



CITY OF MONTCLAIR, CALIFORNIA
FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2009

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CITY OF MONTCLAIR, CALIFORNIA
FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2009

Prepared By:
FINANCE DEPARTMENT

CITY OF MONTCLAIR
 FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Montclair, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Montclair, California, as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Montclair's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The City of Montclair has not presented a management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

As described in note 8 to the financial statements, the City did not implement GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, in accordance with accounting principles generally accepted in the United States of America.

In our opinion, except for the effects of the City's determination of its liability for post employment benefits other than pension in accordance with GASB Statement No. 45, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Montclair as of June 30, 2009, and the respective changes in financial position and cash flows where applicable, and the respective budgetary comparison of the General Fund and the Montclair Housing Corporation for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2010, on our consideration of the City of Montclair's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



To the Honorable Mayor and Members of the City Council
City of Montclair, California

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City of Montclair. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Lance, Solt & Loughard, LLP

April 26, 2010

CITY OF MONTCLAIR

STATEMENT OF NET ASSETS
JUNE 30, 2009

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets:			
Cash and investments	\$ 68,195,189	\$ 1,376,049	\$ 69,571,238
Receivables:			
Accounts	2,743,959	463,987	3,207,946
Taxes	276,726	-	276,726
Notes and loans	3,255,017	-	3,255,017
Accrued interest	200,178	250	200,428
Internal balances	266,812	(266,812)	-
Prepaid costs	41,433	-	41,433
Due from other governments	4,992,182	631	4,992,813
Deferred charges	2,374,206	-	2,374,206
Restricted assets:			
Cash with fiscal agent	19,646,317	-	19,646,317
Capital assets not being depreciated	54,448,255	106,985	54,555,240
Capital assets, net of depreciation	26,234,902	2,413,854	28,648,756
Total Assets	182,675,176	4,094,944	186,770,120
Liabilities:			
Accounts payable	4,038,492	112,067	4,150,559
Accrued liabilities	419,239	17,578	436,817
Accrued interest	1,129,021	-	1,129,021
Unearned revenue	996,566	-	996,566
Deposits payable	1,062,314	-	1,062,314
Due to other governments	5,085,258	111,348	5,196,606
Noncurrent liabilities:			
Due within one year	2,147,754	4,920	2,152,674
Due in more than one year	90,630,514	92,207	90,722,721
Total Liabilities	105,509,158	338,120	105,847,278
Net Assets:			
Invested in capital assets, net of related debt	51,231,730	2,582,818	53,814,548
Restricted for:			
Community development projects	47,999,079	-	47,999,079
Public safety	838,236	-	838,236
Public works	2,099,492	-	2,099,492
Capital projects	3,204,891	-	3,204,891
Debt service	24,641,069	-	24,641,069
Unrestricted	(52,848,479)	1,174,006	(51,674,473)
Total Net Assets	\$ 77,166,018	\$ 3,756,824	\$ 80,922,842

CITY OF MONTCLAIR

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2009

	Program Revenues			
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 15,332,907	\$ 3,947,662	\$ 4,506,639	\$ -
Public safety	17,732,352	582,807	142,726	-
Community development	5,629,563	95,451	557,733	-
Public works	4,675,869	2,952,279	72,447	6,831,659
Interest on long-term debt	4,725,144	-	-	-
Total Governmental Activities	48,095,835	7,578,199	5,279,545	6,831,659
Business-Type Activities:				
Sewer Maintenance	2,405,603	2,374,297	-	-
Total Business-Type Activities	2,405,603	2,374,297	-	-
Total Primary Government	\$ 50,501,438	\$ 9,952,496	\$ 5,279,545	\$ 6,831,659

General Revenues:

Taxes:

- Property taxes, levied for general purpose
- Transient occupancy taxes
- Sales taxes
- Franchise taxes
- Business licenses taxes
- Utility users tax
- Other taxes
- Motor vehicle in lieu - unrestricted
- Use of money and property
- Other

**Total General Revenues, Contributions,
Special Items and Transfers**

Change in Net Assets

Net Assets at Beginning of Year

Restatement of Net Assets

Net Assets at End of Year

Net (Expenses) Revenues and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (6,878,606)	\$ -	\$ (6,878,606)
(17,006,819)	-	(17,006,819)
(4,976,379)	-	(4,976,379)
5,180,516	-	5,180,516
(4,725,144)	-	(4,725,144)
(28,406,432)	-	(28,406,432)
-	(31,306)	(31,306)
-	(31,306)	(31,306)
(28,406,432)	(31,306)	(28,437,738)
14,663,036	-	14,663,036
33,474	-	33,474
12,129,285	-	12,129,285
660,364	-	660,364
718,228	-	718,228
1,865,474	-	1,865,474
76,817	-	76,817
3,024,487	-	3,024,487
2,246,002	20,819	2,266,821
1,312,026	-	1,312,026
36,729,193	20,819	36,750,012
8,322,761	(10,487)	8,312,274
67,169,742	3,679,699	70,849,441
1,673,515	87,612	1,761,127
\$ 77,166,018	\$ 3,756,824	\$ 80,922,842

CITY OF MONTCLAIR

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009**

	General	Special Revenue Funds	Capital Projects Funds	
		Montclair Housing Corporation	Ramona Grade Separation	Montclair Redevelopment Agency
Assets:				
Pooled cash and investments	\$ 6,897,178	\$ 2,006,172	\$ 748,710	\$ 38,488,668
Receivables:				
Accounts	2,314,292	62,529	-	15,482
Taxes	-	-	-	55,345
Notes and loans	5,918	-	-	3,249,099
Accrued interest	42,649	8,318	-	127,825
Prepaid costs	28,567	12,866	-	-
Due from other governments	3,296,748	1,525	383,871	151,633
Due from other funds	8,994,545	-	2,102,971	5,537,505
Advances to other funds	174,967	-	-	3,958,771
Restricted assets:				
Cash and investments with fiscal agents	3,630	27,761	-	558,642
Total Assets	\$ 21,758,494	\$ 2,119,171	\$ 3,235,552	\$ 52,142,970
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 1,528,645	\$ 263,351	\$ 14,042	\$ 109,037
Accrued liabilities	363,874	3,377	-	15,325
Deferred revenues	505,698	-	383,871	650
Unearned revenues	387,339	-	-	-
Deposits payable	1,033,711	25,402	-	1,976
Due to other governments	209,079	1,800	978,037	1,105,583
Due to other funds	4,996,414	-	-	3,369,420
Advances from other funds	-	3,958,771	-	174,967
Total Liabilities	9,024,760	4,252,701	1,375,950	4,776,958
Fund Balances:				
Reserved:				
Reserved for encumbrances	121,226	-	-	509,013
Reserved for projects	496,711	-	-	-
Reserved for prepaid costs	28,567	12,866	-	-
Reserved for notes and loans	5,918	-	-	3,249,099
Reserved for advances to other funds	174,967	-	-	3,958,771
Unreserved:				
Unreserved, reported in nonmajor:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Designated for capital improvement projects	-	-	1,859,602	39,649,129
Designated for debt service	-	-	-	-
Undesignated	11,906,345	(2,146,396)	-	-
Total Fund Balances	12,733,734	(2,133,530)	1,859,602	47,366,012
Total Liabilities and Fund Balances	\$ 21,758,494	\$ 2,119,171	\$ 3,235,552	\$ 52,142,970

