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Our Heritage  
Excited About  
Our Future*



**CITY OF MONTCLAIR  
2003-2004 BUDGET**

# ADOPTED BUDGET

Fiscal Year 2003-04

City of Montclair

**2003-04 ADOPTED BUDGET**  
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June 5, 2003

**Honorable Mayor and City Council**  
**5111 Benito Street**  
**Montclair, California**

**Dear Mayor and City Council Members:**

## **INTRODUCTION**

Transmitted for your consideration is the City of Montclair Fiscal Year 2003-04 Preliminary Budget. The total operating budget for Fiscal Year 2003-04 is \$26,349,113; total projected revenues are \$45,301,372.

The Unreserved Fund Balance is projected to decrease to \$9,188,000 as of July 1, 2003, and \$8,027,538 by July 1, 2004. The Finance Division also anticipates a \$400,000 carryover of unexpended appropriations at the end of Fiscal Year 2003-04. If this carryover is achieved, the Unreserved Fund Balance will be \$8,427,538.

**Special Funds:** Prudent planning on behalf of the City Council has allowed Montclair to set aside a portion of available reserves for special fund/account needs, including unfunded liabilities and City-facilities infrastructure repairs. The following special funds and Contingency Fund set asides are included in the Fiscal Year 2003-04 Preliminary Budget.

- **Leave Liability.** Incorporated in the Fiscal Year 2003-04 Preliminary Budget is a transfer of \$100,000 to the Contingency Fund's Leave Liability Account for post-employment leave liabilities. Earned leave balances are typically not paid until an employee separates from service. The amount budgeted for Fiscal Year 2003-04 will bring the total set aside for post-employment leave liability to \$860,000. Based on the June 30, 2002 Leave Liability report, the Fiscal Year 2003-04 transfer will bring the total set aside for the City of Montclair's post-employment leave liability to approximately 88 percent funded. It is anticipated that next year the Leave Liability Account will be fully funded. Establishing this fund has eliminated any undue financial burdens that may result from any normal or unusual attrition in future years. This factor is particularly important when considering that the City's workforce is aging, and employee retirements are expected to increase significantly during the next five years.

- **Montclair Employees' Home Acquisition Assistance Program.** Incorporated in the Fiscal Year 2003-04 Preliminary Budget is a transfer of \$10,000 from the General Fund to the Contingency Fund for the *Montclair Employees' Home Acquisition Assistance Program* (ME-HAAP). This account was established during Fiscal Year 2002-03 as an incentive-based program designed to encourage members of all employee classifications to buy homes in the City of Montclair. The program offers a forgivable loan up to \$10,000 for the purchase of a home in Montclair. ME-HAAP's use of General Fund revenues allows for a program that does not impose household income caps, geographical limitations, or urban-neighborhood requirements. The program is not available to members of the City Council and employees who are currently homeowners in the City.

To date, two employees have taken advantage of this incentive-based program and several employees have expressed an interest in the program. The amount budgeted for Fiscal Year 2003-04 will bring the amount set aside for this program to approximately \$50,000.

- **Emergency Utility Cost Fund.** Incorporated in the Fiscal Year 2003-04 Preliminary Budget is a carryover of \$50,000 in the Contingency Fund for unanticipated utility cost adjustments.
- **Safety Retirement Liabilities.** Incorporated in the Fiscal Year 2003-04 Preliminary Budget is a transfer of \$275,000 from the General Fund to the Contingency Fund in anticipation of 3% @ 50 safety retirement liabilities, bringing this component of the fund balance to \$525,000.
- **City Facilities Improvement Fund.** Incorporated in the Fiscal Year 2003-04 Preliminary Budget is a transfer of \$250,000 from the General Fund to the City Facilities Improvement Fund—created in Fiscal Year 2000-01 as a component of the City's Capital Improvement Plan to establish a funding base for Council-authorized improvements to City facilities.
- **Technology Account.** Incorporated in the Fiscal Year 2003-04 Preliminary Budget is a transfer of \$50,000 from the General Fund to the Contingency Fund for future, major-technology upgrades.

- **Health Insurance Conversion Account.** Incorporated in the Fiscal Year 2003-04 Preliminary Budget is a transfer of \$50,000 for the City's future health insurance cafeteria plan. The Fiscal Year 2003-04 transfer, along with a carryover of \$150,000 in the Contingency Fund, will bring the total amount set aside for the City's future health insurance cafeteria plan to \$200,000.
- **Personnel Cost Assistance Account.** Incorporated in the Fiscal Year 2003-04 Preliminary Budget is a transfer of \$261,000 from the General Fund to the Contingency Fund for labor costs resulting from implementation of provisions contained in current Memorandums of Understanding.
- **Equipment Replacement Fund.** Incorporated in the Fiscal Year 2003-04 Preliminary Budget is a transfer of \$73,000 from the General Fund to the Equipment Replacement Fund for future acquisition of rolling stock.

**Contingency Account.** Incorporated in the Fiscal Year 2003-04 Preliminary Budget is a transfer of \$300,000 from the General Fund to the Contingency Account for unanticipated expenditures during the fiscal year.

## FISCAL/LEGISLATIVE/POLITICAL CHALLENGES

In the following sections of this **Budget Message**, I will discuss challenges to, and key components of, the City's Budget. This discussion includes revenue estimates, operating expenditures, capital outlay, and infrastructure improvements.

The City of Montclair continues to face uncertain economic times, induced largely by the political and fiscal policies of Sacramento. An assertion made by numerous State officials since December 2002 is that local government shared in the State's good times and so should bear the pain of the State's budget problem. Based upon information from the League of California Cities, in reality, State assistance to California cities currently amounts to less than \$300 million—less than one-half of one percent of the State general fund. The Vehicle License Fee backfill and other taxpayer programs provide tax relief but do not provide additional resources to local governments. The vast portion of state assistance goes to counties, who provide many programs and services on behalf of the State.

Looking at the past four years of so-called State "gives" to local government, cities are clearly net donors to the State, providing more funding through the ongoing Educational Revenue Augmentation Fund (ERAF) shift of property tax

than they received in State funding for all programs. In fact, over the past four years cities have contributed over \$1.1 billion more in revenue than they received in all forms of State assistance.

As City Council Members consider the Fiscal Year 2003-04 Preliminary Budget, I direct your attention on several legislative, economic, and political issues facing California, including sales taxes; motor vehicle license fees; property taxes and the ERAF; and local government fiscal relief.

### **Sales Taxes**

Sales tax revenue represents approximately 52 percent of the General Fund estimated revenue budget. The Fiscal Year 2002-03 sales and use tax revenue estimate is expected to increase by \$200,000 from \$10,800,000 to \$11,000,000. This projected increase is indicative of the City's growing tax base and improved holiday-quarter sales tax receipts. Fiscal Year 2002-03 sales tax revenue to date reflects a 14 percent increase over the same period in Fiscal Year 2001-02.

The sales tax estimate of \$11,400,000 for Fiscal Year 2003-04 represents an increase of 3.6 percent over the revised estimate for Fiscal Year 2002-03 (\$11,000,000). This estimate is based on the following factors:

1. Recent and anticipated commercial development activity in Montclair—including the opening of Giant RV; and
2. A modest one percent increase due to an improvement in the economy.

As sales tax revenues appear to be growing, locally the City has much to be concerned about with construction of competing malls in the Inland Empire. The upcoming Colonies Mall in Upland is aggressively moving forward in an attempt to open in calendar year 2004. The Victoria Gardens Mall, located in Rancho Cucamonga, is scheduled to open in the fall of 2004. Three of Victoria Gardens Mall's major anchors will duplicate current anchors at the Montclair Plaza. Both additions to the Inland Empire will challenge the Montclair Plaza in its ability to sustain its current customer base. Of particular interest is the Victoria Gardens Mall, whose expected customer base is targeted to the same customer base as the Montclair Plaza—unlike Ontario Mills, who's marketing strategy is geared toward the outlet mall bargain shopper.

*Statewide Forecast.* The State of California's economic projections for Fiscal Year 2003-04 are unchanged, reflecting a sluggish economy through much of 2003 before accelerating modestly late this year and in 2004. With the economy floundering, Governor Davis has opted to finance the \$38.2 billion deficit using a multi-year plan by issuing a deficit financing bond. The May Revision proposes a

temporary one-half cent sales tax increase to repay the deficit financing bond, which will be only effective until the bond is paid off. This will allow the State to defer the budget deficit until the economy picks up momentum.

As in the past, sales tax revenues continue to be the target of state politicians. Political opportunists in Sacramento continue to chart a course that promises to "reinvent" local government finances and force land-use decisions based on housing needs, not commercial development. The current effort is guised as AB 1221, authored by Assembly Members Steinberg and Campbell.

This bill creates an exchange of sales tax for property tax. Under this bill, each city and each county would swap a portion of the locally levied sales tax for an equal dollar amount of the property tax. The situs-allocated sales and use tax rate would be reduced from 1 percent to 0.5 percent for cities. One-half of the local rate would be redirected to the ERAF fund in each county. An equal amount of property tax would be shifted from each county ERAF fund to each city. Finally, in order to maintain revenue neutrality, the state sales tax rate would be increased from 4.75 percent to 5.25 percent.

The City of Montclair has been an established leader in attracting commercial development to meet the needs of area residents. At the same time, the City has developed a mix of residential neighborhoods to address low- and moderate-income housing requirements. Through its reliance on sales taxes as a primary revenue source, Montclair has managed to avoid burdening its residents with assessment districts and other tax vehicles. However, the redistribution of sales tax revenues would impose a terrible financial burden on this community and its government.

If the intention of the Steinberg/Campbell bill and similar legislation is to force land-use decisions based on residential versus commercial development, then the effort is faulty. Cities with significant commercial development are typically the same communities that promote residential mixes. Cities that stand to benefit by redistribution of sales taxes—cities that have largely scorned commercial development—are typically the same communities that resist mixed-residential development.

Communities that depend on sales tax revenues to maintain and support their economies and infrastructure systems will be left without the fiscal means; while the cities that have little or no commercial base to support will experience a windfall in tax revenues from the efforts of other communities. Furthermore, there is no real evidence that the swap will have the desired effect of promoting the building of more affordable housing.

City leaders have worked closely with Montclair's legislative advocate in Sacramento, Chuck Bader, and legislators to defeat AB 1221.

### **Vehicle License Fee**

The Vehicle License Fee (VLF) is an annual fee on the ownership of a registered vehicle. As part of the state's 1998 budget agreement, the VLF was reduced by 25 percent, with the potential for future reductions or offsets, up to 67.5 percent—depending on growth in the state's General Fund. Under the state's backfill plan, cities and counties were to continue receiving the same revenues as under prior law, with the reduced VLF offsets replaced by the state's General Fund—this replacement component is known as the "VLF backfill." As part of the state's 2000 budget agreement, vehicle owners received the equivalent of a 67.5 percent reduction in the VLF at the time of renewal starting in Calendar Year 2001. Initially, the reduction was paid out as a 32.5 percent rebate on the registration payment, and as a 35 percent credit on the VLF owed. Starting in January 2002, vehicle owners were to see a permanent 67.5 percent offset in their annual license fee.

The VLF is a significant local government revenue source. The City of Montclair annually receives approximately \$1.9 million in VLF revenue. Without the state backfill, the 67.5 percent VLF offset represents a potential loss of \$1,282,500 to the City's General Fund.

As outlined in the May Revision, Section 10754 of the Revenue and Taxation Code requires the State's Department of Motor Vehicles and the Department of Housing and Community Development, as appropriate, to reduce the VLF offsets and restore the VLF "during any period in which insufficient moneys are available to be transferred from the General Fund to fully fund the offsets." Based on all available state financial information, it is anticipated there will be insufficient moneys available to be transferred from the state's General Fund for the offsets. The Governor's May Revision assumes the State will not be obligated to make offset payments in 2003-04.

However, the May Revision has already fallen under intense legislative debate. Some legislators believe this is an unacceptable burden on taxpayers and are aggressively seeking alternatives to raising the VLF. Final state action on the VLF backfill program or the restoration of the VLF will not occur until after adoption of the City's Fiscal Year 2003-04 Preliminary Budget.

### **Property Taxes—Educational Revenue Augmentation Fund**

A major component of Montclair's revenue budget is the property tax. The significance of this tax to Montclair would be greater if Sacramento did not divert approximately \$700,000 in annual property tax revenues to the state Educational Revenue Augmentation Fund (ERAF). Prior to the state's ERAF diversion, property taxes constituted 15 percent of total City revenues; today, they constitute approximately 6 percent.

In his May 2003 Budget Revision, Governor Davis has proposed permanently extending to redevelopment agencies the shift to the state of local property taxes that currently applies to cities and counties (the "ERAF shift"). The \$75 million shift of RDA property taxes authorized in Fiscal Year 2002-03 was adopted with assurances that this would be a one-time only occurrence. The May Revision proposes that community redevelopment agencies pay \$250 million into ERAF, increasing by \$50 million each year after that for 14 years—the impact on the Montclair Redevelopment Agency (RDA) for Fiscal Year 2003-04 is approximately \$600,000 to \$700,000, based on the same formula used for the Fiscal Year 2002-03 Redevelopment payment. Also included in the proposal is the assumption the implementing legislation will include, as in the past, language that would hold the City responsible for state obligations the RDA is unable to meet due to other contractual obligations, such as bonded indebtedness.

The ERAF is an accounting mechanism established by the Legislature in the early 1990s to transfer approximately \$3.7 billion annually in property taxes from cities, counties, and special districts to the schools in order to benefit the state's General Fund. To resolve its budget problems, the Legislature, in 1992 (under AB-8), renounced a portion of its obligation under Article XVI, Section 8 (b) of the California Constitution to finance public schools from the State General Fund. Instead, the Legislature established special accounts called Educational Reimbursement Augmentation Funds within each county treasury, funded by local property tax revenues and used to offset the Legislature's unmet obligation to the public schools. Since Fiscal Year 1992-93, cities have lost approximately \$5.3 billion in property taxes. This depletion of local revenue transferred the budget crisis of the early 1990s from Sacramento to every California county, city, town, and district. The state based its action on a provision in Proposition 13 providing that property taxes shall be "apportioned according to law."

Sacramento has shown steadfast opposition to the return of ERAF monies to local governments. The League of California Cities now takes the position that cities should accept the loss of AB-8 property taxes, and instead struggle to address the state's focus on land-use decisions such as AB 1221— discussed under Sales Taxes.

### **Local Government Fiscal Relief—The Governor's May Budget Revisions**

The May Revision to the Governor's 2003-04 Budget addresses a projected \$38.2 billion gap between proposed expenditures and projected state revenues— driven primarily by lower than expected revenues from the personal income tax on capital gains and stock options. Concerns of war, fears of terrorism, and Severe Acute Respiratory Syndrome (SARS) contributed to a slower than expected economic recovery, including air travel and the state's tourism industry, which had not yet fully recovered the economic aftermath of September 11. To

address this shortfall, the Governor proposes a combination of spending reductions and revenue proposals, fund shifts, loans, transfers, bonds, and deferrals.

Based on the May Revision, local governments can expect to be impacted by the following proposed actions:

- **Booking Fees:** Eliminates \$38 million for reimbursement of booking fees to counties and cities—for Montclair, this represents approximately \$125,000 annually.
- **ERAF:** Requires community redevelopment agencies to pay \$250 million into the Education Revenue Augmentation Fund, increasing by \$50 million per year after that for 14 years—the impact on the Montclair Redevelopment Agency (RDA) for Fiscal Year 2003-04 is approximately \$600,000 to \$700,000, based on the same formula used for the Fiscal Year 2002-03 Redevelopment payment. Included in the proposal is the assumption the implementing legislation will include, as in the past, language that would hold the City responsible for state obligations the RDA is unable to meet due to other contractual obligations, such as bonded indebtedness.
- **VLF:** Revenue and taxation Code section 10754 requires the Department of Motor Vehicles (DMV) and the Department of Housing and Community Development (HCD), to reduce the vehicle license fee (VLF) offsets and restore the VLF “during any period in which insufficient moneys are available to be transferred from the General Fund to fully fund the offsets.” In the May Revision, it is anticipated that there will be insufficient moneys available to be transferred from the General Fund for the offsets, beginning with the July 2003 payment, so the state will not be obligated to make offset payments in 2003-04.
- **Law Enforcement Grants:** Includes \$18.5 million in law enforcement technology grants—fully funding this program at Fiscal Year 2002-03 level.
- **COPS Program:** Includes \$116.3 million for the Citizens Option for Public Safety (COPS) program and \$116.3 million for the Juvenile Crime Prevention program—fully funding these programs at Fiscal Year 2002-03 levels.

- **Special Transportation Programs:** A cap of \$100.4 million is proposed for Special Transportation Programs for Fiscal Year 2003-04 .
- **Transportation Congestion Relief Fund:** The May Revision includes a modification of the Governor's January Budget proposal to suspend the transfer of revenues from the sales tax on gasoline. In order to provide funds to meet requirements of projects that received allocations prior to December 2002, a proposed transfer of \$207 million in revenues from the state's General Fund—\$157.5 million is proposed for expenditures from the continuous appropriation of the Traffic Congestion Relief Fund for project expenditures. The May Revision contains no proposal to take the sales tax on gasoline revenue that goes to repair local streets and roads.
- **Reimbursement on State Mandates:** The Governor's January Budget proposed to continue the deferral of mandate payments for local programs enacted by the Budget Act of 2002 for Fiscal Year 2002-03. The reimbursement of this obligation, which included interest, would have amounted to an estimated \$900 million by the end of Fiscal Year 2003-04. The May Revision proposes the suspension of 34 mandates, deferral of the others, and the repeal of 1 mandate—Open Meetings Act, requiring posting of agendas. This action will result in cost savings of the annual obligation by approximately \$32.9 million. It is the Administration's intent to draft the statutory changes necessary to repeal 27 of the 34 mandates proposed for suspension during the development of the 2004-05 Governor's Budget.

The concept of state reimbursement to local agencies for state-mandated activities originated with the Property Tax Relief Act of 1972—known as SB 90. The primary purpose of the Act was to limit the ability of local agencies to levy taxes. To offset these limitations, the Legislature declared its intent to reimburse the cost of programs or increase levels of service mandated by the state. The Commission on State Mandates hears and decides reimbursement claims. If a mandate is not funded for a fiscal year it is deemed an "optional" mandate, or one that local agencies can comply with at their discretion and expense. However, even token reimbursements are considered sufficient to require compliance with mandates. For Fiscal Year 2003-04, Montclair anticipates no reimbursements.

The Governor's Budget continues to protect his Administration's top priorities: Public education, public safety, children's health insurance, and critical senior care programs. The only significant tax increases contained in the May Revision are the proposed increase in the VLF back to 1999 levels, a temporary one-half cent sales tax to finance the deficit financing plan, and a \$1.10 per pack increase on cigarettes.

The Preliminary Budget for Fiscal Year 2003-04 does not incorporate any of the increases or reductions to revenue that may occur pursuant to the passage of legislation or any pending legislative deliberations on the state's budget. Any necessary revisions stemming from Sacramento's budget deliberations will be accounted for during the Mid-Year Budget Review process. The Preliminary Budget does, however, incorporate cost adjustments related to known impacts due to state and federal actions.

## REORGANIZATION

The ***City Manager's Annual Reorganization*** was presented as a separate report from 1992 through 2001. Annual fiscal impacts were, however, contained in the preliminary budget and the City Manager's budget message. Beginning in 2002, and continuing in 2003, the annual reorganization is included as a component of the ***City Manager's Budget Message***—a separate reorganization report will not be issued.

In 1992, the City Council tasked the City Manager to develop a reorganization plan that incorporated short-, intermediate-, and long-range implementation phases. Recommendations contained in the short- and intermediate-range phases were implemented in 1992 and 1993. The long-range phase stresses annual fine-tuning of the organization to accommodate economic realities, community and organizational needs, and employee attrition.

