor Kimberly Cobos-Cawthorne added, “We are very happy to have resolved this matter so Montebello can move forward, focus on our re-opening and pivot to energizing our local economy for all residents and businesses.”

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About Montebello

Founded in 1920, Montebello is located eight miles southeast of downtown Los Angeles. Its history dates back to the days of the indigenous Tongvan peoples and Franciscan missionaries. Today it boasts a full array of civic services including parks and recreation, police, fire and one of the region's largest public transportation systems, Montebello Bus Lines. The city has a multi-cultural population of approximately 62,000 residents covering a footprint of approximately eight square miles. For more information visit www.cityofmontebello.com or follow us on Facebook, Instagram and Twitter.

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