CITY OF MONTCLAIR

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009**

	Debt Service Funds		
	Montclair Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
Assets:			
Pooled cash and investments	\$ 11,016,869	\$ 9,037,592	\$ 68,195,189
Receivables:			
Accounts	-	351,656	2,743,959
Taxes	221,381	-	276,726
Notes and loans	-	-	3,255,017
Accrued interest	7,731	13,655	200,178
Prepaid costs	-	-	41,433
Due from other governments	22,921	1,135,484	4,992,182
Due from other funds	2,193,493	2,577,395	21,405,909
Advances to other funds	-	-	4,133,738
Restricted assets:			
Cash and investments with fiscal agents	10,221,482	8,834,802	19,646,317
Total Assets	\$ 23,683,877	\$ 21,950,584	\$ 124,890,648
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 240	\$ 2,123,177	\$ 4,038,492
Accrued liabilities	-	36,663	419,239
Deferred revenues	-	419,662	1,309,881
Unearned revenues	-	609,227	996,566
Deposits payable	-	1,225	1,062,314
Due to other governments	2,273,533	517,226	5,085,258
Due to other funds	5,221,599	7,551,664	21,139,097
Advances from other funds	-	-	4,133,738
Total Liabilities	7,495,372	11,258,844	38,184,585
Fund Balances:			
Reserved:			
Reserved for encumbrances	-	307,678	937,917
Reserved for projects	-	-	496,711
Reserved for prepaid costs	-	-	41,433
Reserved for notes and loans	-	-	3,255,017
Reserved for advances to other funds	-	-	4,133,738
Unreserved:			
Unreserved, reported in nonmajor:			
Special revenue funds	-	3,962,551	3,962,551
Capital projects funds	-	(2,031,053)	(2,031,053)
Debt service funds	-	8,452,564	8,452,564
Designated for capital improvement projects	-	-	41,508,731
Designated for debt service	16,188,505	-	16,188,505
Undesignated	-	-	9,759,949
Total Fund Balances	16,188,505	10,691,740	86,706,063
Total Liabilities and Fund Balances	\$ 23,683,877	\$ 21,950,584	\$ 124,890,648

CITY OF MONTCLAIR

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009

Fund balances of governmental funds	\$ 86,706,063
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets net of depreciation have not been included as financial resources in governmental fund activity	80,683,157
Bond issuance cost is an expenditure in the governmental funds, but it is a deferred charge in the statement of net assets	2,374,206
Long-term debt and compensated absences that have not been included in the governmental fund activity:	
Long-term liabilities	(90,437,976)
Compensated Absences	(2,340,292)
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds	(1,129,021)
Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity.	<u>1,309,881</u>
Net assets of governmental activities	<u>\$ 77,166,018</u>

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CITY OF MONTCLAIR

**STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	General	Special Revenue Funds	Capital Projects Funds	
		Montclair Housing Corporation	Ramona Grade Separation Project	Montclair Redevelopment Agency
Revenues:				
Taxes	\$ 17,696,191	\$ -	\$ -	\$ 2,438,498
Licenses and permits	416,701	-	-	-
Intergovernmental	3,354,144	-	6,831,659	-
Charges for services	2,707,670	-	-	-
Use of money and property	555,616	555,131	1,281	957,358
Fines and forfeitures	318,060	-	-	-
Miscellaneous	800,042	16,346	-	310,119
Total Revenues	25,848,424	571,477	6,832,940	3,705,975
Expenditures:				
Current:				
General government	6,028,324	1,853,023	-	4,680,276
Public safety	16,247,445	-	-	-
Community development	2,431,742	-	-	1,122,334
Public works	4,516,325	-	-	-
Capital outlay	-	-	4,972,238	738,447
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	236,335
Total Expenditures	29,223,836	1,853,023	4,972,238	6,777,392
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,375,412)	(1,281,546)	1,860,702	(3,071,417)
Other Financing Sources (Uses):				
Transfers in	218,820	-	-	1,163,630
Transfers out	(1,897,358)	-	-	(195,000)
Long-term debt issued	-	-	-	7,800,000
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	(1,678,538)	-	-	8,768,630
Net Change in Fund Balances	\$ (5,053,950)	\$ (1,281,546)	\$ 1,860,702	\$ 5,697,213
Fund Balance:				
Beginning of year, as originally reported	\$ 17,787,684	\$ (851,984)	\$ (1,100)	\$ 41,730,765
Restatements	-	-	-	(61,966)
Beginning of year, as restated	17,787,684	(851,984)	(1,100)	41,668,799
Net Change in Fund Balances	(5,053,950)	(1,281,546)	1,860,702	5,697,213
End of Year	\$ 12,733,734	\$ (2,133,530)	\$ 1,859,602	\$ 47,366,012

CITY OF MONTCLAIR

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009

	<u>Debt Service Funds</u>		
	<u>Montclair Redevelopment Agency</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Taxes	\$ 9,760,553	\$ 846,610	\$ 30,741,852
Licenses and permits	-	-	416,701
Intergovernmental	-	6,633,211	16,819,014
Charges for services	-	175,813	2,883,483
Use of money and property	361,938	305,609	2,736,933
Fines and forfeitures	-	309,345	627,405
Miscellaneous	308,685	168,029	1,603,221
Total Revenues	<u>10,431,176</u>	<u>8,438,617</u>	<u>55,828,609</u>
Expenditures:			
Current:			
General government	2,639,503	123,044	15,324,170
Public safety	-	1,148,008	17,395,453
Community development	-	1,942,602	5,496,678
Public works	-	38,679	4,555,004
Capital outlay	-	8,993,832	14,704,517
Debt service:			
Principal retirement	1,180,000	595,000	1,775,000
Interest and fiscal charges	3,258,898	1,323,576	4,818,809
Total Expenditures	<u>7,078,401</u>	<u>14,164,741</u>	<u>64,069,631</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,352,775</u>	<u>(5,726,124)</u>	<u>(8,241,022)</u>
Other Financing Sources (Uses):			
Transfers in	195,000	4,133,232	5,710,682
Transfers out	(1,163,630)	(2,454,694)	(5,710,682)
Long-term debt issued	-	-	7,800,000
Proceeds from sale of capital asset	-	5,533	5,533
Total Other Financing Sources (Uses)	<u>(968,630)</u>	<u>1,684,071</u>	<u>7,805,533</u>
Net Change in Fund Balances	<u>\$ 2,384,145</u>	<u>\$ (4,042,053)</u>	<u>\$ (435,489)</u>
Fund Balance:			
Beginning of year, as originally reported	\$ 13,804,360	\$ 14,733,793	\$ 87,203,518
Restatements	-	-	(61,966)
Beginning of year, as restated	13,804,360	14,733,793	87,141,552
Net Change in Fund Balances	<u>2,384,145</u>	<u>(4,042,053)</u>	<u>(435,489)</u>
End of Year	<u>\$ 16,188,505</u>	<u>\$ 10,691,740</u>	<u>\$ 86,706,063</u>