*Downsizing:* Early efforts at reorganization focused on the downsizing of personnel. "Downsizing" is the process of reducing a workforce, primarily as a means to accommodate revenue shortfalls. The attrition of personnel through downsizing is generally achieved by layoffs, freezes on recruitments and personnel hiring, retirements, resignations, and contracting out service programs. Downsizing is an acceptable practice if an organization can adequately maintain its service programs despite reductions in personnel.

If service programs or service levels cannot be maintained, then downsizing must necessarily go beyond "downsizing objectives" restricted to reductions in personnel. The organization itself must be restructured to accommodate fiscal constraints, community requirements, and organizational capacity.

The downsizing process is often promoted as a reasoned response to proliferate and profligate government programs; but what helps the “financial balance statement” up front can end up hurting an organization, its programs, and the community in the long-term. For example, reckless implementation of proposals that eliminate key management personnel can dilute an organization’s talent pool of its experience, knowledge, and training—key components necessary for the effective and efficient management of service programs.

Workforce-reduction programs based on “downsizing objectives” are also reactive to economic conditions that are immediate. Downsizing strategies do not consider long-term economic trends; policy decisions at the federal, state, or county levels; or even the organization’s evolving political and economic milieu. To avoid this pitfall, previous reorganization reports incorporated long-term implementation phases to ensure proper planning throughout the process.

A succession of “downsizing years” produced an organization that was essentially lean. However, downsizing objectives were not intended to impact organizational output, including service levels, service performance, City Council expectations, and external mandates imposed by federal, state, and county governments. As these external and internal pressures continued to mount, it became necessary to reexamine the reorganization process and focus on changes that enhance the organization’s ability to respond to the demands of government, businesses, and citizens. In that regard, the organization’s lean structure required looking at the reorganization process from a different perspective—rightsizing.

*Rightsizing:* Unlike downsizing, rightsizing addresses economic and organizational realities that allow an agency to find an optimum balance between the workforce and operational demands. The rightsizing process focuses its attention on an organization’s long-range health and survivability. In Fiscal Year 2000-01, reorganization pursued a rightsizing plan designed to avoid the pitfalls of an organization that downsized to the point of becoming inefficient—a decline occasionally referred to as “dumbsizing.”

Rightsizing was promoted as a means of stemming the negative impacts of downsizing decisions that could return to cripple organizational effectiveness. Without a system to release the pressures of downsizing, the cumulative force of past actions can strain the government-community relationship, impact performance and services to the community, and demoralize employees.

*Reengineering—the New Direction:* Capitalizing on the forward momentum produced by efforts at rightsizing, the **City Manager’s 2001 and 2002 Reorganization Reports** integrated the approach of “reengineering” service operations to provide better services to the community. This approach has been reflected in actions that include implementation of a paramedic program in the

Fire Department; assumption of sewer and trash billings; payment center services for Southern California Edison and Gas Company utility payments; a variety of new Human Services initiatives, including the Montclair Community Collaborative program, that reach out to certain sectors of the public; e-government services; and the redesign of the City Hall office areas to better serve the public.

Reengineering constitutes an in-depth review of organizational operations and the implementation of program changes to enhance service delivery and achieve greater levels of efficiency. The **City Manager's 2003 Reorganization** continues this practice of reengineering programs to promote service delivery and organizational efficiency.

### **Personnel Adjustments**

*City Council/City Attorney/Advisory Bodies:* The **City Manager's 2003 Reorganization** recommends no changes to the organizational structure of the City Council, Office of the City Attorney, or advisory bodies to the City Council for Fiscal Year 2003-04.

*Office of the City Manager/City Clerk:* The **City Manager's 2003 Reorganization** recommends the following change to the organizational structure of the Office of the City Manager/City Clerk for Fiscal Year 2003-04:

- City Clerk Program. Transfer the City Clerk Program to the Administrative Services Department on June 30, 2003. The reason for the transfer relates to the current scope and nature of the City Clerk Program. A number of tasks now performed by this Program, including administration of the utility billing and Utility Users Tax programs overlap with comparable services available through the Administrative Services Department. Through consolidation, the City will realize greater efficiency of services, resulting in diminished immediate need for additional personnel to accomplish an expanding level of services.
- City Clerk/Administrative Assistant. Reclassify the position of "City Clerk/Administrative Assistant" to "City Clerk." Eliminate the part-time City Clerk/Administrative Assistant position, as the incumbent's retirement takes effect on or about June 29, 2003. Administrative Assistant functions will be absorbed by personnel in the Administrative Services Department. Reclassification of the position will result in salary savings, as follows:

The City Clerk/Administrative Assistant salary range is:  
Step A - \$5,692; Step B - \$5,977; Step C - \$6,276;

Step D - \$6,590; Step E - \$6,919.

The new City Clerk salary range is:  
Step A - \$5,053; Step B - \$5,306; Step C - \$5,571;  
Step D - \$5,850; Step E - \$6,142.

The new City Clerk class specification and salary range were approved by the Personnel Committee on March 17, 2003. The cost to fund the position for Fiscal Year 2003-04 is approximately \$71,477, including \$62,154 in salary and \$9,323 for benefits.

Salary savings also result from the elimination of the part-time City Clerk/Administrative Assistant position and an unfilled Deputy City Clerk position. The Deputy City Clerk position becomes vacant upon the promotion of the Deputy to City Clerk.

Funding for the City Clerk position will come from the City's General Fund.

*Fire Department:* The **City Manager's 2003 Reorganization** recommends no changes to the organizational structure of the Fire Department for Fiscal Year 2003-04.

*Community Development Department:* The **City Manager's 2003 Reorganization** recommends the following change to the organizational structure of the Community Development Department for Fiscal Year 2003-04:

- **Reclassification of part-time Systems Specialist/GIS:** The City Council is increasingly interested in developing the City's GIS program. Currently, departments operate GIS systems without significant coordination. In many cases, this results in redundancy, working at cross purposes, lack of a shared knowledge base, inconsistencies, and failure to interconnect capabilities to expand the significant potential of GIS. The current part-time Systems Specialist for GIS in the Community Development Department has an excellent understanding of GIS and served as a full-time Systems Specialist from July 2, 2001, through August 29, 2002. Since then, the employee has continued to work for the City on a part-time basis while he attended graduate school. This employee will be graduating in July 2003, and he is again willing to accept full-time employment to assist in developing a coordinated GIS program throughout the City.

The **City Manager's 2003 Reorganization** recommends establishing a full-time Systems Specialist/GIS position with

responsibility for coordination and development of a citywide GIS program, and authorizing the appointment of the current part-time Systems Specialist/GIS to that position. The Systems Specialist/GIS will assist in achieving a coordinated citywide GIS program. To achieve this objective, a GIS Committee will be formed, with representation from each department. The Information Technology Supervisor and Systems Specialist/GIS will coordinate the work of this committee and the development process. The Information Technology Supervisor will serve as the designated chairperson responsible to the City Manager.

Funding for the part-time Systems Specialist/GIS will be used to offset the cost for the full-time Systems Specialist/GIS position. Following is the salary range for Systems Specialist: Step A - \$2,541; Step B - \$2,668; Step C - \$2,801; Step D - \$2,941; Step E - \$3,088.

The incumbent will be placed at Step B (\$2,668) of the salary range, and will be eligible for advancement to Step C (\$2,801) after successful completion of six months in the position.

The cost to fund the position for Fiscal Year 2003-04 is approximately \$37,336, including \$32,814 in salary and \$4,522 for benefits.

Funding for the Systems Specialist/GIS position will come from the City's General Fund.

*Redevelopment/Public Works Department:* The **City Manager's 2003 Reorganization** recommends no changes to the organizational structure of the Redevelopment/Public Works Department for Fiscal Year 2003-04.

*Police Department:* The **City Manager's 2003 Reorganization** recommends no changes to the organizational structure of the Police Department for Fiscal Year 2003-04.

*Administrative Services Department:* The **City Manager's 2003 Reorganization** recommends the following changes for Fiscal Year 2003-04:

- City Clerk Program. Transfer the City Clerk Program to the Administrative Services Department on June 30, 2003. The reason for the transfer relates to the current scope and nature of the City Clerk Program. A number of tasks now performed by this Program, including administration of the utility billing and Utility Users Tax programs overlap with comparable services available through the

Administrative Services Department. Through consolidation, the City will realize greater efficiency of services, resulting in diminished immediate need for additional personnel to accomplish an expanding level of services.

- City Clerk/Administrative Assistant. Reclassify the position of "City Clerk/Administrative Assistant" to "City Clerk." Eliminate the part-time City Clerk/Administrative Assistant position, as the incumbent's retirement takes effect on or about June 29, 2003. Administrative Assistant functions will be absorbed by personnel in the Administrative Services Department. Reclassification of the position will result in salary savings, as follows:

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Salary savings also result from the elimination of the part-time City Clerk/Administrative Assistant position and an unfilled Deputy City Clerk position. The Deputy City Clerk position becomes vacant upon the promotion of the Deputy to City Clerk.

Funding for the City Clerk position will come from the City's General Fund.

**Table 1** summarizes recommendations contained in the *City Manager's 2003 Reorganization*. Most of the recommendations imposing costs are incorporated into the Fiscal Year 2003-04 Preliminary Budget. Those fiscal impacts not incorporated into the Budget are introduced in this budget message for consideration and action. Adoption of the Fiscal Year 2003-04 Preliminary Budget will serve as approval of each recommendation contained herein.

**Table 1  
FY 2003-04 Fiscal Impact/Action Summary  
All Departments**

Department	Recommended Action	Annualized Cost: FY 2003-04	Annualized Savings: FY 2003-04	Total Annualized Savings or (Cost)
<b>City Council</b>	No actions recommended.	0	0	<b>0</b>
<b>Office of the City Manager/City Clerk</b>	6-30-03: Transfer City Clerk Program to Administrative Services Department. <b>Cost is assigned as follows: 5 percent to the RDA, 5 percent to the Sewer Maintenance Fund, and 90 percent to the General Fund. Funding is included in the FY 2003-04 Preliminary Budget.</b>	0	\$97,625	<b>\$97,625</b>
	6-30-03: Transfer Solid Waste Management Program to Administrative Services Department. <b>Cost is assigned as follows: 95 percent to the General Fund, 2.5 percent to the Sewer Maintenance Fund, 2 percent to the Refuse Impound Fund, and .5 percent to the Used Oil Grant. Funding is included in the FY 2003-04 Preliminary Budget.</b>	0	\$2,024,090	<b>\$2,024,090</b>
	6-30-03: Transfer Records/Imaging Program to Administrative Services Department. <b>Cost is assigned as follows: 95 percent to the General Fund, 2.6 percent to the RDA, and 2.4 percent to the Sewer Maintenance Fund. Funding is included in the FY 2003-04 Preliminary Budget.</b>	0	\$45,974	\$45,974
<b>Redevelopment/Public Works Department</b>	No actions recommended.	0	0	<b>0</b>
<b>Fire Department</b>	No actions recommended.	0	0	<b>0</b>
<b>Police Department</b>	No actions recommended.	0	0	<b>0</b>
<b>Community Development Department</b>	8-4-03: Reclassify the part-time Systems Specialist classification as a full-time position. <b>Cost is assigned to the General Fund. Funding is included in the FY 2003-04 Preliminary Budget.</b>	\$21,383 Presumes 6 months at Step B and 6 months at Step C, plus benefits, less salary for a part-time Systems Specialist at Step B.	0	<b>(\$21,383)</b>
<b>Administrative Services Department</b>	6-30-03: Transfer City Clerk Program to Administrative Services Department.	\$97,625	0	<b>(\$97,625)</b>

City Manager's Budget Message  
June 6, 2003

Department	Recommended Action	Annualized Cost: FY 2003-04	Annualized Savings: FY 2003-04	Total Annualized Savings or (Cost)
	<p><b>Cost is assigned as follows: 5 percent to the RDA, 5 percent to the Sewer Maintenance Fund, &amp; 90 percent to the General Fund. Funding is included in the FY 2003-04 Preliminary Budget.</b></p>			
	<p>6-30-03: Reclassify City Clerk/Administrative Assistant to City Clerk. Place appointee at Step A (\$5,053) of the new City Clerk salary range (appointment was approved by the Personnel Committee on 5-5-03) — incumbent is at Step E (\$6,919) of the City Clerk/Administrative Assistant classification salary range. <b>Cost is assigned to the General Fund.</b></p>	0	\$24,000 City Clerk position for 6 months at Step A and 6 months at Step B, plus benefit increases.	<b>\$24,000</b>
		0	\$3,465 City Clerk/Administrative Assistant position eliminated from Budget.	<b>\$3,465</b>
		0	\$23,583 Deputy City Clerk position for 6 months at Step A, plus benefit increases.	<b>\$23,583</b>
	<p>6-30-03: Transfer Solid Waste Management Program to Administrative Services Department. <b>Cost is assigned as follows: 95 percent to the General Fund, 2.5 percent to the Sewer Maintenance Fund, 2 percent to the Refuse Impound Fund, and .5 percent to the Used Oil Grant. Funding is included in the FY 2003-04 Preliminary Budget.</b></p>	\$2,024,090		<b>(\$2,024,090)</b>
	<p>6-30-03: Transfer Records/Imaging Program to Administrative Services Department. <b>Cost is assigned as follows: 95 percent to the General Fund, 2.6 percent to the RDA, and 2.4 percent to the Sewer Maintenance Fund. Funding is included in the FY 2003-04 Preliminary Budget.</b></p>	\$45,974		<b>(\$45,974)</b>
<b>Total Savings/(Cost)</b>	<b>General Fund Savings from Reorganization Report Recommendations:</b>			<b>\$29,665</b>

As indicated in **Table 1**, General Fund savings from the **City Manager's 2003 Reorganization** are \$29,665. Adoption of the Preliminary Budget will authorize all funding requests contained in the **City Manager's 2003 Reorganization**.

Details of costs and savings identified in **Table 1** are approximate. The actual short-term fiscal impact will vary, based on factors related to the date each action is implemented. Estimates for personnel costing are based on anticipated salary adjustment projections for Fiscal Year 2003-04.

## **BUSINESS PLAN**

In January 2001, the City contracted with the Government Finance Officers Association (GFOA) to prepare a long-term financial plan and facilitate a strategic planning process to address pending concerns of new surrounding malls and the state realignment of the sales tax revenues. Evolving out of these processes was the Business Plan, which outlines the strategic priorities and goals from the strategic plan. The City Council has identified the top five important priorities facing the City. These issues are outlined below:

- **CITY FINANCIAL POSITION**  
Develop strategies to ensure Montclair's fiscal stability in the face of declining state-shared revenues and low or stagnant growth in sales tax.
- **HOUSING RETAIL/DEVELOPMENT STRATEGY**  
Develop strategies for future development concerns of retail sales areas, neighborhoods, and housing, along with mall competition and the need to bring in more new businesses in the City.
- **CITY IMAGE**  
Develop Montclair's image in a more general context, including determining if the needs of new and existing residents are being met.
- **YOUTH/SENIOR CENTER FUNDING**  
Determine if the City has the financial ability to upgrade its Youth/Senior Recreation facilities given the financial uncertainty expressed under "CITY FINANCIAL POSITION."
- **POLICE DEPARTMENT BUILDING FUNDING**  
Determine if the City has the financial ability to fund a new Police Department building given the financial uncertainty expressed under "CITY FINANCIAL POSITION."

One of the most direct links that the Business Plan has to other City processes is the City Manager's evaluation. The City Council agreed with GFOA's recommendation that the Business Plan develop the City Manager's future goals. Another important link GFOA recommended is that the Business Plan be reflected in Montclair's budget process. A schedule has been developed and included in the Fiscal Year 2003-04 Preliminary Budget (Pages 25-27).

## **ESTIMATED REVENUES**

The Statement of Actual and Estimated Revenues included in the Fiscal Year 2003-04 Preliminary Budget reflects an increase of \$11,315,789. The increase is primarily due to \$17,260,000 in one-time special-purpose revenue for the Monte Vista Avenue Grade Separation. The proposed General Fund Estimated Revenue Budget is \$22,111,351 (the revised current year budget is \$21,747,501). Proposed Total Estimated Revenues for all funds is \$45,301,372 (the revised current year budget is \$33,985,583). The difference of \$11,315,789 between budget years is attributed to:

### **General Fund**

- \$127,480 decrease in licenses and permits, related to decreased building activity in Montclair. During Fiscal Year 2002-03, building activity is expected to generate at least \$400,000 in fees for the second straight year.
- \$64,579 decrease in intergovernmental revenue, related to decreases in the Congestion Mitigation and Air Quality (CMAQ) grant and in anticipated Office of Emergency Services (OES) reimbursements.
- \$70,000 increase in rubbish collection fees, related to increased collection efforts and additional payment options.
- \$16,729 increase in miscellaneous revenue, related primarily to interest income on loans to the Redevelopment Agency.

### **All Other Fund Accounts**

- \$258,105 decrease in the Gas Tax Fund related to Traffic Congestion Relief Funds attributed to the completion of Phase I of the Monte Vista Grade Separation Project.
- \$40,000 increase in Measure I Funds.

- \$351,495 decrease in Park Development Fund attributed to the completion of the Per Capita grant park improvements and the skateboard park.
- \$110,967 decrease in Office of Criminal Justice Program (OCJP) Fund related to the California Law Enforcement Technology grant and the Citizens Option for Public Safety (COPS) grant.
- \$859,459 increase in Community Development Block Grant revenues, attributable to Foundation Area 11 improvements, Amherst alley improvements, and Essex Park improvements.
- \$136,008 decrease in State Supplemental Law Enforcement Fund (AB 3229) revenue. The City expects to receive funding during Fiscal Year 2003-04.
- \$49,819 decrease in Local Law Enforcement Block Grant Funds. The City expects to receive funding during Fiscal Year 2003-04—the application is pending.
- \$349,193 decrease in Human Services Grant Fund, primarily due to conclusion of the Children & Families Commission (Proposition 10) grant.
- \$500,000 decrease in the Ramona Avenue Grade Separation Fund.
- \$12,970,000 increase in the Monte Vista Avenue Grade Separation Fund.
- \$1,135,000 decrease in Capital Maintenance Funds, attributed primarily to the conclusion of the Metrolink platform project in the Building Maintenance/Infrastructure Fund.

### **OPERATING BUDGET**

The operating budget includes all expenditures except those costs incurred to maintain the City's infrastructure and to acquire certain major equipment systems. The total proposed operating budget, including all funds for Fiscal Year 2003-04, is \$26,349,113; this figure includes \$78,995 paid by the Montclair Redevelopment Agency for indirect staff service charges. The operating budget for the General Fund totals \$22,520,142.

Operating expenditures reflect a concerted effort to scrutinize each department's requests, the appropriate allocation of staff service charges to the Redevelopment Agency and Montclair Housing Corporation, and restricting capital outlay requests.

After scrutinizing each department's operating budget requests, total savings realized for all funds is \$873,328. Total General Fund savings resulting from the review of departmental budget requests is \$1,027,208. By judiciously controlling operating budget requests, I am able to present to the City Council the Fiscal Year 2003-04 Preliminary Budget with the majority of departments below their current authorized operating budget. The Police Department and Fire Department are among the departments who are above their current authorized budgets, but in light of homeland security concerns, it is in City's best interest to minimize cuts to safety providers' operating budgets.

The extent of effort to control capital outlay costs is evidenced by my decision to restrict vehicle purchases in the proposed Preliminary Budget; continue the process of reevaluating City policies related to vehicle assignments; and revise procedures related to the Equipment Replacement Fund. In the Fiscal Year 2003-04 Preliminary Budget, I am recommending the purchase of eleven new vehicles. Of the eleven vehicles recommended for replacement, six are Police Department patrol vehicles (1996 Chevrolet Caprice) that have had their useful life extended through major reconditioning. Of the remaining vehicles, two are alternative-fuel vehicles to be used as administrative vehicles purchased with Air Quality Management District AB 2766 funds and one is a low-emissions vehicle to be used by the Redevelopment/Public Works Department that was purchased with Sewer Maintenance funds.

The proposed Operating Budget already contains an estimated one percent cost-of-living/wage adjustment for employees; therefore, I propose decreasing funding to the Contingency Account from \$450,000 to \$300,000 for unanticipated expenditures during the fiscal year.

The proposed Operating Budget includes funding for 194.49 full-time positions: 182.30 full-time positions are paid for by the General Fund; 12.19 full-time positions are paid for by other funds; 6.81 full-time positions are included in the Redevelopment Agency's budget; and .70 positions are included in the Montclair Housing Corporation's budget.

Notable changes of full-time personnel are discussed in the Reorganization section of this budget message.

The Services and Supplies Budget is \$8,943,393. This reflects a decrease of \$149,122 over the current FY 2002-03 Services and Supplies Budget.

The major requests in the FY 2003-04 Preliminary Budget include:

- City Manager Department/Solid Waste Disposal Division: \$1,850,000 for residential refuse collection and disposal costs—an increase of \$104,000.
- Community Development Department/Human Services Division: \$183,851 for the William F. Goodling Even Start Family Literacy program to provide early childhood education and intervention programs for Montclair children and their families.
- Redevelopment/Public Works Department: \$138,000 for improvements and enhancements to City facilities.

The total Capital Outlay Budget for Fiscal Year 2003-04 is \$830,754. This amount represents a decrease of \$347,428 when compared to the Preliminary Budget for Fiscal Year 2002-03.

The Capital Outlay Budget proposes:

- Police Department: \$26,200 for one detective vehicle (Public Safety Fund); \$247,404 for six patrol vehicles and emergency equipment (\$126,000 from the Equipment Replacement Fund; \$121,404 from the Public Safety Fund); \$48,600 for portable radios and mobile video recorders (Public Safety Fund).
- Fire Department: \$7,300 for two thermal imaging cameras, a portable radio, and emergency rescue equipment (General Fund).
- Redevelopment/Public Works Department: \$20,000 for one pickup truck for Public Works Inspector (General Fund); \$26,000 for one half-ton pickup truck for the Assistant Public Works Supervisor (Equipment Replacement Fund); \$25,000 for one low emissions vehicle for the NPDES Coordinator (Sewer Maintenance Fund).
- Community Development Department: \$67,000 for the purchase of two alternative vehicles to be assigned to the Community Development and Administrative Services Departments (Air Quality Improvement Fund).

- Administrative Services Department: \$25,000 for a color digital copier, \$55,000 for recabling/upgrading City Hall facilities with Category 6 high-speed voice/video/data cable, \$40,000 for computer systems for various locations throughout each City department (General Fund).
- City Council Department: \$68,000 to upgrade the video/audio presentation system in the City Council Chambers (General Fund).

### **CAPITAL IMPROVEMENT PLAN**

In accordance with the City's 5-year capital improvement plan, I am proposing a total of \$20,663,000 be appropriated to finance capital projects.

- The most significant project in Fiscal Year 2003-04 is the Monte Vista Avenue/Union Pacific Railroad Grade Separation—Phase IV. The project estimate is \$17,260,000. The main funding source of Phase IV is Traffic Congestion Relief Program (TCRP) funds of \$12,260,000.

This year's capital improvement program provides \$20,112,000 to fund the following street improvement projects:

1. **Infrastructure and Street Improvements for \$797,000 (Community Development Block Grant Fund).** Project provides landscape improvements and alley gating for Foundation 11 bounded by Mills Avenue, San Jose Street, Ramona Avenue, and the San Bernardino Freeway.
2. **Orchard and Kingsley Street Rehabilitation for \$260,000 (Gas Tax Fund).** Project rehabilitates pavement on Orchard and Kingsley Streets from Mills Avenue to San Antonio Channel. This project was deferred during Fiscal Year 2002-03 to fund the Benson Avenue Rehabilitation project.
3. **Mission Boulevard Roadway Improvements for \$820,000 (\$470,000 from Gas Tax Fund; \$350,000 from Measure I Fund).** Project rehabilitates pavement, median island improvements, parkway improvements, and signal modifications from the Los Angeles County line to Benson Avenue.
4. **Kingsley Street Pavement Rehabilitation for \$600,000 (\$404,000 from Gas Tax Fund; \$196,000 from Measure I Fund).**

Project rehabilitates pavement on Kingsley Street from San Antonio Channel to Benson Avenue.

5. **Mills Avenue Rehabilitation for \$300,000 (Gas Tax Fund).** Project provides pavement rehabilitation on the west side of Mills Avenue (southbound lanes) from Kingsley Street to Benito Street.
6. **Monte Vista Avenue/UPRR Grade Separation—Phase IV for \$17,260,000 (Monte Vista Avenue Grade Separation Fund).** Project is a multiphase project to construct a grade separation between the Union Pacific Railroad tracks and Monte Vista Avenue. Phase IV is the construction phase of this project.
7. **Amherst Alley Improvements for \$75,000 (Community Development Block Grant Fund).** Project will provide alley improvements for Amherst Avenue. This project is part of the San Antonio Gateway project.

Two other notable Capital Improvement projects include the following:

1. **Traffic Signal Upgrade for \$350,000 (Gas Tax Fund).** Project is a continuation of the Fiscal Year 2002-03 signal upgrades that include new conduit, wiring, cabinets, and controllers at Holt Boulevard and Ramona Avenue, Monte Vista Avenue and San Bernardino Street, Mills Avenue and Kingsley Street, Benson Avenue and Moreno Street, Moreno Street and Fremont Avenue, and Arrow Highway and Fremont Avenue.
2. **Essex Park Improvements for \$201,000 (Community Development Block Grant Fund).** Project constructs a permanent concession area with restroom facilities. Project is part of a continuing project to improve Essex Park.

## CONCLUSION

I would like to thank staff for their efforts in putting together the Fiscal Year 2003-04 Preliminary Budget. The employees of the City of Montclair and I look forward to answering any questions you may have regarding the budget document and the City's program of services.

Sincerely,

Lee C. McDougal  
City Manager

**CITY OF MONTCLAIR  
STRATEGIC PRIORITY ISSUES  
FISCAL YEAR 2003-04**

**A. FINANCIAL POSITION**

**I. Re-examine EMS Fees**

Re-examine non-subscriber fees and recommend increase.

**II. Find Users for Big Box Buildings**

Develop Fremont Avenue area focus plan.  
Market vacant properties to developers (ICSC conference).  
Maintain database of vacant properties and contact potential users.

**III. Police Department Impound Lot**

Perform cost-benefit analysis to determine feasibility; then, if approved,  
Identify potential sites for impound lot; then, if approved,  
Identify best practices for administering impound lot; then, if approved,  
Request funds for start-up costs.

**IV. Re-examine User Fees**

Distribute standardized formula/guidelines for calculating user fees.  
Submit recommendation for updated fees to Administrative Services.  
Submit recommendation for fee changes to City Council.  
Create User Fee Policy.

**V. Revisit Youth/Senior Center and Police Department Building Funding**

Determine whether state-shared revenue will negatively impact these strategic priorities.

**B. HOUSING/RETAIL DEVELOPMENT STRATEGY**

**I. Conduct Citizen Survey on General and Specific Issues**

Solicit proposals for survey consultants.  
Evaluate and select consultant.  
Develop survey strategy and survey instrument with consultant.  
Conduct survey and report results to City Council.

<b>FUNDING SOURCE</b>
Fire
Community Development/ Redevelopment
Police
All Departments
Police/Community Development
All Departments

**II. Continue North Montclair Specific Plan (Fremont)**

Prepare RFP for planning services.  
Evaluate responses and select firm.  
Develop Draft of North Montclair Specific Plan.

**III. Continue Implementation of San Antonio Gateway Plan**

Investigate successful tax credit financing project in other communities.  
Refine and recommend land use plan and density allocation in San Antonio Gateway.  
Prepare RFP for developer of San Antonio Gateway.

**C. CITY IMAGE**

**I. Conduct Citizen Survey on General and Specific Issues**

Solicit proposals for survey consultants.  
Evaluate and select consultant.  
Develop survey strategy and survey instrument with consultant.  
Conduct survey and report results to City Council.

**II. Continue Graffiti Abatement**

Monitor effectiveness of program.  
Utilize surveillance cameras to monitor high-incidence areas.

**III. Continue Streetscape and other Capital Projects**

Implement approved Mission Boulevard improvements.  
Form joint redevelopment-finance project with County.  
Implement improvements in joint project area as funds allow.  
Implement other capital improvements as funding allows.

**IV. Enhance City's Web Page**

Identify functional requirements for upgraded website.  
Determine whether in-house resources can deliver desired functionality.  
Seek proposals from external sources.  
Evaluate proposals and make recommendation to select an offer.  
Gather community input on e-government needs.  
Begin development of prototype website using either in-house or outside resources.  
Review in-house prototype.  
Develop and complete final, upgraded website.

Community Development/ Redevelopment
Community Development/ Redevelopment
All Departments
Public Works Graffiti Abatement Program
Public Works/ Redevelopment Capital Improvement Budget
Administrative Service

**V. Entry Beautification**

Hire landscaping consultant to recommend improvements to North Montclair landscaping.  
Develop recommendations for landscape improvements with consultant.  
Submit approved recommendations for funding.

Public Works

**VI. Examine Feasibility of Converting Recreation's Magazine into City Newsletter**

Examine cost feasibility of making conversion; and, if feasible,  
Convert recreational magazine to City newsletter.

Community  
Development

**D. YOUTH/SENIOR CENTER FUNDING**

**I. Revisit Youth/Senior Center Funding**

Determine whether state-shared revenue will negatively impact these strategic priorities.

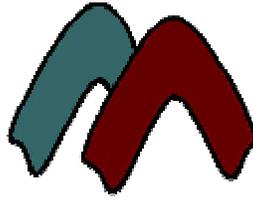
Community  
Development

**E. POLICE DEPARTMENT BUILDING FUNDING**

**I. Revisit Police Department Building Funding**

Determine whether state-shared revenue will negatively impact these strategic priorities.

Police



## **HISTORY OF MONTCLAIR**

The history of Montclair is as rich as that of any other West Valley city. The earliest inhabitants of the land that is now Montclair were the Serrano Indians. The Indians lived in an area near the site of the old San Antonio Creek in the late 1700's – just a few miles from the junior high school that now bears their name.

The area's first modern name was "The Township of Marquette," so named by a Los Angeles land development company in 1897. The 1,000 acres of predominantly agricultural land reportedly changed hands several times before it was bought in a speculation deal by Emil Firth. The wealthy developer called the area "The Monte Vista Land Tract." That name remained until the time of incorporation when the residents called their new city "Monte Vista."

Like most Southland cities, the Monte Vista Land Tract boomed after World War II. Soon, it was being eyed by neighboring Ontario as a potential annexation. Fearing that it would be annexed and the right to control their destiny lost forever, long-time residents formed the Monte Vista Improvement Association. The association proposed city incorporation of the Monte Vista Land Tract. The residents were asked to vote on the incorporation proposal at the April 1956 election.

When the much-debated April election was over and the ballots were counted, incorporation had won – 682 to 455 votes. When it was officially incorporated on April 25, 1956, the City of Monte Vista had a total population of 8,500 spread over 4.2 square miles. The City's first council meeting was held May 8, 1956. In April 1958, the residents of Monte Vista voted to change the name to the City of Montclair, since Monte Vista was also the name of another postal district within the state.

During the 1960's, much of the groundwork for Montclair as it looks today was planned and performed. The cornerstone of this long-range planning was the development and construction of the Montclair Plaza, the basis of the City's vibrant commercial business activity.

During the 1970's the issue of low-income housing, the Ontario International Airport expansion, and the annexation of the unincorporated southern area surfaced. Also during the 1970's the City's Civic Center, Community Center, and two new fire stations were constructed.

Montclair has been described as a mixture of big city business and small-town ways. This mixture contributes to the City's vitality.

Source: *Guide to Montclair Living*



## City of Montclair Demographic Profile 2003

- Montclair is ideally located in the Western Inland Empire and is the region's premier shopping destination located at the gateway between Orange and Los Angeles Counties and the thriving Inland Empire.
- The centerpiece of North Montclair is the Montclair Plaza, a 1.2 million square foot regional fashion mall with a 10-mile trade area population of 909,086 and an average household income of \$72,265.
- The influx and phenomenal growth in the inland region is a reflection of the region's strong economy and its upbeat performance during the recent recession.
- The increase in population in the inland region is creating a higher demand for more cultural events, high-demand retail, and entertainment opportunities.
- Montclair is located in close proximity to private universities/colleges, including the prestigious Claremont Colleges, three state universities, and seven community colleges.
- Montclair is a full-service City with its own Police and Fire Departments.
- Great weather; good schools; nearby colleges; outstanding housing values; safe and stable neighborhoods; and recreational pursuits — all contribute to a family-oriented community with over 61 percent owner-occupied housing.
- Montclair's population is young and diverse and represents the ethnic and cultural diversity that is characteristic of Southern California.
- Montclair is in close proximity to the I-10, I-15, State Route 60, and 210 Freeway which provide a direct link to the Los Angeles and Long Beach harbor facilities, Ontario International Airport, and the inland cargo sorting facilities for all major freight carriers which are serviced by the Union Pacific Railroad.
- Montclair is home to the master-planned Montclair Transcenter, two approved Metrolink Platforms, and Metrolink Station Regional Transit Park and Ride facility.

*Population: 33,049*

*Area: 5.33 square miles*

<b>DEMOGRAPHICS Population, Income, &amp; Race</b>	<b>3-MILE Trade Area</b>	<b>5-MILE Trade Area</b>	<b>10-MILE Trade Area</b>
Population 2008 Projection	194,263	491,352	983,308
Population 2003 Estimate	181,573	459,468	909,086
Households 2003 Estimate	54,071	132,733	263,522
Ave. Persons Per Households 2003	3.22	3.39	3.30
Average Households Income 2003	\$58,310	\$64,066	\$72,265
Avg. Family Households Income 2003	\$65,578	\$70,824	\$79,789
Median Age 2003	30.07	30.04	31.61
AFHI @ \$50,000 to \$74,999	8,870 (23%)	21,924 (22%)	44,799 (22%)
AFHI @ \$75,000 to \$100,000	4,885 (12%)	13,301 (13%)	33,431 (16%)
AFHI @ \$100,000 to \$149,999	4,036 (10%)	11,533 (12%)	35,614 (17%)
White	51.12%	58.13%	54.48%
Black	7.42%	6.72%	6.88%
Asian & Pacific Islander	6.49%	5.96%	10.22%
Hispanic Origin	51.62%	54.43%	43.35%
<b>Traffic Counts</b>	<b>Total Intersection Volume</b>		<b>Year Count Taken</b>
Central Ave. & Moreno St.	56,796		2002
Central Ave. & Holt Blvd.	67,398		2002
Monte Vista Ave. & Arrow Hwy.	49,118		2003
Monte Vista Ave. & I-10 Freeway	41,266		2002
Central Ave. & I-10 Freeway	49,509		2002
<b>Approximate Distances of Major Transportation Centers from Montclair</b>			
Ontario International Airport (ONT)	6 miles	Las Vegas	235 miles
Los Angeles International Airport (LAX)	50 miles	Downtown Los Angeles	30 miles
John Wayne International Airport	38 miles	Orange County Beach Cities	35 miles
Port of Long Beach	48 miles	San Diego County Beach Cities	85 miles
Port of Los Angeles	53 miles	Lake Arrowhead	55 miles
<b>Higher Educational Opportunities within 25 Minutes</b>			
California State University, San Bernardino	San Bernardino Valley College		
California State Polytechnic University, Pomona	Mount San Antonio College, Walnut		
University of California, Riverside	Chaffey Community College, R. Cucamonga		
5 Undergraduate & 2 Graduate Colleges @ Claremont:	Chapman University, Ontario		
Pomona, Claremont McKenna, Harvey Mudd, Pitzer and Scripps	Claremont Graduate University & Keck Graduate Institute of Applied Life Sciences		



**CITY OF MONTCLAIR**  
**Budget Development Timeline**  
**Fiscal Year 2003-04**

The budget process begins in January with staff reviewing all current authorized personnel positions, their allocations to various programs, and their respective funding sources. During the Mid-year Budget Review in February, the City Council establishes parameters for the development of the budget. Immediately following the Mid-year Budget Review, the Personnel Services Budget Job Allocation worksheets, listing all current authorized personnel positions, are distributed to the various departments for their review, budgetary changes in personnel allocations, and staffing needs. Once this information is returned to the Finance Division in early March, staff prepares all departmental Personnel Services Budget. Concurrently, staff is also preparing the general City overhead cost information. In mid-to-late March, the budget packets, including the budget worksheets and the parameters for the development of the budget, are distributed to all departments. During April, all departments return their budget requests to the Finance Division. The City Manager and key budgetary personnel meet with each respective department during the management departmental budget sessions to review all operating budget requests for possible adjustment. In May, all budgetary adjustments are incorporated into the preliminary budget. In early June, the City Manager presents the budget to the City Council for their review. On the second City Council meeting in June, the City Council adopts the budget by resolution.