CITY OF MONTCLAIR

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2009**

Net change in fund balances - total governmental funds \$ (435,489)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	13,719,411
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets	1,716,915
Proceeds of debt is a revenue in the governmental funds, but recorded as a liability in the statement of net assets	(7,800,000)
Claims and judgments expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	369,705
Debt issuance costs are expenditures in governmental funds, but these costs are capitalized on the statement of net assets	236,335
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.	(6,585)
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(61,985)
Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity.	<u>584,454</u>
Change in net assets of governmental activities	<u><u>\$ 8,322,761</u></u>

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CITY OF MONTCLAIR

**BUDGETARY COMPARISON STATEMENT BY DEPARTMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1 as restated	\$ 17,787,684	\$ 17,787,684	\$ 17,787,684	\$ -
Resources (Inflows):				
Taxes	20,573,000	18,021,000	17,696,191	(324,809)
Licenses and permits	353,575	383,475	416,701	33,226
Intergovernmental	3,601,506	3,484,931	3,354,144	(130,787)
Charges for services	2,582,250	2,550,250	2,707,670	157,420
Use of money and property	532,860	532,860	555,616	22,756
Fines and forfeitures	453,000	427,000	318,060	(108,940)
Miscellaneous	157,600	149,070	800,042	650,972
Transfers in	421,000	664,869	218,820	(446,049)
Proceeds from sale of capital asset	10,000	10,000	-	(10,000)
Amounts Available for Appropriation	46,472,475	44,011,139	43,854,928	(156,211)
Charges to Appropriation (Outflow):				
General government				
City council	377,594	384,594	285,474	99,120
City manager	321,664	334,486	317,288	17,198
Administration	196,958	187,958	75,961	111,997
Financial services	648,314	648,314	675,552	(27,238)
Solid waste disposal	1,974,245	1,974,245	2,174,515	(200,270)
City clerk	191,015	191,015	175,203	15,812
Personnel/risk	520,876	520,876	501,198	19,678
Info tech services	789,537	1,032,926	996,716	36,210
Central services	515,172	515,172	406,150	109,022
Records retention	79,245	79,245	71,360	7,885
City attorney	215,366	245,366	348,838	(103,472)
Housing corporation	-	-	69	(69)
Public safety				
Police administration	569,449	574,484	599,708	(25,224)
Police support services	214,437	216,209	231,486	(15,277)
Technical services	392,767	391,252	383,286	7,966
Records bureau	811,629	811,629	848,461	(36,832)
Investigations	1,531,682	1,534,402	1,511,218	23,184
Uniform patrol	6,031,071	6,056,241	5,854,415	201,826
Communications	853,113	854,803	746,555	108,248
Volunteer services	141,846	141,846	126,790	15,056
Fire administration	431,863	431,863	448,532	(16,669)
Fire prevention	365,889	365,889	351,855	14,034
Emergency services	4,157,104	4,161,565	4,322,658	(161,093)
Personnel development	106,744	98,744	98,410	334
Equipment maintenance	43,250	92,250	96,937	(4,687)
Buildings and grounds	73,800	73,800	111,714	(37,914)
Emergency preparedness	67,037	64,757	65,103	(346)
Code enforcement	497,535	497,535	450,317	47,218
Community development				
Planning commission	16,608	16,608	16,707	(99)
Community development administration	247,915	239,415	248,647	(9,232)
Current planning	234,852	234,852	242,394	(7,542)
Advance planning	124,290	124,290	128,289	(3,999)
Field inspection	181,316	181,316	173,401	7,915
Plan check	136,228	136,228	135,130	1,098
Building operations	141,152	141,152	198,268	(57,116)
Recreation	857,621	857,621	939,810	(82,189)
Service center	178,512	192,651	153,723	38,928

CITY OF MONTCLAIR

BUDGETARY COMPARISON STATEMENT BY DEPARTMENT
 GENERAL FUND
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Community development (Continued)				
Senior citizens	168,456	168,456	121,304	47,152
Nutritional meals	97,324	97,324	66,356	30,968
Health education	33,181	33,181	4,101	29,080
Even start family literacy	29,922	29,922	3,612	26,310
Public works				
Management and construction	299,766	297,766	266,547	31,219
Public works inspection	129,471	129,471	133,602	(4,131)
Traffic safety engineering	508,174	508,174	567,584	(59,410)
Graffiti abatement	224,103	224,103	167,424	56,679
Street maintenance	651,395	657,395	677,961	(20,566)
Signing/painting	137,252	141,252	139,055	2,197
Street sweeping	188,344	188,344	180,551	7,793
Parks maintenance	1,161,893	1,167,743	1,135,140	32,603
Tree maintenance	105,205	105,205	101,380	3,825
Vehicle maintenance	506,373	489,023	442,195	46,828
Building maintenance services	201,798	286,798	223,846	62,952
Heating and air conditioning	115,028	115,028	105,966	9,062
Janitorial services	408,690	408,690	375,074	33,616
Transfers out	2,511,476	2,662,953	1,897,358	765,595
Total Charges to Appropriations	31,715,547	32,316,427	31,121,194	1,195,233
Budgetary Fund Balance, June 30	\$ 14,756,928	\$ 11,694,712	\$ 12,733,734	\$ 1,039,022

CITY OF MONTCLAIR

**BUDGETARY COMPARISON STATEMENT
MONTCLAIR HOUSING CORPORATION
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (851,984)	\$ (851,984)	\$ (851,984)	\$ -
Resources (Inflows):				
Use of money and property	659,500	770,500	555,131	(215,369)
Miscellaneous	7,600	7,600	16,346	8,746
Transfers in	700,000	700,000	-	(700,000)
Amounts Available for Appropriation	515,116	626,116	(280,507)	(906,623)
Charges to Appropriation (Outflow):				
General government	1,808,347	1,808,347	1,853,023	(44,676)
Total Charges to Appropriations	1,808,347	1,808,347	1,853,023	(44,676)
Budgetary Fund Balance, June 30	\$ (1,293,231)	\$ (1,182,231)	\$ (2,133,530)	\$ (951,299)

CITY OF MONTCLAIR

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2009

	Business-Type Activities - Enterprise Funds Sewer Maintenance Fund
Assets:	
Current:	
Pooled cash and investments	\$ 1,376,049
Receivables:	
Accounts	463,987
Accrued interest	250
Due from other governments	631
Due from other funds	142
	<hr/>
Total Current Assets	1,841,059
	<hr/>
Noncurrent:	
Capital assets - net of accumulated depreciation	2,520,839
	<hr/>
Total Noncurrent Assets	2,520,839
	<hr/>
Total Assets	\$ 4,361,898
	<hr/> <hr/>
 Liabilities and Net Assets:	
Liabilities:	
Current:	
Accounts payable	\$ 112,067
Accrued liabilities	17,578
Due to other governments	111,348
Due to other funds	266,954
Accrued compensated absences	4,920
	<hr/>
Total Current Liabilities	512,867
	<hr/>
Noncurrent:	
Accrued compensated absences	92,207
	<hr/>
Total Noncurrent Liabilities	92,207
	<hr/>
Total Liabilities	605,074
	<hr/>
Net Assets:	
Invested in capital assets, net of related debt	2,582,818
Unrestricted	1,174,006
	<hr/>
Total Net Assets	3,756,824
	<hr/>
Total Liabilities and Net Assets	\$ 4,361,898
	<hr/> <hr/>