**Key Budget Dates:**

February 18, 2003	Mid-year Budget Review
March 20, 2003-March 26, 2003	Distribution of budget packets to all departments
April 14, 2003	Departmental-operating budget requests are due
April 25, 2003-April 28, 2003	Management departmental budget sessions
May 8, 2003	Complete changes to departmental budgets
June 10, 2003	Budget review by City Council
June 16, 2003	City Council adopts budget by resolution

**CITY OF MONTCLAIR  
COMBINED SOURCES & USES STATEMENT  
FISCAL YEAR 2003-04**

	SOURCES					USES					Estimated Unreserved Fund Balance/ Retained Earnings June 30, 2004
	Estimated Unreserved Fund Balance/ Retained Earnings July 1, 2003	Estimated Revenue	Transfers In	RDA Loan Principal Repayments	TOTAL SOURCES	Operating Appropriations	Capital Improvement Appropriations	Transfers Out	Loans to the RDA	TOTAL USES	
<b>001 General Fund</b>	\$9,188,000	\$22,111,351	\$337,000	\$1,508,329	\$33,144,680	\$22,520,142	\$0	\$1,069,000	\$1,528,000	\$25,117,142	\$8,027,538
<b>Special Revenue Funds</b>											
102 Gas Tax Fund	\$1,023,000	\$800,000	\$0	\$0	\$1,823,000	\$1,000	\$1,784,000	\$6,000	\$0	\$1,791,000	\$32,000
104 Measure I Fund	238,000	450,000	0	0	688,000	0	546,000	0	0	546,000	142,000
110 Traffic Safety Fund	0	331,000	0	0	331,000	0	0	331,000	0	331,000	0
131 Park Development Fund	15,500	46,500	0	0	62,000	8,000	0	0	0	8,000	54,000
132 CDBG Fund	0	1,110,000	0	0	1,110,000	37,000	1,073,000	0	0	1,110,000	0
135 Air Quality Improvement Fund	65,000	41,000	0	0	106,000	69,760	0	0	0	69,760	36,240
138 Older Americans Act Fund	3,903	75,072	0	0	78,975	78,975	0	0	0	78,975	0
140 Asset Forfeiture Fund- State	0	500	0	0	500	0	0	0	0	0	500
142 OCPJ Fund	41,711	0	0	0	41,711	41,711	0	0	0	41,711	0
143 Public Safety Fund	185,400	198,000	0	0	383,400	368,245	0	0	0	368,245	15,155
144 Federal Asset Forfeiture Fund- DOJ	1,000	200	0	0	1,200	1,000	0	0	0	1,000	200
146 Section 11489 Fund	0	400	0	0	400	0	0	0	0	0	400
147 Federal Asset Forfeit. Fund- Treasury	200	100	0	0	300	0	0	0	0	0	300
148 School District Grant Fund	0	64,000	0	0	64,000	64,000	0	0	0	64,000	0
149 State Supp. Local Law Enforce. Fund	0	65,500	0	0	65,500	64,000	0	0	0	64,000	1,500
150 Local Law Enforcement Block Grant	3,500	5,900	0	0	9,400	5,700	0	0	0	5,700	3,700
151 Crime Prevention Fund	6,500	300	0	0	6,800	0	0	0	0	0	6,800
152 Used Oil Recycling Block Grant Fund	0	10,535	0	0	10,535	10,435	0	0	0	10,435	100
160 Human Services Grant Fund	1,813	671,583	0	0	673,396	668,583	0	0	0	668,583	4,813
161 California Nutrition Network Fund	1,052	59,937	0	0	60,989	60,989	0	0	0	60,989	0
162 Human Services Special Revenue Fund	15,600	6,700	0	0	22,300	6,700	0	0	0	6,700	15,600
180 EMS- Paramedic Fund	163,000	173,250	0	0	336,250	215,152	0	0	0	215,152	121,098
<b>Total</b>	<b>\$1,765,179</b>	<b>\$4,110,477</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,875,656</b>	<b>\$1,701,250</b>	<b>\$3,403,000</b>	<b>\$337,000</b>	<b>\$0</b>	<b>\$5,441,250</b>	<b>\$434,406</b>
<b>Capital Project Funds</b>											
203 Monte Vista Grade Separation	\$0	\$17,260,000	\$0	\$0	\$17,260,000	\$0	\$17,260,000	\$0	\$0	\$17,260,000	\$0
<b>Total</b>	<b>\$0</b>	<b>\$17,260,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,260,000</b>	<b>\$0</b>	<b>\$17,260,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,260,000</b>	<b>\$0</b>
<b>Enterprise Funds</b>											
501 Sewer Maintenance Fund	\$3,346,000	\$1,661,000	\$0	\$0	\$5,007,000	\$1,916,677	\$0	\$0	\$0	\$1,916,677	\$3,090,323
<b>Total</b>	<b>\$3,346,000</b>	<b>\$1,661,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,007,000</b>	<b>\$1,916,677</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,916,677</b>	<b>\$3,090,323</b>
<b>Trust Funds</b>											
750 Equipment Replacement Fund	\$1,500,000	\$75,000	\$73,000	\$0	\$1,648,000	\$152,000	\$0	\$0	\$0	\$152,000	\$1,496,000
751 Building Maint./Infrastructure Fund	51,000	5,000	0	0	56,000	0	0	0	0	0	56,000
755 Contingency Fund	976,000	0	746,000	0	1,722,000	0	0	0	0	0	1,722,000
757 Refuse Impound Fund	323,000	49,544	0	0	372,544	59,044	0	0	0	59,044	313,500
758 Youth Sponsorship Fund	50,000	9,000	0	0	59,000	0	0	0	0	0	59,000
759 City Facilities Improvement Fund	344,000	20,000	250,000	0	614,000	0	0	0	0	0	614,000
<b>Total</b>	<b>\$3,244,000</b>	<b>\$158,544</b>	<b>\$1,069,000</b>	<b>\$0</b>	<b>\$4,471,544</b>	<b>\$211,044</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$211,044</b>	<b>\$4,260,500</b>
<b>TOTAL - ALL FUNDS</b>	<b>\$17,543,179</b>	<b>\$45,301,372</b>	<b>\$1,406,000</b>	<b>\$1,508,329</b>	<b>\$65,758,880</b>	<b>\$26,349,113</b>	<b>\$20,663,000</b>	<b>\$1,406,000</b>	<b>\$1,528,000</b>	<b>\$49,946,113</b>	<b>\$15,812,767</b>

## NOTES TO THE CITY'S COMBINED SOURCES & USES STATEMENT

1. Unreserved fund balance represents net assets which are available for appropriation as of the balance sheet date. The only significant "reserved" fund balance accounts used by the City are for loans to the Redevelopment Agency, loans issued to employees pursuant to the Employee Computer Purchase Program and for encumbered purchase orders and contracts.
2. Although technically part of General Fund unreserved fund balance, moneys set aside for workers' compensation and general liability self-insurance claims are excluded from the sources and uses statement. According to the City's third-party administrators, the estimated liabilities for workers' compensation and general liability claims as of March 31, 2003 are \$655,000 and \$165,000 respectively.
3. Trust funds "are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds" (source: National Council of Governmental Accounting's Statement No. 1). The City uses trust funds to account for resources from the General Fund which have been set aside for specific purposes.
4. Operating appropriations represent total appropriations attributable to the City and do not reflect appropriations properly attributable to another fund. The proper accounting for reimbursements is to record an expenditure or expense in the reimbursing fund and a reduction of expenditure in the reimbursed fund. This is the case for the RDA which is reimbursing the General Fund for indirect staff charges for \$78,995.
5. TRANSFERS-IN/TRANSFERS-OUT

<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>	<u>PURPOSE</u>
Gas Tax	General Fund	\$ 6,000	Reimbursement for administrative costs
Traffic Safety	General Fund	331,000	Reimbursement for traffic safety enforcement costs. State law provides that CVC fines and forfeitures be initially recorded in a "Traffic Safety Fund"
General Fund	E.R.F.	73,000	Transfer brings total assets in the Equipment Replacement Fund into agreement with the funding requirement as of July 1, 2003. Projected net assets of the fund as of July 1, 2003 total \$1,481,000. Funding requirement is \$1,554,000
General Fund	City Facilities Improvement Fund	250,000	To set funding aside for facility improvements scheduled in the Capital Improvement Program and appropriated in the capital improvement budget
General Fund	Contingency	746,000	To set funding aside for leave balances earned by employees but not expected to be paid in
the			current budget, City employee home purchase assistance, future retirement liability, computer technology upgrades, and personnel/health insurance adjustments.
	<b>TOTAL</b>	<b><u>\$ 1,406,000</u></b>	

# CITY OF MONTCLAIR FISCAL YEAR 2003-04 BUDGET

## FUND DESCRIPTIONS

Unlike the private sector, governmental budgeting and financial reporting is based upon fund accounting. As defined by the Government Finance Officers Association, a fund is a "fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations." Below are descriptions for the funds included in the City's Fiscal Year 2003-04 Budget.

### GENERAL FUND

The General Fund (001) is used to account for all financial resources except those required to be accounted for in another fund. Typically, the general fund is the primary operating fund of a governmental entity. Because the budget cycle is paramount, general fund accounting is based on the flow of financial resources principle. Under this principle, revenues are realized only if they are converted into cash within the budget cycle or sixty days thereafter, and expenditures are recorded when incurred and payable from available financial resources.

For Fiscal Year 2003-04, the City's General Fund proposed expenditures budget is \$22,520,142, which represents approximately eighty-five percent of the City's total operating budget. The General Fund provides financing for 182.30 of the City's 194.49 full-time positions. Major revenue sources credited to the General Fund include the property tax, sales tax, and utility users tax. Detail information related to all General Fund revenue sources is included in the Statement of Estimated Revenues and related notes thereto (pages 8-24).

On April 19, 1993, City Council approved an emergency reserve policy for the City's General Fund. The policy sets the level of reserve funding at \$3 million which must be comprised of assets that are available for immediate appropriation, i.e., current financial resources. Use of moneys credited to the emergency reserve requires specific authorization from the City Council. Also, moneys are set aside in the General Fund to meet the self-insurance portion (deductible) of workers' compensation and general liability claims brought against the City. The amount of reserve funding for this purpose is based upon the estimated future liability as determined by the City's third-party claims administrators, Colen and Lee and Carl Warren & Company. No portion of the moneys set aside for self-insurance is reflected in any of the budget summary schedules.

### SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. Like the general fund, the budget for a special revenue fund includes only those revenues which are expected to be received in the current fiscal year or shortly thereafter, and expenditures are recognized only if they are expected to be liquidated with current financial resources.

**Gas Tax Fund (102)** Gas Tax moneys allocated to local governments in accordance with California Streets and Highways Code Sections 2105, 2106, 2107 and 2107.5 are required to be deposited in a special revenue fund. By law, the funds are restricted to expenditures for the construction, improvement and maintenance of the public streets and roads system. Further, revenues allocated pursuant to Section 2107.5 must be used to defray engineering and administrative expenses. Exclusive of the 2107.5 revenues, it is the City's policy to allocate all Gas Tax funds to projects included in the five-year capital improvement program.

**Measure I Fund (104)** In November 1989, San Bernardino County voters approved passage of Measure I authorizing the San Bernardino County Transportation Authority to impose a one-half cent sales tax to finance transportation improvement and traffic management programs for a period not to exceed twenty years. Cities are apportioned the "local share" of Measure I moneys on a per capita basis and in accordance with a twenty-year transportation plan and a five-year capital improvement program adopted by the local jurisdiction. Cities may also receive funding for regional projects pursuant to San Bernardino Associated Government's (SANBAG) five-year and twenty-year plans. In the past, Montclair was allocated regional moneys for the Montclair Multi-Modal Transit Center and the Monte Vista Avenue Extension projects.

**Traffic Safety Fund (110)** Vehicle Code Section 42200 provides that fines and forfeitures which a city receives as a result of arrests by city officers for Vehicle Code violations must be deposited in a special fund entitled the "Traffic Safety Fund." Moneys credited to the Traffic Safety Fund can only be used for traffic control devices, the maintenance thereof, equipment and supplies for traffic law enforcement and traffic accident prevention, and for the maintenance, improvement, or construction of public streets, bridges and culverts within the city. Moneys deposited to the fund cannot be used to pay police officer salaries. It is City policy to transfer all Traffic Safety Fund revenues at year-end to the General Fund; it is understood that General Fund expenditures for the above prescribed uses far exceed the annual revenues credited to the Traffic Safety Fund.

**"Quimby" Park Development Fund (131)** Government Code Section 66477 provides that a city may, by ordinance, require the dedication of land or impose an in-lieu fee for park and/or recreational purposes as a condition for new residential development. Resolution No. 824, adopted in October 1982, established the current land dedication and in-lieu fees imposed upon new residential development in Montclair.

**C.D.B.G. Fund (132)** The Federal Community Development Block Grant (CDBG) program provides cities with grant moneys which generally must be expended within low and moderate income target areas for essential community development and housing purposes. Montclair receives its share of CDBG moneys via the San Bernardino County's Department of Economic and Community Development in accordance with a cooperation agreement which has been in effect the past twenty-six years.

**Air Quality Improvement Trust Fund (135)** In September 1990, Governor Deukmejian signed Assembly Bill 2766 into law which provided for an increase in the motor vehicle registration fee for the purpose of financing programs designed to reduce mobile source air pollution. Cities are allocated approximately 40 percent of the revenues collected, provided a resolution has been adopted setting forth the city's intention to spend the moneys on air pollution reduction programs which are consistent with the California Clean Air Act of 1988, or with a plan proposed pursuant to Article 5 of Chapter 5.5 of Part 3 of the California Health and Safety Code.

**Older Americans Act Fund (138)** The Older Americans Act of 1965 provides for assistance to state and local agencies to develop social supportive services to meet the needs of older persons. Montclair receives grant moneys pursuant to the Act via contract with the County of San Bernardino. The funds are used to help pay for health care services in the Medical Clinic for senior citizens, ages 60 and over, for "Senior Sitter", a program to provide in-home supportive services, and the senior nutritional meals program.

**State Asset Forfeiture Fund (140)** State law generally provides for the confiscation of money and property arising from the manufacture or sale of illegal controlled substances. Moneys distributed to Montclair pursuant to the asset forfeiture laws may only be used for law enforcement programs.

**Public Safety Fund (143)** Passage of Proposition 172 in November 1993 provided for a one-half cent sales tax to be distributed to local governments for public safety expenditures. Cities in San Bernardino County are allocated five percent of the tax based upon their proportionate share of the net property tax loss resulting from the State's Fiscal Year 1993-94 Budget. Current law provides that cities must maintain Fiscal Year 1992-93 expenditure levels to be allocated Proposition 172 moneys.

**Federal Asset Forfeiture Fund - DOJ (144)** Federal law generally provides for the confiscation of money and property arising from the manufacture or sale of illegal controlled substances. Moneys distributed to Montclair pursuant to the asset forfeiture laws are only available to the Police Department for purposes of financing their annual budget. Current law requires that Federal asset forfeiture moneys received from the Department of Justice be segregated from forfeiture moneys received from the United States Treasury Department and all other resources of the Police Department, including moneys/assets received pursuant to State asset forfeiture laws.

**Section 11489 Subfund (146)** Health & Safety Code Section 11489 provides that fifteen percent of State asset forfeiture moneys/assets be deposited to a special fund which shall be used for the sole purpose of funding programs designed to combat drug abuse and divert gang activity. The moneys deposited to this fund shall not be used to supplant any state or local funds that would normally be used for same purpose.

**Federal Asset Forfeiture Fund - Treasury (147)** Federal law generally provides for the confiscation of money and property arising from the manufacture or sale of illegal controlled substances. Moneys distributed to Montclair pursuant to the asset forfeiture laws are only available to the Police Department for purposes of financing their annual budget. Current law requires that Federal asset forfeiture moneys received from the United States Treasury Department be segregated from forfeiture moneys received from the Department of Justice and all other resources of the Police Department, including moneys/assets received pursuant to State asset forfeiture laws.

**School District Grant Fund (148)** Prior to Fiscal Year 2002-03, the Ontario-Montclair School District had agreed to finance salaries and benefits for the Drug Abuse Resistance Effort (D.A.R.E.) officer by annual agreement. Chaffey Joint Union High School District has agreed to finance salaries and benefits for the Safe School Zone officers program.

**State Supplemental Law Enforcement Fund (149)** The State Budget Act of 1996 (AB 3229) added Government Code Sections 30061 et. seq. to require the state controller to allocate funds to each county which redistributes the funds to each city that has established a supplemental law enforcement fund to be expended exclusively for police services.

**Local Law Enforcement Block Grant Fund (150)** The U. S. Department of Justice, Bureau of Justice Assistance provides grants to local agencies that establish an advisory board that reviews the application for funding and is authorized to make nonbinding recommendations to the local government. These funds are used to supplement local agency funding.

**Used Oil Recycling Block Grant Fund (152)** The California Oil Recycling Enhancement Act provides funds to cities for establishing and maintaining local used oil collection programs that encourage recycling or appropriate disposal of used oil. The California Integrated Waste Management Board has been delegated to administer the program on behalf of the State for cities.

**Human Services Grant Fund (160)** This grant fund was established to segregate miscellaneous grants that require specific matching and tracking of revenues and expenditures as required by the granting agency.

**California Nutrition Network Grant Fund (161)** The State of California Department of Health Services Cancer Prevention and Nutrition Section provides grants to local agencies to promote healthy eating and a physically active lifestyle among lower income Californians.

**Human Services Special Revenue Fund (162)** This grant fund was established to segregate miscellaneous grants that require specific matching and tracking of revenues and expenditures as required by the granting agency.

**EMS Paramedic Fund (180)** The Fire Department desires to enter into a contract with the local ambulance provider to subsidize the expense of enhancing the Fire Department's current level of emergency medical service. This fund was established to ensure the program was self-sustaining.

## ENTERPRISE FUNDS

Enterprise funds are used to account for the operations of programs which are primarily financed by user fees. Because the determination of net income is essential, enterprise fund accounting is based on the measurement of all economic resources, including the depreciation of fixed assets.

**Sewer Maintenance Fund (501)** The Sewer Maintenance Fund was established to account for all activities related to the repair and maintenance of the City's sewer system. In addition, interest earnings on sewer connection fees due the Inland Empire Utilities Agency have been allocated to the fund to provide for sewer main construction in accordance with the City's five-year capital improvement program. Effective with Fiscal Year 1993-94 the sewer use fee has been set at a rate sufficient to leave \$1.5 million in net financial assets in reserve. The reserve fund will be used to finance any extraordinary repairs to the sewer system, which are not covered under the current insurance policy, and to provide for the replacement of equipment charged to the fund.

## TRUST AND AGENCY FUNDS

Trust and agency funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governments units, and/or other funds. The City uses expendable trust funds to account for assets, generally transferred in from the General Fund, which have been earmarked for specific programs.

**Equipment Replacement Fund (750)** The Equipment Replacement Fund was established to assure moneys would be available to replace vehicles on a scheduled basis. The amount of cash and assets in the fund is equal to the depreciation on the vehicles, restated at current market value.

**Building Maintenance/Infrastructure Fund (751)** The Building Maintenance/Infrastructure Fund was established in FY 1983-84 to assure that a portion of General Fund moneys were set aside for capital projects. A transfer-in of General Fund moneys has not been budgeted for Fiscal Year 2003-04.

**Contingency Fund (755)** The Contingency Fund has been reestablished to account for moneys which are set aside for employee post employment costs, computer technology upgrades, future retirement liability, and other potential but not determinable events.

**Rubbish Collection Impound Fund (757)** The Rubbish Collection Impound Fund was established in FY 1991-92 to account for moneys which are set aside for trash recycling program expenditures and/or subsidization of the residential rubbish collection fee.

**Montclair Youth Sponsorship Fund (758)** On July 17, 1995, City Council approved Agreement No. 95-46 which provided for the City's membership in the California Community Foundation and the establishment of the Montclair Youth Sponsorship Fund. A contribution of \$10,000 from the Baldy View Races Special Event Account was initially deposited to the fund and is to be used to 1) provide scholarships for youth recreational purposes, 2) fund operation of youth programs conducted by the City of Montclair Human Services Division, 3) provide services by the Montclair Counseling and Medical Clinic, and 4) provide for other uses and purposes serving the youth of Montclair.

**City Facilities Improvement Fund (759)** The City Facilities Improvement Fund was established during FY 2000-01 to assure that a portion of General Fund moneys was set aside for capital improvements to various city buildings and facilities. Expenditures from this fund are scheduled in the City's five-year Capital Improvement Program.

NOTE: 02-03 Adopted column reflects adjustments  
authorized up to March 31, 2003.

**CITY OF MONTCLAIR  
SUMMARY SCHEDULE OF REVENUE BY FUND  
FOR FISCAL YEARS 2000-2001 THROUGH 2003-04**

	<u>00-01 Audited</u>	<u>01-02 Audited</u>	<u>02-03 Actual Thru 3/31/03</u>	<u>02-03 Adopted</u>	<u>02-03 Revised</u>	<u>03-04 Estimate</u>	<u>Increase (Decrease)</u>
<b><u>GENERAL FUND</u></b>							
GENERAL FUND	20,665,814	20,703,048	13,505,404	21,533,676	21,747,501	22,111,351	363,850
<b><u>SPECIAL REVENUE FUNDS</u></b>							
GAS TAX FUND	904,033	947,517	719,432	715,000	1,058,105	800,000	(258,105)
MEASURE I FUND	402,446	416,785	264,572	410,000	410,000	450,000	40,000
TRAFFIC SAFETY FUND	271,071	328,314	182,809	260,000	301,000	331,000	30,000
PARK DEVELOPMENT FUND	34,328	28,520	80,768	47,300	397,995	46,500	(351,495)
C.D.B.G. FUND	187,302	324,015	93,947	250,541	250,541	1,110,000	859,459
AIR QUALITY IMPROVEMENT FUND	37,703	41,133	31,055	37,000	41,000	41,000	0
OLDER AMERICANS ACT FUND	64,114	86,879	33,525	75,041	73,741	75,072	1,331
ASSET FORFEITURE FUND - STATE	21,636	(1,576)	237	5,000	3,500	500	(3,000)
OCJP GRANT FUND	130,828	24,871	61,101	110,967	110,967	0	(110,967)
PUBLIC SAFETY FUND	187,557	182,583	98,065	185,000	182,500	198,000	15,500
FEDERAL ASSET FORFEITURE FUND - DOJ	5,000	6,916	171	600	600	200	(400)
SECTION 11489 SUBFUND	3,746	491	251	500	500	400	(100)
FEDERAL ASSET FORFEITURE FUND - TREASURY	222	119	47	200	200	100	(100)
SCHOOL DISTRICT GRANT FUND	34,246	34,000	0	106,310	64,000	64,000	0
STATE SUPPLEMENTAL LAW ENFORCEMENT FUND	101,923	65,129	201,561	205,008	202,008	65,500	(136,508)
LOCAL LAW ENFORCEMENT BLOCK GRANT FUND	56,476	60,166	385	55,719	55,719	5,900	(49,819)

NOTE: 02-03 Adopted column reflects adjustments authorized up to March 31, 2003.

**CITY OF MONTCLAIR  
SUMMARY SCHEDULE OF REVENUE BY FUND  
FOR FISCAL YEARS 2000-2001 THROUGH 2003-04**

	<u>00-01 Audited</u>	<u>01-02 Audited</u>	<u>02-03 Actual Thru 3/31/03</u>	<u>02-03 Adopted</u>	<u>02-03 Revised</u>	<u>03-04 Estimate</u>	<u>Increase (Decrease)</u>
<b><u>SPECIAL REVENUE FUNDS (continued)</u></b>							
P.C. 1202.5 CRIME PREVENTION FUND	722	232	179	750	750	300	(450)
USED OIL RECYCLING BLOCK GRANT FUND	11,794	9,146	14,016	10,618	10,718	10,535	(183)
HUMAN SERVICES GRANT FUND	635,321	591,974	478,269	725,476	1,020,776	671,583	(349,193)
CALIFORNIA NUTRITION NETWORK GRANT FUND	29,313	13,694	33,182	59,650	59,650	59,937	287
HUMAN SERVICES SPECIAL REVENUE FUND	0	11,226	23,877	47,067	62,659	6,700	(55,959)
OFFICE OF TRAFFIC SAFETY GRANT FUND	895	0	0	0	0	0	0
E.M.S. - PARAMEDIC FUND	14,479	155,425	76,527	170,500	171,000	173,250	2,250
<b><u>CAPITAL PROJECT FUNDS</u></b>							
RAMONA AVE. GRADE SEPARATION	0	0	500,000	0	500,000	0	(500,000)
MONTE VISTA AVE. GRADE SEPARATION	0	0	0	4,290,000	4,290,000	17,260,000	12,970,000
<b><u>ENTERPRISE FUND</u></b>							
SEWER MAINTENANCE FUND	1,665,375	1,642,832	1,141,984	1,678,000	1,676,000	1,661,000	(15,000)
<b><u>TRUST FUNDS</u></b>							
EQUIPMENT REPLACEMENT FUND	74,951	74,560	33,606	90,000	90,000	75,000	(15,000)
BUILDING MAINTENANCE FUND	15,586	308,472	323,888	10,000	1,125,000	5,000	(1,120,000)
REFUSE PROGRAM IMPOUND FUND	53,092	29,334	45,321	49,653	49,653	49,544	(109)
YOUTH SPONSORSHIP FUND	6,692	1,803	0	9,500	9,500	9,000	(500)
CITY FACILITIES IMPROVEMENT FUND	0	24,500	14,310	0	20,000	20,000	0
<b>TOTAL REVENUE - ALL FUNDS</b>	<b><u>25,616,665</u></b>	<b><u>26,112,108</u></b>	<b><u>17,958,489</u></b>	<b><u>31,139,076</u></b>	<b><u>33,985,583</u></b>	<b><u>45,301,372</u></b>	<b><u>11,315,789</u></b>

NOTE: 02-03 Adopted column reflects adjustments  
authorized up to March 31, 2003.

**CITY OF MONTCLAIR  
STATEMENT OF ACTUAL AND ESTIMATED REVENUES  
FOR FISCAL YEARS 2000-2001 THROUGH 2003-04**

	<u>00-01 Audited</u>	<u>01-02 Audited</u>	<u>02-03 Actual Thru 3/31/03</u>	<u>02-03 Adopted</u>	<u>02-03 Revised</u>	<u>03-04 Estimate</u>	<u>Increase (Decrease)</u>
<b>GENERAL FUND</b>							
Taxes							
Property - Secured	1,232,186	1,287,936	795,286	1,314,000	1,314,000	1,340,000	26,000
Property - Unsecured	65,998	67,898	68,789	75,000	75,000	75,000	0
Sales & Use	10,666,936	10,020,551	6,988,821	10,800,000	11,000,000	11,400,000	400,000
Transient Occupancy	18,774	20,568	11,497	20,000	20,000	20,000	0
Property Transfer	62,795	71,062	55,384	75,000	75,000	80,000	5,000
Franchise	452,822	504,334	65,800	557,000	485,000	490,000	5,000
Business License	555,161	575,072	454,950	614,000	614,000	625,000	11,000
Utility Users	1,779,649	1,804,210	1,128,982	1,950,000	1,950,000	1,970,000	20,000
<b>Total Taxes</b>	<b>14,834,321</b>	<b>14,351,631</b>	<b>9,569,509</b>	<b>15,405,000</b>	<b>15,533,000</b>	<b>16,000,000</b>	<b>467,000</b>
Licenses and Permits							
Building Permits	274,536	534,508	365,970	400,000	400,000	275,000	(125,000)
Alarm Permits	675	625	275	1,000	650	650	0
Bicycle & Other Permits	4	95	4	30	30	50	20
Moving Permits	5,598	6,724	2,892	7,000	6,000	6,500	500
Yard Sale Permits	7,215	8,610	6,195	9,000	8,600	8,600	0
Construction Permits	2,341	6,063	10,280	8,000	13,000	10,000	(3,000)
Encroachment Permits	700	675	475	700	700	700	0
Ambulance Permits	0	0	0	100	100	100	0
Gun Dealer Permits	75	75	0	75	75	75	0
<b>Total Licenses and Permits</b>	<b>291,144</b>	<b>557,375</b>	<b>386,091</b>	<b>425,905</b>	<b>429,155</b>	<b>301,675</b>	<b>(127,480)</b>
Intergovernmental Revenues							
Motor Vehicle In-Lieu Tax	1,714,839	1,906,500	1,125,669	1,910,000	1,910,000	1,910,000	0
Trailer Coach Licenses	171	133	1,268	1,300	1,300	0	(1,300)
Property Tax Loss Relief	28,550	30,121	15,143	30,000	30,000	30,000	0
Off-Highway License Fees	605	799	899	800	900	900	0
Police Officer Training Reimbursement	44,973	27,136	20,231	22,000	30,000	30,000	0
Contributions- Other Governments	8,880	1,207	0	0	0	0	0
SB 90 Claim Reimbursement	84,082	178,334	0	0	0	0	0
TEA 21 Grant	0	0	0	6,240	6,240	0	(6,240)
FEMA Grant	0	76,028	0	30,939	30,939	28,000	(2,939)
FEMA Reimbursements	40,818	11,279	29,176	40,000	40,000	40,000	0

NOTE: 02-03 Adopted column reflects adjustments  
authorized up to March 31, 2003.

**CITY OF MONTCLAIR  
STATEMENT OF ACTUAL AND ESTIMATED REVENUES  
FOR FISCAL YEARS 2000-2001 THROUGH 2003-04**

	<u>00-01 Audited</u>	<u>01-02 Audited</u>	<u>02-03 Actual Thru 3/31/03</u>	<u>02-03 Adopted</u>	<u>02-03 Revised</u>	<u>03-04 Estimate</u>	<u>Increase (Decrease)</u>
<b>Intergovernmental Revenues (cont'd)</b>							
OES Reimbursements	53,145	30,597	56,364	82,100	82,100	56,000	(26,100)
IRNET Reimbursements (HIDTA)	304	0	0	20,000	0	0	0
RDA Graffiti Program Reimb.	13,754	15,946	12,520	15,000	15,000	15,000	0
WESTNET Reimbursements	44,060	44,210	25,653	45,000	45,000	45,000	0
Local Government Relief	236,037	125,007	125,007	125,000	125,000	125,000	0
Government Grants - CMAQ Grant	0	0	7,710	28,000	28,000	0	(28,000)
Chaffey HSD Reimbursements	64,000	64,000	0	0	0	0	0
<b>Total Intergovernmental Revenues</b>	<b>2,334,218</b>	<b>2,511,297</b>	<b>1,419,640</b>	<b>2,356,379</b>	<b>2,344,479</b>	<b>2,279,900</b>	<b>(64,579)</b>
<b>Fines and Forfeitures</b>							
Court Fines	21,166	37,409	25,824	32,000	55,000	55,000	0
Parking Citations	33,042	42,590	47,576	45,000	58,000	50,000	(8,000)
False Alarms	3,569	1,179	15,515	10,000	18,000	15,000	(3,000)
Restitution	2,550	2,127	50	2,500	2,500	2,500	0
Evidence Forfeitures	5,204	7,061	580	8,000	8,000	8,000	0
Vehicle Release Fees	89,160	84,878	53,067	100,000	100,000	100,000	0
Administrative Citations	1,830	5,410	1,865	5,000	3,000	3,000	0
Auto Repo Fees	390	375	330	500	500	500	0
OPTS Vehicle Impound Fees	81,692	76,429	39,074	105,000	105,000	105,000	0
<b>Total Fines and Forfeits</b>	<b>238,603</b>	<b>257,458</b>	<b>183,881</b>	<b>308,000</b>	<b>350,000</b>	<b>339,000</b>	<b>(11,000)</b>
<b>Charges for Services</b>							
Special Police Services	83,893	77,480	70,306	90,000	90,000	90,000	0
Fire District Contract	217,381	231,795	137,584	215,000	235,000	235,000	0
Fire Department Service Fees	9,118	25,302	13,933	15,000	25,000	25,000	0
Engineering Fees	1,370	8,956	2,795	7,000	7,000	7,000	0
Rubbish Collection Fees	1,760,348	1,714,805	1,210,491	1,780,000	1,780,000	1,850,000	70,000
Zoning/Subdivision Fees	74,908	130,104	61,173	60,000	65,000	60,000	(5,000)
Recreation Fees	40,226	51,305	31,522	50,000	50,000	55,000	5,000
Program Costs- Reimbursed	32,391	29,098	20,240	43,900	43,900	42,080	(1,820)
Service Center Fees	5,525	7,187	5,111	7,000	7,000	7,000	0
Bus Transportatoin Fees	18	657	792	750	1,000	1,000	0
Plan Checking Fees	2,015	2,519	519	40,000	40,000	40,000	0
Sale of Printed Materials	1,076	1,373	1,110	1,200	1,350	1,350	0

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	<u>00-01 Audited</u>	<u>01-02 Audited</u>	<u>02-03 Actual Thru 3/31/03</u>	<u>02-03 Adopted</u>	<u>02-03 Revised</u>	<u>03-04 Estimate</u>	<u>Increase (Decrease)</u>
Charges for Services (cont'd)							
Notary Fees	95	46	145	100	175	175	0
Fingerprints	7,740	13,767	15,417	20,000	20,000	35,000	15,000
Total Charges for Services	2,236,104	2,294,394	1,571,138	2,329,950	2,365,425	2,448,605	83,180
Miscellaneous Revenue							
Interest Income	493,972	397,892	186,858	350,000	350,000	325,000	(25,000)
Interest - Loans to RDA	141,260	182,368	28,035	153,942	153,942	192,171	38,229
Library Rentals	56,656	56,656	42,492	56,000	56,000	56,000	0
Sale of City Property	8,573	9,284	10,850	10,000	20,000	10,000	(10,000)
Vending Machine Proceeds	2,196	3,094	1,986	4,000	4,000	4,000	0
Donations & Contributions	0	0	433	1,500	1,500	0	(1,500)
Insurance Recoveries	3,901	0	0	10,000	10,000	10,000	0
Reimbursed Expenditures	14,125	(11,821)	45,127	43,000	50,000	55,000	5,000
Other	10,741	93,420	59,364	80,000	80,000	90,000	10,000
Total Miscellaneous Revenue	731,424	730,893	375,145	708,442	725,442	742,171	16,729
<b>TOTAL GENERAL FUND</b>	<b>20,665,814</b>	<b>20,703,048</b>	<b>13,505,404</b>	<b>21,533,676</b>	<b>21,747,501</b>	<b>22,111,351</b>	<b>363,850</b>
<b>GAS TAX FUND</b>							
Section 2105	192,660	212,767	143,669	210,000	210,000	210,000	0
Section 2106	126,120	132,858	90,632	129,000	129,000	129,000	0
Section 2107	254,318	279,744	192,365	270,000	270,000	270,000	0
Section 2107.5	6,000	6,000	6,000	6,000	6,000	6,000	0
Local Government Relief	220,556	84,724	37,996	0	85,000	85,000	0
Traffic Congestion Relief Program Funds	0	41,895	160,965	0	258,105	0	(258,105)
SCE/LED Rebate	0	67,005	0	0	0	0	0
Other	6,118	25,000	0	0	0	0	0
Interest Income	98,261	97,524	87,805	100,000	100,000	100,000	0
<b>TOTAL GAS FUND</b>	<b>904,033</b>	<b>947,517</b>	<b>719,432</b>	<b>715,000</b>	<b>1,058,105</b>	<b>800,000</b>	<b>(258,105)</b>
<b>MEASURE I FUND</b>							
Measure I Sales - Local	357,592	391,499	248,741	360,000	360,000	400,000	40,000
Interest Income	44,854	25,286	15,831	50,000	50,000	50,000	0

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	<u>00-01 Audited</u>	<u>01-02 Audited</u>	<u>02-03 Actual Thru 3/31/03</u>	<u>02-03 Adopted</u>	<u>02-03 Revised</u>	<u>03-04 Estimate</u>	<u>Increase (Decrease)</u>
<b>TOTAL MEASURE I FUND</b>	<b>402,446</b>	<b>416,785</b>	<b>264,572</b>	<b>410,000</b>	<b>410,000</b>	<b>450,000</b>	<b>40,000</b>
<b>TRAFFIC SAFETY FUND</b>							
C.V.C. Parking Citations	73,303	73,897	54,924	70,000	76,000	76,000	0
Other C.V.C. Fines	197,768	254,417	127,885	190,000	225,000	255,000	30,000
<b>TOTAL TRAFFIC SAFETY FUND</b>	<b>271,071</b>	<b>328,314</b>	<b>182,809</b>	<b>260,000</b>	<b>301,000</b>	<b>331,000</b>	<b>30,000</b>
<b>PARK DEVELOPMENT FUND</b>							
"Quimby Act" Fees	0	0	0	15,000	15,000	17,000	2,000
Govt. Grants - Per Capita Grant	0	0	61,718	0	263,500	0	(263,500)
Govt. Grants - Z'berg-Harris Grant	0	0	0	0	90,115	0	(90,115)
Rental Income	9,210	9,000	5,250	10,200	9,000	9,000	0
Cellular Antenna Site Rental	17,368	16,711	12,992	16,100	17,380	17,500	120
Interest Income	7,750	2,809	808	6,000	3,000	3,000	0
<b>TOTAL PARK DEVELOPMENT FUND</b>	<b>34,328</b>	<b>28,520</b>	<b>80,768</b>	<b>47,300</b>	<b>397,995</b>	<b>46,500</b>	<b>(351,495)</b>
<b>C.D.B.G. FUND</b>							
Grant Revenue	187,302	324,015	93,947	250,541	250,541	1,110,000	859,459
<b>TOTAL C.D.B.G. FUND</b>	<b>187,302</b>	<b>324,015</b>	<b>93,947</b>	<b>250,541</b>	<b>250,541</b>	<b>1,110,000</b>	<b>859,459</b>
<b>AIR QUALITY IMPROVEMENT FUND</b>							
Vehicle Registration Fees	34,359	38,630	29,385	34,000	38,000	38,000	0
Interest Income	3,344	2,503	1,670	3,000	3,000	3,000	0
<b>TOTAL AIR QUALITY IMPROVEMENT FUND</b>	<b>37,703</b>	<b>41,133</b>	<b>31,055</b>	<b>37,000</b>	<b>41,000</b>	<b>41,000</b>	<b>0</b>
<b>OLDER AMERICANS ACT FUND</b>							
Nutritional Meals IIIC1	27,428	28,186	5,261	31,573	32,052	32,052	0
Nutritional Meals USDA	7,573	8,274	4,978	9,502	8,083	8,083	0
Contributions/Donations	22,021	26,226	20,369	30,466	30,106	31,437	1,331
Govt. Grants- L-T Care Innovative Grant	0	20,693	0	0	0	0	0

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	<u>00-01 Audited</u>	<u>01-02 Audited</u>	<u>02-03 Actual Thru 3/31/03</u>	<u>02-03 Adopted</u>	<u>02-03 Revised</u>	<u>03-04 Estimate</u>	<u>Increase (Decrease)</u>
CDBG Revenue	5,000	0	0	0	0	0	0
Council On Aging	<u>2,092</u>	<u>3,500</u>	<u>2,917</u>	<u>3,500</u>	<u>3,500</u>	<u>3,500</u>	<u>0</u>
<b>TOTAL OLDER AMERICANS ACT FUND</b>	<b>64,114</b>	<b>86,879</b>	<b>33,525</b>	<b>75,041</b>	<b>73,741</b>	<b>75,072</b>	<b>1,331</b>
<b>ASSET FORFEITURE FUND - STATE</b>							
Forfeited Money/Property	17,831	556	0	0	0	0	0
Interest Income	<u>3,805</u>	<u>(2,132)</u>	<u>237</u>	<u>5,000</u>	<u>3,500</u>	<u>500</u>	<u>(3,000)</u>
<b>TOTAL ASSET FORFEITURE FUND - STATE</b>	<b>21,636</b>	<b>(1,576)</b>	<b>237</b>	<b>5,000</b>	<b>3,500</b>	<b>500</b>	<b>(3,000)</b>
<b>OCJP GRANT FUND</b>							
CLETEP Grant	130,828	24,871	61,101	61,101	61,101	0	(61,101)
Grants - COPS in School	<u>0</u>	<u>0</u>	<u>0</u>	<u>49,866</u>	<u>49,866</u>	<u>0</u>	<u>(49,866)</u>
<b>TOTAL OCJP GRANT FUND</b>	<b>130,828</b>	<b>24,871</b>	<b>61,101</b>	<b>110,967</b>	<b>110,967</b>	<b>0</b>	<b>(110,967)</b>
<b>PUBLIC SAFETY FUND</b>							
Proposition 172 Sales Tax	184,678	180,185	97,316	180,000	180,000	195,000	15,000
Interest Income	<u>2,879</u>	<u>2,398</u>	<u>749</u>	<u>5,000</u>	<u>2,500</u>	<u>3,000</u>	<u>500</u>
<b>TOTAL PUBLIC SAFETY FUND</b>	<b>187,557</b>	<b>182,583</b>	<b>98,065</b>	<b>185,000</b>	<b>182,500</b>	<b>198,000</b>	<b>15,500</b>
<b>FEDERAL ASSET FORFEITURE FUND - DOJ</b>							
Forfeited Money/Property	4,461	6,686	58	0	0	0	0
Interest Income	<u>539</u>	<u>230</u>	<u>113</u>	<u>600</u>	<u>600</u>	<u>200</u>	<u>(400)</u>
<b>TOTAL FEDERAL ASSET FORFEITURE FUND - DOJ</b>	<b>5,000</b>	<b>6,916</b>	<b>171</b>	<b>600</b>	<b>600</b>	<b>200</b>	<b>(400)</b>
<b>SECTION 11489 SUBFUND</b>							
Forfeited Money/Property	2,871	0	0	0	0	0	0
Interest Income	<u>875</u>	<u>491</u>	<u>251</u>	<u>500</u>	<u>500</u>	<u>400</u>	<u>(100)</u>
<b>TOTAL SECTION 11489 SUBFUND</b>	<b>3,746</b>	<b>491</b>	<b>251</b>	<b>500</b>	<b>500</b>	<b>400</b>	<b>(100)</b>