CITY OF MONTCLAIR

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009

	Business-Type Activities - Enterprise Funds
	Sewer Maintenance Fund
Operating Revenues:	
Sales and service charges	\$ 2,374,297
Total Operating Revenues	2,374,297
Operating Expenses:	
Salaries and benefits	970,257
Supplies and services	62,879
Treatment	1,310,488
Depreciation expense	61,979
Total Operating Expenses	2,405,603
Operating Income (Loss)	(31,306)
Nonoperating Revenues (Expenses):	
Interest revenue	20,819
Total Nonoperating Revenues (Expenses)	20,819
Income (Loss) Before Transfers	(10,487)
Changes in Net Assets	\$ (10,487)
Net Assets:	
Beginning of fiscal year, as previously reported	\$ 3,679,699
Restatements	87,612
Beginning of fiscal year, as restated	3,767,311
Changes in net assets	(10,487)
End of Fiscal Year	\$ 3,756,824

CITY OF MONTCLAIR

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2009

	Business-Type Activities - Enterprise Funds Sewer Maintenance Fund
Cash Flows from Operating Activities:	
Cash received from customers and users	\$ 2,087,066
Cash paid to suppliers for goods and services	(1,758,955)
Cash paid to employees for services	(963,054)
	<u>(634,943)</u>
Net Cash Provided (Used) by Operating Activities	(634,943)
Cash Flows from Non-Capital Financing Activities:	
Repayment received from other funds	384
Repayment made to other funds	105,811
	<u>106,195</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	106,195
Cash Flows from Investing Activities:	
Interest received	20,569
	<u>20,569</u>
Net Cash Provided (Used) by Investing Activities	20,569
Net Increase (Decrease) in Cash and Cash Equivalents	(508,179)
Cash and Cash Equivalents at Beginning of Year	1,884,228
Cash and Cash Equivalents at End of Year	<u>\$ 1,376,049</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	\$ (31,306)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:	
Fund balance restatement	87,612
Depreciation	61,979
(Increase) decrease in accounts receivable	(287,231)
Increase (decrease) in accounts payable	(376,311)
Increase (decrease) in accrued liabilities	4,429
Increase (decrease) in due to external parties	9,669
Increase (decrease) in due to other governments	(106,558)
Increase (decrease) in compensated absences	2,774
	<u>(603,637)</u>
Total Adjustments	(603,637)
Net Cash Provided (Used) by Operating Activities	<u>\$ (634,943)</u>
Non-Cash Investing, Capital, and Financing Activities:	
There was no non-cash investing, capital and financing activities during the fiscal year.	

CITY OF MONTCLAIR

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2009

	Agency Funds
Assets:	
Pooled cash and investments	<u>\$ 372,384</u>
Total Assets	<u><u>\$ 372,384</u></u>
Liabilities:	
Due to other governments	<u>\$ 372,384</u>
Total Liabilities	<u><u>\$ 372,384</u></u>

CITY OF MONTCLAIR
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Summary of Significant Accounting Policies

a. Description of Entity

The reporting entity is a municipal corporation governed by an elected mayor and a four-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Montclair, California (the City), and its component units, entities for which the City is considered financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operation, so data from these units are combined herein. The following criteria were used in the determination of blended units:

1. The members of the City Council also act as the governing body of the Montclair Redevelopment Agency and Montclair Housing Corporation.
2. The City, Agency and Housing Corporation are financially interdependent. The City makes loans to the Agency for use on redevelopment projects. Property tax revenues of the Agency are used to repay loans from the City.
3. The Agency and Housing Corporation are managed by employees of the City. A portion of the City's salary and overhead expenses are billed to the Agency and Housing Corporation each year.

The City of Montclair was incorporated April 25, 1956, under the general laws of the State of California and enjoys all the rights and privileges pertaining to "General Law" cities.

Blended Component Units

The Montclair Redevelopment Agency (the Agency) was activated June 6, 1977, pursuant to the State of California Health and Safety Code, Section 33000, entitled "Community Development Law." The primary purpose of the Agency is to encourage private redevelopment of property and to rehabilitate areas suffering from economic disuse arising from poor and inadequate planning, inadequate street layout and street access, lack of open space, landscaping and other improvements and facilities necessary to establish and maintain the economic growth of the City.

The Montclair Housing Corporation (the Corporation) was established on September 1993. The primary purpose of the Corporation is to assist property owners in rejuvenating and improving substandard housing conditions within the City.

Since the governing body of the Agency and Corporation are the same, their data has been blended into that of the financial reporting entity. Complete financial statements for the individual blended component units can be obtained by writing to: City of Montclair, 5111 Benito Street, Montclair, CA 91763.

City of Montclair
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for state gas tax revenue which the City consider to be available if collected within 120 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

City of Montclair
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Montclair Housing Corporation is presented as a special revenue fund and accounts for the activities associated with the maintenance of various rental housing properties within the City.
- Ramona Grade Separation Project accounts for the construction costs of capital projects related to the Ramona Avenue street reconstruction.
- Police Facility Capital Project accounts for the construction cost of capital projects related to the Police facility.
- The Montclair Redevelopment Agency's Capital Project Fund accounts for the financing, construction and administrative activities of the Agency's five project areas.
- The Montclair Redevelopment Agency's Debt Service Fund accounts for the accumulation of funds for the payment of principal and interest of various bond issues and loans to the City for the Agency's five project areas.

The City reports the following major proprietary fund:

- The Sewer Maintenance Fund accounts for sewer service, revenues and the corresponding sewer maintenance expenses.

Additionally, the City reports the following fund types:

- Agency funds are used to account for assets held by a governmental unit as an agent for individuals, private organizations and/or other governmental units.

Private-sector standards of accounting and financial reporting issued after November 30, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. Proprietary Funds distinguish operating revenues

City of Montclair
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for Enterprise Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources, as they are needed.

d. Assets, Liabilities and Net Assets or Equity

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. For financial statement presentation purposes, cash and cash equivalents are shown as both restricted and unrestricted cash and investments in the Proprietary Funds.

Investments for the City, as well as for its component units, are reported at fair value. The City's policy is generally to hold investments until maturity or until market values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Policy for Eliminating Internal Activity in Government-Wide Statement of Activities

Administrative overhead charges are made to funds and programs and are thereby included in the direct expenses of those funds and programs.