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<b>FEDERAL ASSET FORFEITURE FUND - TREASURY</b>							
Forfeited Money/Property	0	0	0	0	0	0	0
Interest Income	<u>222</u>	<u>119</u>	<u>47</u>	<u>200</u>	<u>200</u>	<u>100</u>	<u>(100)</u>
<b>TOTAL FEDERAL ASSET FORFEITURE FUND - TREASURY</b>	<b>222</b>	<b>119</b>	<b>47</b>	<b>200</b>	<b>200</b>	<b>100</b>	<b>(100)</b>
<b>SCHOOL DISTRICT GRANT FUND</b>							
Interest Income	246	0	0	0	0	0	0
Chaffey HSD Reimb.-Safe Schools	0	0	0	72,310	64,000	64,000	0
DARE Grant Revenue	<u>34,000</u>	<u>34,000</u>	<u>0</u>	<u>34,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL SCHOOL DISTRICT GRANT FUND</b>	<b>34,246</b>	<b>34,000</b>	<b>0</b>	<b>106,310</b>	<b>64,000</b>	<b>64,000</b>	<b>0</b>
<b>STATE SUPPLEMENTAL LAW ENFORCEMENT FUND</b>							
AB 3229 Revenue	96,012	60,926	200,008	200,008	200,008	64,000	(136,008)
Interest Income	<u>5,911</u>	<u>4,203</u>	<u>1,553</u>	<u>5,000</u>	<u>2,000</u>	<u>1,500</u>	<u>(500)</u>
<b>TOTAL STATE SUPPLEMENTAL LAW ENFORCEMENT FUND</b>	<b>101,923</b>	<b>65,129</b>	<b>201,561</b>	<b>205,008</b>	<b>202,008</b>	<b>65,500</b>	<b>(136,508)</b>
<b>LOCAL LAW ENFORCEMENT BLOCK GRANT FUND</b>							
Law Enforcement Block Grant	53,178	57,897	0	53,219	53,219	5,700	(47,519)
Interest Income	<u>3,298</u>	<u>2,269</u>	<u>385</u>	<u>2,500</u>	<u>2,500</u>	<u>200</u>	<u>(2,300)</u>
<b>TOTAL LOCAL LAW ENFORCEMENT BLOCK GRANT FUND</b>	<b>56,476</b>	<b>60,166</b>	<b>385</b>	<b>55,719</b>	<b>55,719</b>	<b>5,900</b>	<b>(49,819)</b>
<b>P.C. 1202.5 CRIME PREVENTION FUND</b>							
P.C. 1202.5 Fines	464	87	103	500	500	200	(300)

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Interest Income	258	145	76	250	250	100	(150)
<b>TOTAL CRIME PREVENTION FUND</b>	<b>722</b>	<b>232</b>	<b>179</b>	<b>750</b>	<b>0 750</b>	<b>300</b>	<b>(450)</b>
<b>USED OIL RECYCLING BLOCK GRANT FUND</b>							
Reimbursed Expenditures	2,532	0	0	0	0	0	0
Used Oil Block Grant	9,262	9,096	13,938	10,618	10,618	10,435	(183)
Interest Earnings	0	50	78	0	100	100	0
<b>TOTAL USED OIL RECYCLING BLOCK GRANT FUND</b>	<b>11,794</b>	<b>9,146</b>	<b>14,016</b>	<b>10,618</b>	<b>10,718</b>	<b>10,535</b>	<b>(183)</b>
<b>HUMAN SERVICES GRANT FUND</b>							
Contributions Other-Gov't	474,593	353,674	208,249	485,468	485,468	413,413	(72,055)
Children & Families Commission	66,567	138,137	34,017	212,432	212,432	0	(212,432)
Govt. Grants-Even Start Family Literacy	0	0	234,475	0	302,300	244,170	(58,130)
Contribution/Donations	15,522	663	0	15,576	15,576	0	(15,576)
Grants- Other	69,426	94,662	0	2,000	2,000	11,000	9,000
Interest Income	9,213	4,838	1,528	10,000	3,000	3,000	0
<b>TOTAL HUMAN SERVICES GRANT FUND</b>	<b>635,321</b>	<b>591,974</b>	<b>478,269</b>	<b>725,476</b>	<b>1,020,776</b>	<b>671,583</b>	<b>(349,193)</b>
<b>CALIFORNIA NUTRITION NETWORK GRANT FUND</b>							
Grant Revenue	29,313	13,694	33,182	59,650	59,650	59,937	287
<b>TOTAL CALIFORNIA NUTRITION NETWORK GRANT FUND</b>	<b>29,313</b>	<b>13,694</b>	<b>33,182</b>	<b>59,650</b>	<b>59,650</b>	<b>59,937</b>	<b>287</b>
<b>HUMAN SERVICES SPECIAL REVENUE FUND</b>							
Children & Families Commission	0	0	15,592	0	15,592	0	(15,592)
Grants-Other	0	11,226	8,285	47,067	47,067	6,700	(40,367)
<b>TOTAL HUMAN SERVICES SPECIAL REVENUE FUND</b>	<b>0</b>	<b>11,226</b>	<b>23,877</b>	<b>47,067</b>	<b>62,659</b>	<b>6,700</b>	<b>(55,959)</b>
<b>OFFICE OF TRAFFIC SAFETY GRANT FUND</b>							

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Grant Revenue	895	0	0	0	0	0	0
<b>TOTAL OFFICE OF TRAFFIC SAFETY GRANT FUND</b>	<b>895</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>E.M.S. - PARAMEDIC FUND</b>							
Subscription Fees	120	21,393	14,163	24,000	24,000	26,250	2,250
First Responder Services	8,033	112,265	59,322	131,000	131,000	131,000	0
Contributions/Donations	0	226	0	0	0	0	0
Training Reimbursement	6,265	20,981	2,275	15,000	15,000	15,000	0
Interest Income	61	560	767	500	1,000	1,000	0
<b>TOTAL E.M.S. - PARAMEDIC FUND</b>	<b>14,479</b>	<b>155,425</b>	<b>76,527</b>	<b>170,500</b>	<b>171,000</b>	<b>173,250</b>	<b>2,250</b>
<b>RAMONA AVE. GRADE SEPARATION</b>							
Contribution-Other Governments(RDA)	0	0	500,000	0	500,000	0	(500,000)
TEA 21/CMAQ	0	0	0	0	0	0	0
<b>TOTAL RAMONA GRADE SEPARATION</b>	<b>0</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>(500,000)</b>
<b>MONTE VISTA AVE. GRADE SEPARATION</b>							
PUC Grade Separation Funds	0	0	0	0	0	5,000,000	5,000,000
Govt. Grants - Traffic Congestion Relief	0	0	0	4,290,000	4,290,000	12,260,000	7,970,000
<b>TOTAL MONTE VISTA GRADE SEPARATION</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,290,000</b>	<b>4,290,000</b>	<b>17,260,000</b>	<b>12,970,000</b>
<b>SEWER MAINTENANCE FUND</b>							
Sewer Maintenance Fees	1,483,980	1,481,526	1,060,848	1,500,000	1,500,000	1,500,000	0
Sewer Availability Fees	6,644	9,981	3,334	8,000	6,000	6,000	0
Interest Income	95,756	100,255	74,696	95,000	95,000	95,000	0
Interest - Sewer Development Fees	78,985	50,856	3,106	75,000	75,000	60,000	(15,000)
Reimbursed Expenditures	0	214	0	0	0	0	0
Other	10	0	0	0	0	0	0
<b>TOTAL SEWER MAINT. FUND</b>	<b>1,665,375</b>	<b>1,642,832</b>	<b>1,141,984</b>	<b>1,678,000</b>	<b>1,676,000</b>	<b>1,661,000</b>	<b>(15,000)</b>

NOTE: 02-03 Adopted column reflects adjustments authorized up to March 31, 2003.

**CITY OF MONTCLAIR  
STATEMENT OF ACTUAL AND ESTIMATED REVENUES  
FOR FISCAL YEARS 2000-2001 THROUGH 2003-04**

	<u>00-01 Audited</u>	<u>01-02 Audited</u>	<u>02-03 Actual Thru 3/31/03</u>	<u>02-03 Adopted</u>	<u>02-03 Revised</u>	<u>03-04 Estimate</u>	<u>Increase (Decrease)</u>
<b>CAPITAL MAINTENANCE FUNDS</b>							
E.R.F. Sale of City of Property	0	0	0	0	0	0	0
E.R.F. Interest Income	74,951	74,560	33,606	90,000	90,000	75,000	(15,000)
Building Maintenance/Infrastructure TEA 21	0	150,000	323,888	0	1,115,000	0	(1,115,000)
Building Maintenance/Infrastructure L.T.F. Article 3	0	0	0	0	0	0	
Building Maintenance/Infrastructure Contribution-Other Governments	0	0	0	0	0	0	0
Building Maintenance/Infrastructure SLTPP Funds	0	0	0	0	0	0	
Building Maintenance/Infrastructure Govt. Grants - Sunset Pk Amphitheater	0	155,137	0	0	0	0	0
Building Maintenance/Infrastructure Reimbursed Expenditures	0	0	0	0	0	0	0
Building Maintenance/Infrastructure Fund Interest Income	15,586	3,335	0	10,000	10,000	5,000	(5,000)
<b>TOTAL CAPITAL MAINTENANCE FUNDS</b>	<b>90,537</b>	<b>383,032</b>	<b>357,494</b>	<b>100,000</b>	<b>1,215,000</b>	<b>80,000</b>	<b>(1,135,000)</b>
<b>REFUSE PROGRAM IMPOUND FUND</b>							
Govt. Grant - Beverage Container Recycling	0	0	9,653	9,653	9,653	9,544	(109)
Interest Income	47,969	29,334	35,668	40,000	40,000	40,000	0
Reimbursed Expenditures	3,323	0	0	0	0	0	0
Contributions/Donations	1,800	0	0	0	0	0	0
<b>TOTAL REFUSE PROGRAM IMPOUND FUND</b>	<b>53,092</b>	<b>29,334</b>	<b>45,321</b>	<b>49,653</b>	<b>49,653</b>	<b>49,544</b>	<b>(109)</b>
<b>YOUTH SPONSORSHIP FUND</b>							
Interest Income	(2,571)	(3,771)	0	2,500	2,500	2,000	(500)
Contributions/Donations	9,263	5,574	0	7,000	7,000	7,000	0
<b>TOTAL YOUTH SPONSORSHIP FUND</b>	<b>6,692</b>	<b>1,803</b>	<b>0</b>	<b>9,500</b>	<b>9,500</b>	<b>9,000</b>	<b>(500)</b>
<b>CITY FACILITIES IMPROVEMENT FUND</b>							

NOTE: 02-03 Adopted column reflects adjustments authorized up to March 31, 2003.

**CITY OF MONTCLAIR  
STATEMENT OF ACTUAL AND ESTIMATED REVENUES  
FOR FISCAL YEARS 2000-2001 THROUGH 2003-04**

	<u>00-01 Audited</u>	<u>01-02 Audited</u>	<u>02-03 Actual Thru 3/31/03</u>	<u>02-03 Adopted</u>	<u>02-03 Revised</u>	<u>03-04 Estimate</u>	<u>Increase (Decrease)</u>
Interest Income	0	24,500	14,310	0	20,000	20,000	0
<b>TOTAL CITY FACILITIES IMPROVEMENT</b>	<b>0</b>	<b>24,500</b>	<b>14,310</b>	<b>0</b>	<b>20,000</b>	<b>20,000</b>	<b>0</b>
 <b>TOTAL REVENUE - ALL FUNDS</b>	 <b><u>25,616,665</u></b>	 <b><u>26,112,108</u></b>	 <b><u>17,958,489</u></b>	 <b><u>31,139,076</u></b>	 <b><u>33,985,583</u></b>	 <b><u>45,301,372</u></b>	 <b><u>11,315,789</u></b>

## NOTES TO THE CITY'S STATEMENT OF ACTUAL AND ESTIMATED REVENUES

Adopted FY 2002-03 budget includes adjustments authorized by City Council on February 18, 2003. FY 2002-03 revised estimates were based upon data available at March 31, 2003.

### GENERAL FUND

#### Property Taxes - Secured

**Description** The secured property tax is imposed on real property and personal property which is secured by real property of the same owner. Pursuant to Article 13-A of the California Constitution, the tax is imposed at a rate of \$1 per \$100 of assessed value.

**Basis for** FY 2003-04 estimate is based a two percent increase over FY 2002-03 City's current projection and assumes State will not take additional AB 8 property taxes and AB 1221 does not get signed by the Governor in order to balance the State's own budget.

#### Property Taxes - Unsecured

**Description** The unsecured property tax is imposed on personal property which is not secured by the real property of the owner. Pursuant to Article 13-A of the California Constitution, the unsecured property tax rate is \$1 per \$100 of assessed value.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon City's share of \$1 unsecured property tax levy furnished by San Bernardino County.

#### Sales and Use Tax

**Description** In accordance with the California Revenue and Taxation Code and the Bradley-Burns Uniform Local Sales and Use Tax Law of 1955, the State of California imposes a 7.75% sales and use tax on taxable sales in the City. The City's General Fund receives 1% of the 7.75% levy, .75% is allocated to SANBAG for transportation purposes, .5% is allocated to cities and counties for public safety purposes, and the remaining 5.50% is retained by the State.

**Basis for Estimates** FY 2002-03 revised estimate includes actual sales tax receipts for the holiday quarter and reflects a 14% increase over the same period during FY 2001-02. During FY 2001-02 the City experienced a 6% overall decrease in sales tax revenue due to the tragedy of September 11, 2001 and a continue slow economy. FY 2003-04 estimate reflects a full year of Giant RV and a modest 1% increase due to an improvement in the economy.

#### Transient Occupancy Tax

**Description** Pursuant to Revenue and Taxation Code Section 7280, the transient occupancy tax is imposed on the privilege of occupying a room in a hotel, inn, motel or other lodging facility unless such occupancy is for a period of more than 30 days. The City's current tax rate is 10 percent of the rent charged for the room.

**Basis for Estimates** FY 2002-03 estimate and FY 2003-04 estimate are based upon City's actual collection experience over the last four quarters.

#### Property Transfer Tax

**Description** The property transfer tax is imposed on the transfer of real property. Section 11901 et seq. of the Revenue and Taxation Code authorizes a tax of \$.55 per \$500 of the sales value, exclusive of any lien or encumbrance remaining at the time of sale. Taxes generated by the sale of real property in Montclair are shared equally with San Bernardino County.

**Basis for Estimates** Balance as of March 31, 2003 reflects seven monthly allocations only. FY 2003-04 estimate is based upon collection experience over the last four quarters.

#### Franchise Fees

**Description** Franchise fees are imposed on privately-owned utility companies and other businesses for the privilege of using city streets. Currently, the City collects franchise fees from Southern California Edison, Southern California Gas, Southern California Water Company, Adelphia, and Burrtec Waste Industries, Inc.

**Basis for Estimates** FY 2002-03 revised estimate is primarily due to a decrease in franchise fees from Southern California Gas Company and lower than expected franchise fees from Southern California Edison. FY 2003-04 estimate is based on Calendar Year 2002 actuals from Southern California Gas, Southern California

Edison, and an estimated four percent increase over Calendar Year 2002 from Burrtec Waste Industries.

**Business License Tax**

**Description** The business license tax is imposed on businesses for the privilege of conducting business within the City and is regulated by Section 37101 of the Government Code and Section 16000 et seq. of the Business and Professions Code.

**Basis for Estimates** City has received \$454,950 in business license taxes as of March 31, 2003. FY 2003-04 estimate is based on current budget projection, an improved economy, and compliance monitoring.

**Utility Users Tax**

**Description** Montclair imposes a 3.89% tax on the consumers of electric, gas, water and telephone services. Very low income and low income households are exempt from the tax.

**Basis for Estimates** The FY 2003-04 estimate reflects a one percent increase over FY 2002-03 primarily due to decreased Southern California Gas rates offset by an increase in cellular phone usage.

**Building Permits**

**Basis for Estimates** Building permit fees are authorized by Article XI, Section 7, of the California Constitution and Sections 17951, 19130 and 19132.3 of the Health and Safety Code. The amount of fees charged shall not exceed the reasonable costs borne by the City in issuing the permits and conducting the related enforcement program.

**Basis for Estimates** FY 2002-03 estimate and FY 2003-04 estimate are based upon current budget projections provided by the Building Official.

**Construction Permits**

**Description** Construction Permits are issued to defray inspection costs related to work done on City property, including streets, curbs/gutters and sidewalks.

**Basis for Estimates** FY 2002-03 estimate is based upon recent collection experience. FY 2003-04 estimate is based upon prior history.

**Motor Vehicle In-Lieu Tax**

**Description** The vehicle license fee (VLF) is an annual fee on the ownership of a registered vehicle computed at 2% of the vehicle's depreciated value. As part of the California's 1998 budget agreement, the VLF was originally reduced by 25%, with the potential for future reductions or offsets, up to 67.5% depending on growth in the state's General Fund. Under the state's backfill plan, cities and counties were to continue receiving the same revenues as under prior law, with the reduced VLF offset replaced by the state's General Fund. This replacement component is known as the "VLF backfill." For renewals starting in calendar year 2001, vehicle owners received the maximum 67.5% reduction in vehicle license fees.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon recent collection experience.

**Property Tax Loss Relief**

**Description** The first \$7,000 of an owner occupied home is exempt from the property tax. The property tax loss relief subvention reimburses cities for the resulting loss in property tax revenues.

**Basis for Estimates** FY 2002-03 estimate was obtained from the San Bernardino County Auditor/Controller's Office. FY 2003-04 estimate assumes no change to current budget.

**Off-Highway License Fees**

**Description** In addition to other fees, a \$4 fee is collected for the registration of motor vehicles used exclusively for off-highway purposes in lieu of local taxes. Revenues are divided equally among cities and counties and then apportioned to each city on the basis of population.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon recent collection experience.

**P.O.S.T. Reimbursements**

**Description** The Commission on Peace Officer Standards and Training reimburses cities for a portion of expenditures incurred by police officers while attending POST approved training courses.

**Basis for Estimates** FY 2002-03 estimate and FY 2003-04 projection is based upon recent collection experience.

**S.B. 90 Reimbursements**

**Description** Legislation passed in 1972 provides that the State will reimburse cities for mandated costs. The requirement was made part of the Constitution in

1979 after approval of Proposition 4. Prior to FY 2002-03, the City had received reimbursement for treasurer's reports, fire fighter clothing, domestic violence and missing person reports and for the costs incurred in claiming the SB 90 reimbursements.

**Basis for Estimates** During FY 2002-03 mandated reimbursement were deferred with interest to future fiscal years. It is assumed the deferral will continue in FY 2003-04.

#### **Court Fines**

**Description** Includes court imposed fines and forfeitures of bail for misdemeanor crimes, exclusive of traffic violations, distributed in accordance with Penal Code Section 1463.001. Effective with FY 1991-92, AB 1297 reallocated 50 percent of fines and forfeiture revenues to the State General Fund.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon actual revenues received in prior years.

#### **Parking Citations**

**Description** Includes fine revenue received pursuant to the Montclair Municipal Code parking bail schedule. The parking bail schedule was last revised August 13, 1993.

**Basis for Estimates** FY 2003-04 estimate is based upon actual collection experience for twelve months ending March 31, 2003.

#### **Special Police Services**

**Description** Includes reimbursement of salaries and benefits of police officers assigned to public gatherings and athletic functions which by City ordinance are required to provide police protection. Also includes reimbursements for the two police officers assigned to the mall.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon actual collection experience.

#### **Fire District Contract**

**Description** Pursuant to Contract No. 82-733, the City provides fire protection services to property owners within the Monte Vista Fire Protection District in return for the property tax revenues generated by the district.

**Basis for Estimates** FY 2002-03 estimate is based upon actual property tax revenues apportioned to the City during FY 2001-02. FY 2003-04 estimate is based upon FY 2002-03 actual collection experience.

#### **Fire Department Service Fees**

**Description** Resolution No. 96-2102 provides for the reimbursement of costs incurred by the Fire Department in providing services to the public, including plan reviews and inspections, incident reports and nuisance abatements.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon actual collection experience.