Property Tax Calendar

Property tax revenue is recognized on the modified accrual basis, that is, in the fiscal year for which the taxes have been levied providing they become available. Available means then due or past due and receivable within the current period and collected

City of Montclair
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The County of San Bernardino collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January preceding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property as it exists on that date. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of January each year and are delinquent, if unpaid, on August 31.

Functional Classifications

Expenditures of the Governmental Funds are classified by function. Functional classifications are defined as follows:

- General Government includes legislative activities which have a primary objective of providing legal and policy guidelines for the City. Also included in this classification are those activities which provide management or support services across more than one functional area.
- Public Safety includes those activities which involve the protection of people and property.
- Community Development includes those activities which involve the enhancing of the general quality of life.
- Public Works includes those activities which involve the maintenance and improvement of City streets, roads and park department development and maintenance.
- Debt Service includes those activities that account for the payment of long-term debt principal, interest and fiscal charges.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The fund balances in the governmental fund types have been reserved for amounts equal to the prepaid items in the fund-level statements, since these amounts are not available for appropriation.

Restricted Assets

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. In addition, funds have been restricted for future capital improvements by City resolution.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial

**City of Montclair
Notes to Financial Statements (Continued)**

Note 1: Summary of Significant Accounting Policies (Continued)

statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,500 (amount not rounded). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Sewer lines	100
Structures and improvements	20-99
Furniture and equipment	5-20
Infrastructure	5-30

Compensated Absences

Compensated absences are the City's liabilities for future vacation, sick and other leave benefits. The short-term portion is determined to be the amount due to employees for future absences which is attributable to services already rendered and which is expected to be paid during the next fiscal year. The total amount of liability for compensated absences is segregated between short-term and long-term as indicated above, with both portions being reflected in the government-wide financial statements. Compensated absences are paid, when matured, out of the general fund.

For Proprietary Funds, the total amount of the liability for compensated absences is segregated between short-term and long-term as indicated above and both portions are reflected in the fund involved.

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment. Normally, an employee cannot accrue more than two times his regular annual entitlement without approval of the City Manager.

Sick leave is payable when an employee is unable to work because of illness. Sick leave may be accumulated indefinitely or an employee may convert one-half of unused sick leave accrued during the preceding year for cash providing the person has been employed on a full-time basis for two years immediately preceding November 30 of each year. Unused sick leave may be redeemed in the two years prior to retirement at the rate of two days of sick leave for one day of absence leave. All unused sick leave is forfeited upon termination, other than for normal retirement.

**City of Montclair
Notes to Financial Statements (Continued)**

Note 1: Summary of Significant Accounting Policies (Continued)

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

e. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets:

The governmental fund balance sheet includes reconciliation between fund balance, governmental funds, and net assets of governmental activities as reported in the government-wide statement of net assets. The detail of the \$(90,437,976) difference is as follows:

Long-term debt:	
Lease revenue bonds	\$ (29,560,000)
Tax allocation notes payable	(7,800,000)
Tax allocation bonds payable	(53,665,000)
Bond discount	304,923
Loss on defeasance	1,260,773
Accrued claims and judgments	<u>(978,672)</u>
Net adjustment to reduce fund balance of total governmental funds to arrive at net assets of governmental activities	<u><u>\$ (90,437,976)</u></u>

All of these items are not present in the governmental funds because of differences in basis of accounting between the two financial statement presentation methods.

City of Montclair
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities:

The governmental fund statement of revenues, expenditures and changes in fund balances includes reconciliation between net changes in fund balances – of total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this \$13,719,411 difference are as follows:

Capital outlay	\$ 15,409,291
Depreciation expense	<u>(1,689,880)</u>
Net adjustment to increase net changes in fund balances of total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 13,719,411</u>

Another element of that reconciliation states that "repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets" Neither transaction, however, has any effect on net assets. The details of this \$1,716,915 difference are as follows:

Principal repayments:	
Tax allocation bonds	\$ 1,180,000
Lease revenue bonds	595,000
Amortization:	
Loss on defeasance	(31,583)
Premium/discount	(13,051)
Proceeds of Lease Revenue Bond:	
Debt issuance costs	(91,451)
Bond discount	<u>78,000</u>
Net adjustment to decrease net changes in fund balance of total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 1,716,915</u>

II. STEWARDSHIP

Note 2: Stewardship, Compliance and Accountability

a. General Budget Policies

The City Council approves each year's budget submitted by the City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the Council. Supplemental appropriations, where required during the period, are also approved by the Council. Intradepartmental budget changes are approved by the City Manager. In most cases, expenditures may not exceed appropriations at the department level. At fiscal year-end, all operating budget appropriations lapse. Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

The following funds did not have an adopted budget:

Federal Asset Forfeiture Fund - Treasury
State Supplemental Law Enforcement Fund
Local Law Enforcement Block Grant Fund
OCJP Grant Fund
Office of Traffic Safety Grant
Police Facility Capital Project Fund

b. Deficit Fund Balances

The following funds contained deficit fund balances at June 30, 2009:

Special Revenue Funds:	
Montclair Housing Corporation	\$ (2,133,530)
Measure I	(2,085,558)
Community Development Block Grant	(114,777)
School District Grant	(282,789)
Local Law Enforcement Block Grant	(3,761)
Recycling Block Grant	(28,854)
California Nutrition Grant	(60,349)
E.M.S. Paramedic	(115,999)
OCJP Grant	(76,718)
Automated Traffic Enforcement	(438,659)
Refuse Fee Impound	(129,241)
Capital Projects Funds:	
Monte Vista Grade Separation Project	(2,316,629)
Police Facility Capital Project	(144,696)
Senior/ Youth Centers Capital Project	(406,673)
Parking Lot Expansion	(1,264)

These deficits will be funded with future years revenues.

City of Montclair
Notes to Financial Statements (Continued)

Note 2: Stewardship, Compliance and Accountability (Continued)

c. Excess of Expenditures over Appropriations

For the year ended June 30, 2009, the following funds had expenditures that exceeded the budget as follows:

Fund	Expenditures	Appropriations	Excess
General Fund:			
General Government:			
Financial services	\$ 675,552	\$ 648,314	\$ 27,238
Solid waste disposal	2,174,515	1,974,245	200,270
City attorney	348,838	245,366	103,472
Housing corporation	69	-	69
Public Safety:			
Police administration	599,708	574,484	25,224
Police support services	231,486	216,209	15,277
Records bureau	848,461	811,629	36,832
Fire administration	448,532	431,863	16,669
Emergency services	4,322,658	4,161,565	161,093
Equipment maintenance	96,937	92,250	4,687
Buildings and grounds	111,714	73,800	37,914
Emergency preparedness	65,103	64,757	346
Community Development:			
Planning commission	16,707	16,608	99
Community development admin	248,647	239,415	9,232
Current planning	242,394	234,852	7,542
Advance planning	128,289	124,290	3,999
Building operations	198,268	141,152	57,116
Recreation	939,810	857,621	82,189
Public works:			
Public works inspection	133,602	129,471	4,131
Traffic safety engineering	567,584	508,174	59,410
Street maintenance	677,961	657,395	20,566

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

As of June 30, 2009, cash and investments were reported in the accompanying financial statements as follows:

Governmental activities	\$ 87,841,506
Business-type activities	1,376,049
Fiduciary funds	<u>372,384</u>
Total Cash and Investments	<u><u>\$ 89,589,939</u></u>

The City of Montclair maintains a cash and investment pool that is available for use for all funds. Each fund type's position in the pool is reported on the combined balance sheet as cash and investments. The City has adopted an investment policy, which authorizes it to invest in various investments.

City of Montclair
Notes to Financial Statements (Continued)

Note 3: Cash and Investments (Continued)

Deposits

At June 30, 2009, the carrying amount of the City's deposits was \$24,489,011, and the bank balance was \$24,726,930. The \$237,919 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure Agency deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local government agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

Investments

Under provisions of the Agency's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- Bonds issues by the local agency
- United States Treasury notes, bonds, bills or certificates
- Registered state warrants or treasury notes or bonds of California
- Bonds, notes, warrants or other evidences of indebtedness of any local agency of the State of California
- Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments
- Bankers Acceptances
- Commercial paper
- Negotiable certificates of deposit
- Repurchase Agreements
- Reverse repurchase agreements
- Medium-term notes
- Money market funds
- Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest
- Mortgage pass-through securities
- Local Agency Investment fund

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Agency's investment policy.

City of Montclair
Notes to Financial Statements (Continued)

Note 3: Cash and Investments (Continued)

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

GASB Statement No. 31

The City adopted GASB Statement of No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Credit Risk

The City's investment policy limits investments in medium-term notes (MTN's) to those rated "A" or higher by Standard and Poor's (S&P) or by Moody's. As of June 30, 2009, the City has no investment in medium-term notes. In addition, the City's investments in Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank and Federal Farm Credit Banks were rated "AAA" by Moody's and by S&P. All securities were investment grade and were legal under State law. Investments in U.S. treasuries are not considered to have credit risk and, therefore, their credit quality is not disclosed. As of June 30, 2009, the City's investments in external investment pools and money market mutual funds are unrated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

As of June 30, 2009, none of the City's deposits or investments were exposed to custodial credit risk.

Concentration of Credit Risk

The City's investment policy imposes restrictions for certain types of investments with any one issuer. With respect to concentration risk, as of June 30, 2009, the City is in compliance with the investment policy restrictions. Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

The City has invested more than 5% of the total investment value with the following issuers:

Federal Home Loan Mortgage Corp.	\$	5,534,353	12%
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City of Montclair
Notes to Financial Statements (Continued)

Note 3: Cash and Investments (Continued)

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy states that at least 15% of the City's portfolio shall mature in one year or less, and 50% in three years or less. The only exception to these maturity limits shall be the investment of the gross proceeds of tax-exempt bonds. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2009, the City had the following investments and original maturities:

Investment Type:	Remaining Investment Maturities				Fair Value
	6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	
Local Agency Investment Fund	\$ 35,656,077	\$ -	\$ -	\$ -	\$ 35,656,077
Federal National Mortgage Assoc.	-	-	-	1,996,255	1,996,255
Federal Home Loan Mortgage Corp.	-	503,850	500,340	4,530,163	5,534,353
Federal Home Loan Bank	-	-	-	1,003,595	1,003,595
Federal Farm Credit Banks	-	-	-	497,190	497,190
Money Market Mutual funds	374,141	-	-	-	374,141
Certificates of Deposit	97,000	-	296,000	-	393,000
Cash with Fiscal Agent:					
Money Market Mutual funds	16,593,152	-	-	-	16,593,152
Federal Farm Credit Banks	-	-	-	1,001,880	1,001,880
Federal Home Loan Mortgage Corp	-	-	500,340	-	500,340
Federal Home Loan Bank	-	-	1,033,130	517,815	1,550,945
Total	\$ 52,720,370	\$ 503,850	\$ 2,329,810	\$ 9,546,898	\$ 65,100,928

City of Montclair
Notes to Financial Statements (Continued)

Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2009, was as follows:

	Beginning Balance	Adjustments*	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:							
Capital assets, not being depreciated:							
Land	\$ 9,804,128	\$ -	\$ 9,804,128	\$ 342,463	\$ -	\$ -	\$ 10,146,591
Work in progress	32,119,137	-	32,119,137	10,100,367	-	(391,230)	41,828,274
Land improvements	2,473,390	-	2,473,390	-	-	-	2,473,390
Total Capital Assets, Not Being Depreciated	44,396,655	-	44,396,655	10,442,830	-	(391,230)	54,448,255
Capital assets, being depreciated:							
Structures and improvements	10,020,556	(302,307)	9,718,249	268,041	-	-	9,986,290
Furniture and equipment	7,190,460	19,551	7,210,011	497,891	-	-	7,707,902
Infrastructure	17,694,252	-	17,694,252	4,200,529	-	391,230	22,286,011
Total Capital Assets, Being Depreciated	34,905,268	(282,756)	34,622,512	4,966,461	-	391,230	39,980,203
Less accumulated depreciation:							
Structures and improvements	4,526,101	(176,655)	4,349,446	229,180	-	-	4,578,626
Furniture and equipment	7,208,260	(1,841,582)	5,366,678	441,541	-	-	5,808,219
Infrastructure	2,339,297	-	2,339,297	1,019,159	-	-	3,358,456
Total Accumulated Depreciation	14,073,658	(2,018,237)	12,055,421	1,689,880	-	-	13,745,301
Total Capital Assets, Being Depreciated, Net	20,831,610	1,735,481	22,567,091	3,276,581	-	391,230	26,234,902
Governmental Activities Capital Assets, Net	<u>\$ 65,228,265</u>	<u>\$ 1,735,481</u>	<u>\$ 66,963,746</u>	<u>\$ 13,719,411</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,683,157</u>
Business-Type Activities:							
Capital assets, being depreciated:							
Work in progress	\$ 106,985	\$ -	\$ 106,985	\$ -	\$ -	\$ -	\$ 106,985
Total Capital Assets, Not Being Depreciated	106,985	-	106,985	-	-	-	106,985
Capital assets, being depreciated:							
Sewer lines	3,333,838	-	3,333,838	-	-	-	3,333,838
Furniture and equipment	729,845	-	729,845	-	-	-	729,845
Total Capital Assets, Being Depreciated	4,063,683	-	4,063,683	-	-	-	4,063,683
Less accumulated depreciation:							
Sewer lines	1,141,783	-	1,141,783	33,338	-	-	1,175,121
Furniture and equipment	446,067	-	446,067	28,641	-	-	474,708
Total Accumulated Depreciation	1,587,850	-	1,587,850	61,979	-	-	1,649,829
Total Capital Assets, Being Depreciated, Net	2,475,833	-	2,475,833	(61,979)	-	-	2,413,854
Business-Type Activities Capital Assets, Net	<u>\$ 2,582,818</u>	<u>\$ -</u>	<u>\$ 2,582,818</u>	<u>\$ (61,979)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,520,839</u>

* Adjustments were made to properly reflect capital asset beginning balances.