#### **Engineering Fees**

**Description** Includes reimbursement of costs incurred in issuing plans and specifications to contractors bidding on public works contracts. Also includes fees imposed for vacation of public easements.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon prior actual collection experience.

#### **Rubbish Collection Fees**

**Description** Includes charges billed to residents for rubbish collection pursuant to Section 6-8.05 of the Montclair Municipal Code. Montclair contracts with Monte Vista Disposal, Inc/Burrtec Waste Industries to provide rubbish collection services.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based on actual collection experience. The current monthly rate is \$17.20. The current senior citizen discount rate is \$13.76. The senior citizen discounts were authorized by City Council, June 21, 1993 and were increased to 20% on January 18, 2000.

#### **Zoning/Subdivision Fees**

**Description** Titles 8 and 9 of the Montclair Municipal Code include authorization for planning and planning-related application fees. The current fee schedule, including charges for tract and parcel maps, conditional use and home occupational permits, was adopted by Resolution No. 95-2085 in November 1995.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates were obtained from the City Planning Division.

#### **Recreation Fees**

**Description** The Human Services Division offers many recreational activities including racquetball, youth basketball leagues, mini-school, and arts and crafts

programs. User charges for the programs are intentionally set below cost to reach as many people as possible.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon City's actual collection experience.

**Program Costs-Reimbursed**

**Description** The Human Services Division offers many recreational activities including trips to baseball games, amusement parks, educational facilities on a reimbursement basis. User charges for the programs entirely offset the costs.

**Basis for Estimates** FY 2003-04 estimate is based upon City's anticipated participation charged to account 1001-400-4781-005287.

**Service Center Fees**

**Description** Includes medical clinic services provided by the Human Services Division. Fee schedules are set below cost in order to provide services to as many people as possible.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon City's collection experience.

**Plan Checking Fees**

**Description** Includes revenue from plan or map checking fees which are not a part of the building permit fee process.

**Basis for Estimates** FY 2003-04 estimate is based upon plan or map checking services charged to account 1001-400-4641-005227.

**Interest Income**

**Description** Includes earnings on governmental securities charged directly to the General Fund and prorated interest income on pooled cash on deposit with the Local Agency Investment Fund and in certificates of deposit

**Basis for Estimates** FY 2002-03 estimate is based upon actual experience through March 31, 2003. FY 2003-04 is based on an assumed average interest rate of 3.6% on governmental securities and pooled cash and is calculated on the average cash balances held by the City during the fiscal year. An accounting change pursuant to GASB #31 will not modify this estimate. Gains and losses will be made to a separate account with a corresponding offset to the balance sheet. Additionally, for budgeting purposes a neutral interest rate environment is assumed.

**Interest - Loans to RDA**

**Description** The City loans funds to the redevelopment agency to finance both operating and capital project expenditures. The interest rate on the loans is 12 percent which is the maximum rate permitted by law. Loans are repaid when property tax increment becomes available in the redevelopment agency project areas.

**Basis for Estimates** FY 2002-03 estimate is based upon calculation of interest on all loan balances outstanding as of January 2003. FY 2003-04 is based upon loan repayment estimates and current outstanding balances.

**Library Rentals**

**Description** San Bernardino County leases the library building from the City in accordance with SB Co. Agmt. No. 87-890. The contract provides for a lease term of 10 years ending in October 1997 and is now a month to month rental.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon the current San Bernardino County Agreement.

**Other Miscellaneous Income**

**Description** Includes other revenues which do not merit detailed accounting.

**Basis for Estimates** FY 2003-04 estimate is based on actual collection experience over the last several years.

## GAS TAX FUND

### Gas Tax - Section 2105

**Description** Pursuant to Section 2105 of the Streets and Highways Code, cities are apportioned an amount equal to the net revenues derived from 11.5 percent of highways users taxes in excess of 9 cents per gallon in the proportion that the total population of the city bears to the total population of all cities in the state. The taxes must be used for street purposes.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates were obtained from the State Controller's Office.

### Gas Tax - Section 2106

**Description** Under Section 2106 of the Streets and Highways Code, cities and counties are allocated \$0.0104 per gallon of gasoline taxes. The cities' share is allocated on a per capita basis. In addition, cities receive monthly a fixed apportionment of \$400. Taxes received pursuant to Section 2106 are restricted to street purpose expenditures.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates were obtained from the State Controller's Office.

### Gas Tax - Section 2107

**Description** Pursuant to Section 2107 of the Streets and Highways Code, \$.01315 per gallon of the gasoline tax and \$.0259 per gallon of the diesel use fuel tax are allocated to cities on a per capita basis. The taxes are restricted to street purpose expenditures.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates were obtained from the State Controller's Office.

### Gas Tax - Section 2107.5

**Description** Cities with a population of 25,000 to 49,999 inhabitants are apportioned \$6,000 annually from the Highway Users Tax Fund to pay for engineering costs and administrative expenses in respect to city streets.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon amounts authorized by Section 2107.5 of the Streets and Highways Code.

## MEASURE I FUND

### Measure I - Local Allocation

**Description** The local distribution of Measure I revenue is allocated to the cities within the Valley region on a per capita basis. Revenues in this category must be expended on streets and roads pursuant to a twenty-year Transportation Plan and a five-year Capital Improvement Program adopted by resolution of the local jurisdiction.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon actual collection experience.

## TRAFFIC SAFETY FUND

### CVC Parking Citations

**Description** Includes parking fines and forfeitures collected pursuant to various sections of the California Vehicle Code. C.V.C. parking fines must be deposited in a separate fund and must be used for specific traffic safety expenditures.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates reflect a State regulation which prohibits issuance of tickets for expired registration on parked vehicles and is based on actual collection experience.

### Other C.V.C. Fines

**Description** Includes fines and forfeitures, exclusive of parking citations, from arrests pursuant to the California Vehicle Code and distributed in accordance with Penal Code Section 1463. Effective with FY 1991-92, AB 1297 reallocated 50 percent of these revenues to the State General Fund.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon current collection experience.

## PARK DEVELOPMENT FUND

### Quimby Act Fees

**Description** The Quimby Act allows cities to require from residential developers the dedication of land or in-lieu fees for neighborhood park or recreational facilities. Ordinance No. 95-2075 sets forth City's land dedication and in-lieu fee requirements pursuant to the Quimby Act.

**Basis for Estimates** FY 2003-04 estimate was obtained from the City Planning Division.

### Rental Income

**Description** Includes rental payments on residence at 11244 Vernon Avenue purchased by the City in 1991.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon a month to month rental agreement with property tenant.

### Cellular Ant. Site Rental

**Description** Includes rental payments received for a cellular antenna with appurtenant equipment in Mac Arthur Park.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon a rental agreement with Sprint Communications.

## C.D.B.G. FUND

### Grant Revenues

**Description** Community Development Block Grants are allocated to cities by the Department of Housing and Urban Development. The funds are generally restricted to expenditure for housing, public safety and economic development within low-income target areas.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon projected expenditures during the respective fiscal years. The CDBG Fund is operated on a cost reimbursement basis. FY 2003-04 estimate includes \$677,000 allocated for Foundation Area 11 and \$201,000 for Essex Park.

## AIR QUALITY IMPROVEMENT TRUST FUND

### AB 2766 Vehicle Registration Fees

**Description** Health and Safety Code Section 44225 authorizes an air quality control district to impose a \$4 vehicle registration fee to finance programs designed to reduce air pollution from motor vehicles. Cities are allocated 40 percent of the revenues less administrative costs based upon population.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon the City's current collection experience.

## STATE ASSET FORFEITURE FUND

### Forfeited Money/Property

**Description** State laws provide for the confiscation or seizure of cash and property obtained by individuals trafficking in illegal drugs. Asset forfeiture revenues are generally restricted to expenditures for the investigation, detection and prosecution of criminal activities.

**Basis for Estimates** FY 2002-03 estimate is based upon information obtained from the Police Department. FY 2003-04 estimate is zero because the City has not received notice of significant asset forfeiture revenues allocable to the City.

## O.C.J.P. FUND

### DARE Grant Revenue

**Description** In FY 1991-92 the Office of Criminal Justice Planning (OCJP) first allocated funds to the City for participation in the Drug Abuse Resistance Education (D.A.R.E.) grant program with the Ontario-Montclair School District. The moneys are earmarked to pay the salary and benefits of the police officer assigned to the D.A.R.E. program.

**Basis for Estimate** No moneys have been allocated to the City for FY 2002-03 and FY 2003-04.

## **PUBLIC SAFETY FUND**

### **Proposition 172 Sales Tax**

**Description** Passage of Proposition 172 made permanent a one-half cent sales tax levied for the purpose of funding local public safety. In San Bernardino County, cities are allocated five percent of the revenues collected. Distribution to cities is based upon an individual city's payment to the Educational Revenue Augmentation Fund in FY 1993-94 as a percentage of total payments by cities to the ERAF.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimates are based upon actual collection experience.

## **EMS – PARAMEDIC FUND**

### **Subscription Fees**

**Description** Residential and Business subscription fees were established by Resolution No. 01-2328 in April 2001. For an annual subscription fee, the subscribing party and immediate family members or employees will receive unlimited Basic Life support services (BLS) and Advanced Life Support (ALS) services from the Montclair Fire Department. The residential subscription rate is \$24 per year. The business subscription rates are \$50 per year for a business with 15 employees or less and \$100 per year for a business with 16 employees or more.

**Basis for Estimates** FY 2003-04 estimate is based upon an estimate of 1000 subscribers at the current rate of \$24 per household. The estimate also includes 33 businesses with 15 employees or less at \$50 per year and 6 businesses with 16 employees or more at \$100 per year.

### **First Responder Fees**

**Description** First responder fees were established by Resolution No. 01-2328 in April 2001. Emergency medical service first responder fees cover Basic Life support services (BLS) and Advanced Life Support (ALS) services. Resolution No. 01-2328 provides for BLS services to residence at no cost.

**Basis for Estimates** FY 2003-04 estimate is based on the projections from Wittman Enterprises, LLC for emergency medical billing services.

## **SEWER MAINTENANCE FUND**

### **Sewer Maintenance Fees**

**Description** The sewer maintenance fee is established by ordinance and is set at a rate sufficient to cover operating expenses necessary to maintain the City's sewer system and to provide for an emergency reserve. The current rate of \$9.54 was established by Ordinance No. 92-718 effective January 1, 1993.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimate are based upon current collection experience.

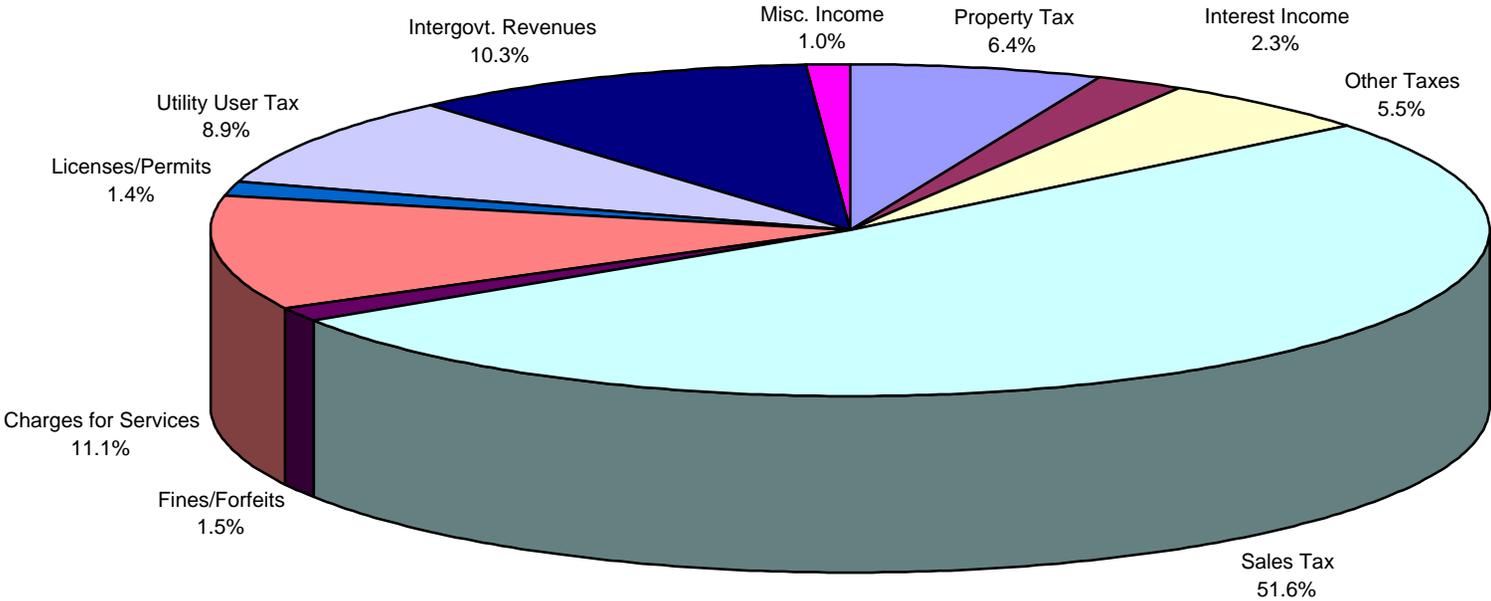
### **Sewer Availability Fees**

**Description** Properties which have access but are not connected to the City's sewer system are charged a monthly availability fee. The current fee is \$2.35.

**Basis for Estimates** FY 2002-03 and FY 2003-04 estimate are based on amount submitted to San Bernardino County for inclusion on the property tax roll.

**CITY OF MONTCLAIR  
2003-04 General Fund Revenues  
By Source**

**Total Budget - \$22,111,351**



**CITY OF MONTCLAIR  
CAPITAL IMPROVEMENT BUDGET  
FISCAL YEAR 2003-04**

		<b>FUNDING SOURCE</b>					<b>TOTAL APPROPRIATION</b>
<b>Project #</b>	<b>Description</b>	<b>Gas Tax</b>	<b>Measure I</b>	<b>Park Development</b>	<b>CDBG</b>	<b>Other Funds</b>	<b>All Funds</b>
<b><u>Street Improvements</u></b>							
1-97-10	Infrastructure and Street Improvements	-	-	-	797,000	-	797,000
1-98-1	Orchard/Kingsley Rehabilitation	260,000	-	-	-	-	260,000
1-02-2	Mission Blvd. Road Improvements	470,000	350,000	-	-	-	820,000
1-02-3	Kingsley Street Pavement Rehabilitation	404,000	196,000	-	-	-	600,000
1-03-3	Mills Avenue Rehabilitation	300,000	-	-	-	-	300,000
1-03-7	Monte Vista Avenue/ UPRR	-	-	-	-	17,260,000	17,260,000
1-04-1	Amherst Alley Improvements	-	-	-	75,000	-	75,000
<b>Total Street Improvements</b>		<b>1,434,000</b>	<b>546,000</b>	<b>0</b>	<b>872,000</b>	<b>17,260,000</b>	<b>20,112,000</b>
<b><u>Traffic Signal Improvements</u></b>							
2-98-1	Traffic Signal Upgrades	350,000	-	-	-	-	350,000
<b>Total Traffic Signal Improvements</b>		<b>350,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>350,000</b>
<b><u>Park System Improvements</u></b>							
5-04-1	Essex Park Improvements	-	-	-	201,000	-	201,000
<b>Total Park System Improvements</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>201,000</b>	<b>0</b>	<b>201,000</b>
<b>TOTAL CAPITAL IMPROVEMENTS BUDGET</b>		<b>1,784,000</b>	<b>546,000</b>	<b>0</b>	<b>1,073,000</b>	<b>17,260,000</b>	<b>20,663,000</b>

**CITY OF MONTCLAIR  
CAPITAL IMPROVEMENT BUDGET  
FISCAL YEAR 2003-04**

<b>PROJECT #</b>	<b>PROJECT TITLE</b>	<b>PROJECT DESCRIPTIONS</b>
1-97-10	Infrastructure and Street Improvements	This project provides for alley gating and landscaping improvements for Foundation Area 11 bounded by Mills Ave., San Jose St., Ramona Ave. and the I-10 Freeway.
1-98-1	Orchard/Kingsley Rehabilitation	This project will provide pavement rehabilitation for Orchard and Kingsley Streets from Mills Avenue to San Antonio Channel.
1-02-2	Mission Blvd. Road Improvements	This project will provide pavement rehabilitation, median improvements, parkway improvements, and signal modifications to Mission Boulevard from the County line to Benson Avenue. This is a continuation of Project 1-01-1.
1-02-3	Kingsley Street Pavement Rehabilitation	This project will provide pavement rehabilitation for Kingsley Street from the San Antonio Channel to Benson Avenue. The work will range from 1" A.C. overlay to full reconstruction in some areas.
1-03-3	Mills Avenue Rehabilitation	This project will provide pavement rehabilitation for the west side (southbound lanes) of Mills Avenue between Kingsley and Benito Streets.
1-03-7	Monte Vista Avenue/ UPRR	This multi-phase project will construct a grade separation between the Union Pacific Railroad tracks and Monte Vista Avenue. Phase 1 will provide a Project Report identifying the preferred alternative and environmental clearance. Phase 2 will provide design and construction drawings. Phase 3 will provide right-of-way appraisals and acquisition. Phase 4 will provide construction and construction management.
2-98-1	Traffic Signal Upgrades	This project will include new conduit, new wiring, cabinets, and controllers at the following locations: Holt Boulevard & Ramona Avenue, Monte Vista Avenue & San Bernardino Street, Mills Avenue & Kingsley Street, Benson Avenue & Moreno Street, Moreno Avenue & Fremont Street, and Arrow Highway & Fremont Street.
1-04-1	Amherst Alley Improvements	This project is part of the San Antonio Gateway project. This project will provide alley improvements for Amherst Avenue.

**CITY OF MONTCLAIR  
CAPITAL IMPROVEMENT BUDGET  
FISCAL YEAR 2003-04**

<b>PROJECT #</b>	<b>PROJECT TITLE</b>	<b>PROJECT DESCRIPTIONS</b>
5-04-1	Essex Park Improvements	This project is a part of a continuing project to improve Essex Park. This project will construct a permanent concession area with restrooms facilities.