**City of Montclair
Notes to Financial Statements (Continued)**

Note 4: Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 337,661
Public safety	307,879
Community development	110,968
Public works	<u>939,372</u>
Total Governmental Activities	<u>\$ 1,695,880</u>
Business-Type Activities:	
Sewer	<u>\$ 61,979</u>

Note 5: Interfund Receivable, Payable and Transfers

The composition of interfund balances as of June 30, 2009, was as follows:

Due To/From Other Funds

Funds	Due to Other Funds:					Total
	General Fund	RDA Capital Projects	RDA Debt Service	Sewer Maintenance	Nonmajor Governmental Funds	
Due From Other Funds:						
General	\$ -	\$ 1,175,927	\$ -	\$ 266,954	\$ 7,551,664	\$ 8,994,545
Ramona Grade Separation Project	2,102,971	-	-	-	-	2,102,971
Redevelopment Agency Capital Projects	315,906	-	5,221,599	-	-	5,537,505
Redevelopment Agency Debt Service	-	2,193,493	-	-	-	2,193,493
Sewer Maintenance	142	-	-	-	-	142
Nonmajor Governmental	<u>2,577,395</u>	-	-	-	-	<u>2,577,395</u>
Total	<u>\$ 4,996,414</u>	<u>\$ 3,369,420</u>	<u>\$ 5,221,599</u>	<u>\$ 266,954</u>	<u>\$ 7,551,664</u>	<u>\$ 21,406,051</u>

Interfund receivables and payables are used to loan amounts between funds to provide temporary funds for operations.

Advances To/From Other Funds

Funds	Advances from Other Funds:		Total
	General Fund	Redevelopment Agency Capital Projects	
Advances to Other Funds:			
Montclair Housing Corporation	\$ -	\$ 3,958,771	\$ 3,958,771
Redevelopment Agency Capital Project	<u>174,967</u>	-	<u>174,967</u>
Total	<u>\$ 174,967</u>	<u>\$ 3,958,771</u>	<u>\$ 4,133,738</u>

City of Montclair
Notes to Financial Statements (Continued)

Note 5: Interfund Receivable, Payable and Transfers (Continued)

The Redevelopment Agency advanced \$3,958,771 to the Montclair Housing Corporation for the purpose of carrying out the redevelopment and rehabilitation of multifamily and single-family housing leased by the Montclair Housing Corporation. The General Fund advance balance of \$174,967 represents several loans to the Redevelopment Agency for the purpose of carrying out redevelopment projects.

Interfund Transfers

	Transfers In:				
	General Fund	Redevelopment Agency Capital Projects	Redevelopment Agency Debt Service	Nonmajor Funds	Total
Transfers Out:					
General	\$ -	\$ -	\$ -	\$ 1,897,358	\$ 1,897,358
Redevelopment Agency Capital Projects	-	-	195,000	-	195,000
Redevelopment Agency Debt Service	-	1,163,630	-	-	1,163,630
Nonmajor Funds	218,820	-	-	2,235,874	2,454,694
Total	<u>\$ 218,820</u>	<u>\$ 1,163,630</u>	<u>\$ 195,000</u>	<u>\$ 4,133,232</u>	<u>\$ 5,710,682</u>

The General Fund transferred \$1,897,358 to the 2005 Lease Revenue Bond fund for the annual debt service funding requirement. The RDA Capital Projects Fund transferred \$195,000 to the RDA Debt Service Fund for the annual debt service funding requirement. The RDA Debt Service funds transferred \$1,163,630 to the RDA Capital Projects fund to pay off advances for the City.

Note 6: Long-Term Debt

a. Governmental Long-Term Debt

The following is a summary of changes in long-term debt of the City for the year ended June 30, 2009:

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009	Due Within One Year
Lease revenue bonds	\$ 30,155,000	\$ -	\$ 595,000	\$ 29,560,000	\$ 615,000
Tax allocation notes payable	-	7,800,000	-	7,800,000	-
Tax allocation bonds payable	54,845,000	-	1,180,000	53,665,000	1,080,000
Claims and judgments	1,348,377	52,182	421,887	978,672	306,000
Compensated absences	2,278,307	204,852	142,867	2,340,292	146,754
	<u>\$ 88,626,684</u>	<u>\$ 8,057,034</u>	<u>\$ 2,339,754</u>	<u>\$ 94,343,964</u>	<u>\$ 2,147,754</u>
				Less: unamortized loss on defeasance	\$ (1,260,773)
				Less: unamortized discount	(304,923)
				Net Long-Term Debt	<u>\$ 92,778,268</u>

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

City of Montclair
Notes to Financial Statements (Continued)

Note 6: Long-Term Debt (Continued)

Lease Revenue Bonds

2005 Lease Revenue Bonds

During fiscal 2004-2005, the City issued \$31,300,000 of 2005 Lease Revenue Bonds. Interest on the bonds is payable semi-annually on April 1 and October 1 of each year, commencing October 1, 2005. The bonds carry various interest rates from 2.625% to 4.750%. Principal maturities begin on October 1, 2006, and continue on October 1 of each year through October 1, 2035. The bonds were used to finance police facilities and a senior/youth center and to pay certain costs of issuance in association therewith. The outstanding balance at June 30, 2009, was \$29,560,000.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2009, including interest, are as follows:

	2005 Lease Revenue Bonds	
	Principal	Interest
2009-2010	\$ 615,000	\$ 1,305,426
2010-2011	630,000	1,283,601
2011-2012	655,000	1,257,901
2012-2013	685,000	1,231,101
2013-2014	710,000	1,202,314
2014-2019	3,990,000	5,570,211
2019-2024	4,885,000	4,649,423
2024-2029	6,110,000	3,392,270
2029-2034	7,680,000	1,781,300
2034-2036	3,600,000	171,080
Totals	<u>\$ 29,560,000</u>	<u>\$ 21,844,627</u>

Tax Allocation Notes

2008 Tax Allocation Notes

On July 25, 2008, the Agency issued Tax Allocation Notes Issue of 2008 in the amount of \$7,800,000 as a joint project with the County of San Bernardino. The 2008 Bonds were issued to finance a portion of the costs of the Redevelopment Project, pay the costs in connection with the issuance of the notes and make certain other deposits as required. Interest on the note is payable semi-annually on June 1 and December 1, in each year, commencing on December 1, 2008. The note carries an interest rate of 5.00%. The balance at June 30, 2009, was \$7,800,000. The annual requirements to amortize the outstanding notes as of June 30, 2009, including interest, are as follows:

	2008 Tax Allocation Note	
	Principal	Interest
2009-2010	\$ -	\$ 390,000
2010-2011	-	390,000
2011-2012	7,800,000	390,000
Totals	<u>\$ 7,800,000</u>	<u>\$ 1,170,000</u>

City of Montclair
Notes to Financial Statements (Continued)

Note 6: Long-Term Debt (Continued)