**CITY OF MONTCLAIR**  
**OPERATING BUDGETS - TOTALS BY FUND**  
**FISCAL YEARS 2001-02 THROUGH 2003-04**

<b>FUND</b>	<b><u>FY 2001-02</u></b>	<b><u>FY 2002-03</u></b>	<b><u>FY 2003-04</u></b>
General Fund	19,939,760	21,026,679	22,520,142
Gas Tax	1,000	1,000	1,000
Park Development	7,500	8,000	8,000
C.D.B.G.	30,000	30,000	37,000
Air Quality Improvement Trust	46,394	119,744	69,760
Older American	115,564	75,041	78,975
OCJP Fund	0	0	41,711
"Prop 172" Public Safety	68,937	290,538	368,245
Federal Asset Forfeiture	17,000	1,000	1,000
Asset Forfeiture - Treasury	5,000	29,123	0
School District Grant	34,000	106,310	64,000
State Supplemental Law Enforcement	20,000	48,000	64,000
LLE Block Grant	0	0	5,700
Used Oil Recycling Grant	10,618	10,618	10,435
Human Services Grant	677,484	715,476	668,583
California Nutrition Network Grant	65,555	59,650	60,989
Human Services Special Revenue	10,300	47,067	6,700
EMS - Paramedic	84,860	110,713	215,152
Sewer Maintenance	1,789,254	1,819,799	1,916,677
Equipment Replacement	295,500	317,500	152,000
Refuse Impound	<u>44,500</u>	<u>68,806</u>	<u>59,044</u>
<b>TOTAL</b>	<b><u>23,263,226</u></b>	<b><u>24,885,064</u></b>	<b><u>26,349,113</u></b>

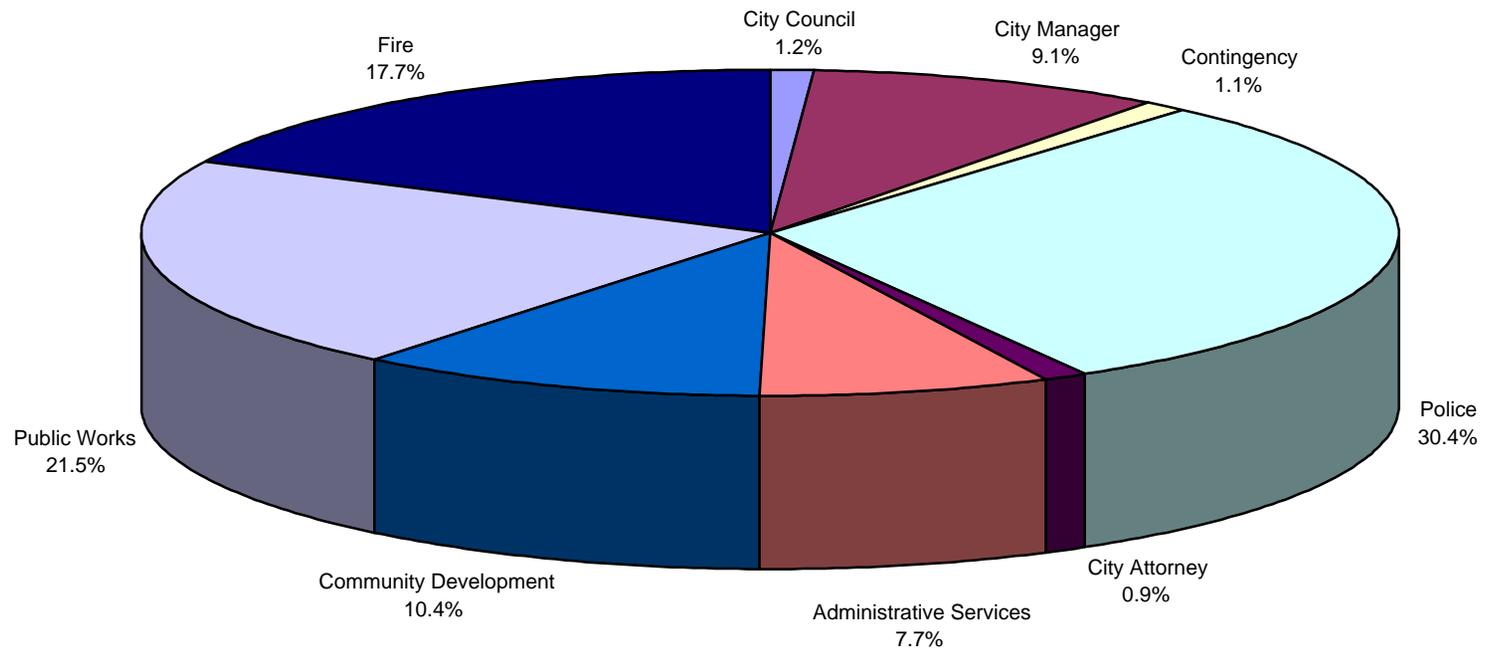
**CITY OF MONTCLAIR  
COMPARATIVE OPERATING APPROPRIATIONS BUDGETS  
FISCAL YEARS 1999-00 THROUGH 2003-04**

	Budgeted 1999-00	Budgeted 2000-01	Budgeted 2001-02	Budgeted 2002-03	Budgeted 2003-04
City Council	\$ 96,859	\$ 216,459	\$ 232,297	\$ 238,604	\$ 307,480
City Manager	1,937,169	2,084,600	2,139,858	2,216,480	2,405,445
Administrative Services	1,417,374	1,532,447	1,698,979	1,864,711	2,045,053
Police	6,332,905	6,824,224	6,726,815	7,194,159	8,066,069
Fire	4,153,984	4,166,730	4,062,638	4,239,405	4,697,905
Public Works	4,953,870	5,177,078	5,331,274	5,723,692	5,693,904
Community Development	2,033,821	2,274,588	2,503,573	2,688,154	2,749,992
City Attorney	205,439	265,086	267,792	266,499	240,488
Contingency	87,905	70,422	300,000	450,000	295,500
<b>TOTAL OPERATING BUDGET</b>	<b>\$ 21,219,326</b>	<b>\$ 22,611,634</b>	<b>\$ 23,263,226</b>	<b>\$ 24,881,704</b>	<b>\$ 26,501,836</b>

NOTE: FY 2002-03 Budget includes all appropriations authorized through March 31, 2003.  
Appropriations for FY 1999-00 through 2001-02 represent final recorded budgets.

# CITY OF MONTCLAIR 2003-04 Operating Budget By Department

Total Budget - \$26,501,836

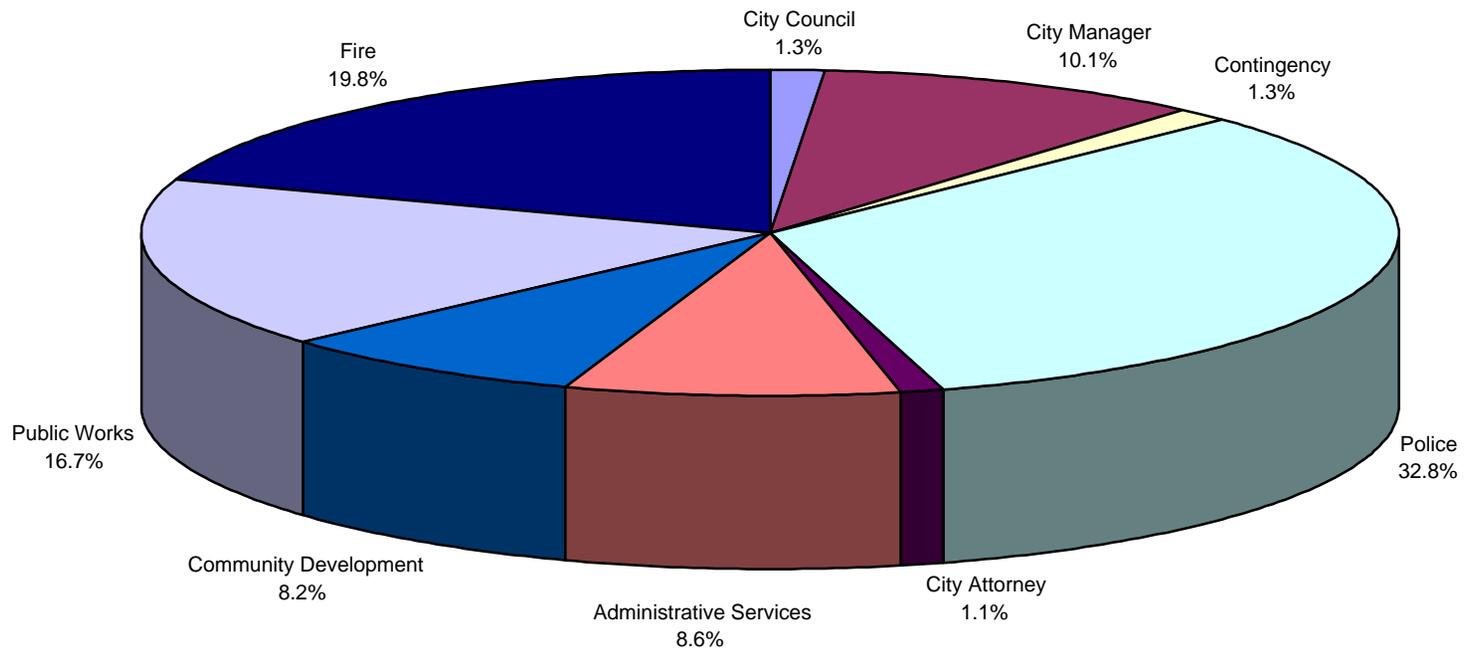


**CITY OF MONTCLAIR  
OPERATING APPROPRIATIONS BUDGET  
BY FUND  
FISCAL 2003-04**

	City Council	City Manager	Admin. Services	Police	Fire	Public Works	Community Development	City Attorney	Contingency	City/RDA Total	Indirect Staff Charges	Grand Total
General Fund	292,813	2,273,755	1,928,867	7,396,413	4,466,253	3,768,068	1,857,985	240,488	295,500	22,520,142	-	22,520,142
Gas Tax			1,000							1,000	-	1,000
Park Development						8,000				8,000	-	8,000
C.D.B.G.						30,000	7,000			37,000	-	37,000
Air Quality Improvement Trust							69,760			69,760	-	69,760
Older American							78,975			78,975	-	78,975
OCJP Fund				41,711						41,711	-	41,711
"Prop. 172" Public Safety				368,245						368,245	-	368,245
Federal Asset Forfeiture			1,000							1,000	-	1,000
State Supplemental Law Enforcement				64,000						64,000	-	64,000
LLE Block Grant				5,700						5,700	-	5,700
OMSD Grant				64,000						64,000	-	64,000
Sewer Maintenance		54,841				1,861,836				1,916,677	-	1,916,677
Equipment Replacement				126,000		26,000				152,000	-	152,000
Used Oil Recycling Grant		10,435								10,435	-	10,435
Human Services Grant							668,583			668,583	-	668,583
Human Services Special Revenue							6,700			6,700	-	6,700
California Nutrition Network Grant							60,989			60,989	-	60,989
E.M.S. - Paramedic					215,152					215,152	-	215,152
Refuse Impound		42,544			16,500					59,044	-	59,044
<b>TOTAL - CITY</b>	<b>292,813</b>	<b>2,381,575</b>	<b>1,930,867</b>	<b>8,066,069</b>	<b>4,697,905</b>	<b>5,693,904</b>	<b>2,749,992</b>	<b>240,488</b>	<b>295,500</b>	<b>26,349,113</b>	<b>-</b>	<b>26,349,113</b>
Indirect Staff Charges												
Sewer Fund	7,081	11,523	55,124	-	-	-	-	-	-	73,728	(73,728)	-
Other Agencies - RDA	7,586	12,347	59,062	-	-	-	-	-	-	78,995	(78,995)	-
	14,667	23,870	114,186	-	-	-	-	-	-	152,723	(152,723)	-
<b>TOTAL - CITY/OTHER AGENCIES</b>	<b>307,480</b>	<b>2,405,445</b>	<b>2,045,053</b>	<b>8,066,069</b>	<b>4,697,905</b>	<b>5,693,904</b>	<b>2,749,992</b>	<b>240,488</b>	<b>295,500</b>	<b>26,501,836</b>	<b>(152,723)</b>	<b>26,349,113</b>

# CITY OF MONTCLAIR 2003-04 General Fund Operating Budget By Department

Total Budget - \$22,520,142



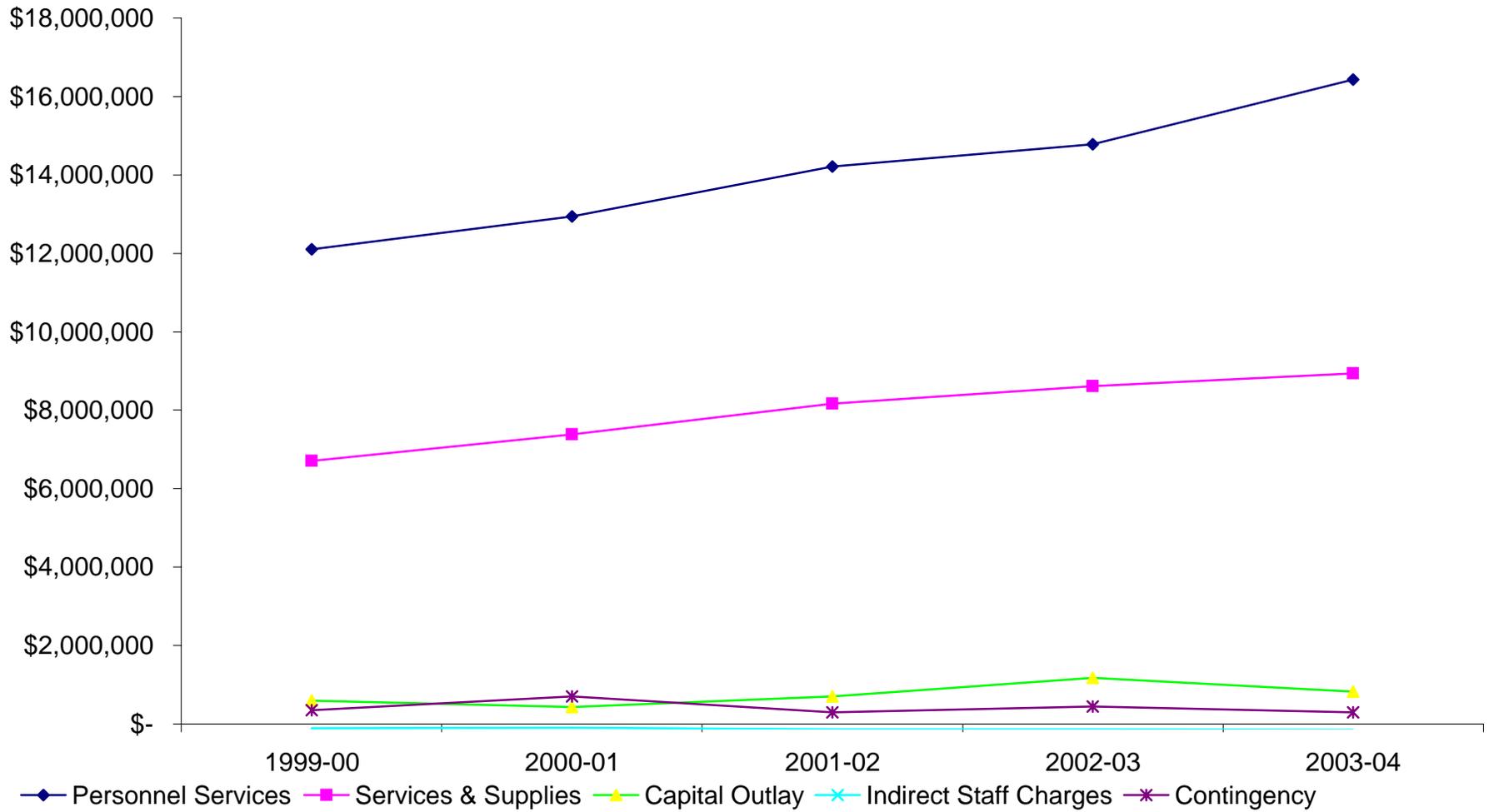
**CITY OF MONTCLAIR  
OPERATING APPROPRIATIONS BUDGET  
BY OBJECT CLASS  
FISCAL YEAR 2003-04**

	<u>Full-Time Employees</u>	<u>Personnel Services</u>	<u>Services Supplies</u>	<u>Capital Outlay</u>	<u>Indirect Staff Charges</u>	<u>Total</u>
City Council	0.000	\$ 61,446	\$ 178,034	\$ 68,000	\$ (14,667)	\$ 292,813
City Manager	5.500	376,044	2,024,401	5,000	(23,870)	2,381,575
Administrative Services	14.220	1,081,820	755,283	207,950	(114,186)	1,930,867
Police	81.130	6,686,492	1,033,073	346,504		8,066,069
Fire	39.620	4,072,213	618,392	7,300		4,697,905
Public Works	35.020	2,175,060	3,403,344	115,500		5,693,904
Community Development	19.000	1,951,509	717,983	80,500		2,749,992
City Attorney	0.000	27,605	212,883	0		240,488
Sub-totals	194.490 *	\$ 16,432,189	8,943,393	830,754	(152,723)	26,053,613
Contingency						295,500
<b>TOTAL OPERATING BUDGET</b>		<b><u>16,432,189</u></b>	<b><u>8,943,393</u></b>	<b><u>830,754</u></b>	<b><u>(152,723)</u></b>	<b><u>26,349,113</u></b>

\* Full-Time Employees:

City	194.490
RDA	6.810
MHC	<u>0.700</u>
	202.000

**CITY OF MONTCLAIR**  
**Operating Budgets 1999-00 to 2003-04**  
**Annual Increase (Decrease) By Object Class**



**RESOLUTION NO. 03-2458**

**A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF MONTCLAIR  
ADOPTING THE FISCAL YEAR 2003-2004  
BUDGET**

**WHEREAS**, the City Manager has submitted to the City Council of the City of Montclair the proposed budget for Fiscal Year 2003-2004 including all proposed expenditures, estimated revenues and estimated fund balances; and

**WHEREAS**, a copy of the proposed budget is on file in the City Clerk's office for inspection by the public; and

**WHEREAS**, the City Council has duly reviewed the proposed budget at a meeting open to the public on June 10, 2003; and

**NOW, THEREFORE, BE IT RESOLVED** the City Council of the City of Montclair hereby adopts the proposed budget as the annual budget for Fiscal Year 2003-2004.

**BE IT FURTHER RESOLVED**, that funds are automatically reappropriated into Fiscal Year 2004-2005 for all outstanding purchase orders and unexecuted contracts as of June 30, 2004 for which a valid appropriation exists.

**BE IT FURTHER RESOLVED**, that funds are automatically reappropriated into Fiscal Year 2004-2005 for all capital improvement projects included in the adopted budget which have not been completed as of June 30, 2004.

**BE IT FURTHER RESOLVED**, that funds are automatically reappropriated into Fiscal Year 2004-2005 for all grants included in the adopted budget which have not been completed as of June 30, 2004.

**BE IT FURTHER RESOLVED**, that Department Heads and their designees are authorized to transfer funds between object codes within the services and supplies budget provided the funding source remains the same.

**BE IT FURTHER RESOLVED**, that except for personnel cost-of-living adjustments which are governed by approved memorandums of understanding, all expenditures from the Contingency Account must be expressly authorized by City Council.

**APPROVED AND ADOPTED** this 16th day of June, 2003.

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Mayor

**ATTEST:**

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City Clerk

I, Margaret A. Crawford, City Clerk of the City of Montclair, DO HEREBY CERTIFY that Resolution No. [03-2458](#) was duly adopted by the City Council of said city and was approved by the Mayor of said City at a regular meeting of said City Council, held on the [16th](#) day of [June](#), [2003](#), and that it was adopted by the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Margaret A. Crawford  
City Clerk

**CITY OF MONTCLAIR  
ARTICLE 13-B DISCLOSURES  
FISCAL YEAR 2003-04**

Government Code Section 37200 stipulates that the budget shall include the City's appropriation limit and the total annual appropriations subject to limitation.

APPROPRIATIONS LIMIT restricts the amount of tax revenues which may be used to finance the expenditures (appropriations) budget. The City's proposed limit for FY 2003-04 is \$115,213,041.

APPROPRIATIONS SUBJECT TO LIMITATION represents that portion of the proposed budget which is financed by taxes. The amount of tax revenue budgeted for expenditures during FY 2003-04 is \$19,163,862 and is supported by the analysis below.

General Fund Appropriations Budget		\$ 23,589,142 <sup>1</sup>
Less: Estimated Non-Proceeds of Taxes		
Franchises	\$ 490,000	
Licenses & Permits	301,675	
Fines & Forfeits	339,000	
POST Reimbursements	30,000	
Other Intergovernmental Reimbursements	309,000	
Charges for Services	2,448,605	
Miscellaneous		
Rental Income	56,000	
Sale of City Property	10,000	
Other	104,000	
Transfers-In <sup>2</sup>	337,000	4,425,280
Appropriations Budget Financed by Taxes		<u>\$19,163,862</u>

<sup>1</sup> Includes \$1,069,000 of budgeted transfers to special purpose funds.

<sup>2</sup> Includes \$6,000 from Gas Tax Fund and \$331,000 from Traffic Safety Fund.

**NOTE:** Legislation governing implementation of Article 13-B defines subventions from the State (e.g. Motor Vehicle In-Lieu Taxes, Homeowner's Property Tax Relief) and interest earned on taxes and subventions as "proceeds of taxes."