Tax Allocation Bonds

2007A Taxable Allocation Refunding Bonds, Project Area III

On September 27, 2007, the Agency issued Taxable Allocation Refunding Bonds 2007A in the amount of \$25,450,000. The Bonds were issued with the purpose of refunding the 1997 Tax Allocation Bonds in the amount of \$14,485,000, refunding a portion of the 1998 Taxable Allocation bonds and to provide monies to finance the redevelopment project. Interest on the bonds is payable semi-annually on March 1 and September 1 of each year, commencing on September 1, 2008. The bonds carry interest rates ranging from 3.4% to 4.5%. Serial bonds maturities begin September 1, 2008, and continue annual through September 1, 2021, ranging from \$440,000 to \$735,000 and term bonds mature in the amount of \$5,135,000 on September 1, 2027, \$5,565,000 on September 1, 2031 and \$6,705,000 on September 1, 2035. The balance at June 30, 2009, was \$24,900,000. The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2009, including interest, are as follows:

	2007A Taxable Tax Allocation Bonds, Project Area III	
	Principal	Interest
2009-2010	\$ 440,000	\$ 1,137,388
2010-2011	460,000	1,119,388
2011-2012	480,000	1,099,988
2012-2013	495,000	1,079,269
2013-2014	525,000	1,056,938
2014-2019	2,980,000	4,901,625
2019-2024	3,680,000	4,184,109
2024-2029	4,870,000	3,262,944
2029-2034	7,455,000	1,820,416
2034-2036	3,515,000	177,875
Totals	<u>\$ 24,900,000</u>	<u>\$ 19,839,940</u>

2007B Taxable Allocation Bonds, Project Area III

On September 27, 2007, the Agency issued Taxable Allocation Bonds 2007B in the amount of \$3,500,000. The bonds were issued to provide monies to advance refund the 1998 Tax Allocation Bonds. Interest on the bonds is payable semi-annually on March 1 and September 1, in each year, commencing on September 1, 2008. The bonds carry interest rate ranging from 5.170 to 6.00%. Term bonds in the amount of \$3,280,000 mature October 1, 2027. The balance at June 30, 2009, was \$3,380,000. The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2009, including interest, are as follows:

	2007B Taxable Tax Allocation Bonds, Project Area III	
	Principal	Interest
2009-2010	\$ 105,000	\$ 193,630
2010-2011	110,000	188,073
2011-2012	115,000	182,256
2012-2013	125,000	176,052
2013-2014	125,000	169,309
2014-2019	750,000	728,340
2019-2024	1,005,000	470,850
2024-2028	1,045,000	130,050
Totals	<u>\$ 3,380,000</u>	<u>\$ 2,238,560</u>

City of Montclair
Notes to Financial Statements (Continued)

Note 6: Long-Term Debt (Continued)

2006A Tax Allocation Refunding Bonds, Project Area V

On July 6, 2006, the Agency issued Taxable Allocation Refunding Bonds 2006A in the amount of \$8,235,000. The Bonds were issued to pay monies in accordance with a Disposition and Development Agreement with Costco Wholesale Corporation in the amount of \$2,500,000, to advance refund the 1995 Tax Allocation Bonds in the amount of \$1,155,000, and to provide monies to finance the redevelopment project. Interest on the bonds is payable semi-annually on April 1 and October 1, in each year, commencing on October 1, 2006. The bonds carry interest rates ranging from 5.55% to 6.15%. Serial bonds maturities begin October 1, 2007, and continue annual through October 1, 2016, ranging from \$160,000 to \$420,000 and term bonds mature in the amount of \$2,365,000 on October 1, 2025, and \$3,200,000 on October 1, 2033. The balance at June 30, 2009, was \$7,505,000. The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2009, including interest, are as follows:

	Project Area No. V, Taxable Tax Allocation Bonds, Issue of 2006A	
	Principal	Interest
2009-2010	\$ 395,000	\$ 441,702
2010-2011	420,000	418,860
2011-2012	160,000	402,514
2012-2013	170,000	393,099
2013-2014	185,000	382,901
2014-2019	1,085,000	1,737,024
2019-2024	1,470,000	1,349,925
2024-2029	655,000	980,156
2029-2034	2,965,000	615,461
Totals	<u>\$ 7,505,000</u>	<u>\$ 6,721,642</u>

2006B Tax Allocation Bonds, Project Area V

On July 6, 2006, the Agency issued Taxable Allocation Bonds 2006B in the amount of \$3,280,000. The bonds were issued to provide monies to finance the redevelopment project. Interest on the bonds is payable semi-annually on April 1 and October 1, in each year, commencing on October 1, 2006. The bonds carry an interest rate of 4.75%. Term bonds in the amount of \$3,280,000 mature October 1, 2033. The balance at June 30, 2009, was \$3,280,000. The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2009, including interest, are as follows:

	Project Area No. V, Tax Allocation Bonds, Issue of 2006B	
	Principal	Interest
2009-2010	\$ -	\$ 155,800
2010-2011	-	155,800
2011-2012	-	155,800
2012-2013	-	155,800
2013-2014	-	155,800
2014-2019	-	779,000
2019-2024	-	779,000
2024-2029	1,295,000	659,181
2029-2034	1,985,000	244,506
Totals	<u>\$ 3,280,000</u>	<u>\$ 3,240,687</u>

City of Montclair
Notes to Financial Statements (Continued)

Note 6: Long-Term Debt (Continued)

2004 Tax Allocation Refunding Bonds, Project Area IV

On February 1, 2004, the Agency issued \$5,700,000 of the Redevelopment Project Area No. 4 2004 Tax Allocation Refunding Bonds. The bonds were issued to refund the Agency's 1992 Tax Allocation Bonds outstanding in the amount of \$1,605,000. Interest on the bonds is payable semi-annually on April 1 and October 1 of each year, commencing on October 1, 2004. The bonds carry an interest rate of 5.07%. Principal maturities begin on October 1, 2004, and continue on October 1 of each year through October 1, 2031. The outstanding balance at June 30, 2009, was \$5,005,000. The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2009, including interest, are as follows:

	2004 Tax Allocation Refunding Bonds, Project Area IV	
	Principal	Interest
2009-2010	\$ 130,000	\$ 239,700
2010-2011	130,000	235,313
2011-2012	135,000	230,506
2012-2013	140,000	225,175
2013-2014	150,000	219,188
2014-2019	850,000	977,750
2019-2024	1,080,000	738,000
2024-2029	1,385,000	431,125
2029-2032	1,005,000	76,875
Totals	<u>\$ 5,005,000</u>	<u>\$ 3,373,632</u>

2001 Tax Allocation Refunding Bonds, Project Area V

On July 1, 2001, the Agency issued \$9,350,000 of 2001 Tax Allocation Refunding Bonds. The bonds were issued to refund the Agency's 1992 Tax Allocation Bonds outstanding in the amount of \$4,435,000 and the 1995 Tax Allocation Bonds outstanding in the amount of \$1,945,000. Interest on the bonds is payable semi-annually on April 1 and October 1 of each year, commencing on October 1, 2001. Principal maturities on the term bonds are October 1, 2020 and October 1, 2030, and carry interest rates of 5.17% and 5.37%, respectively. The outstanding balance as of June 30, 2009, was \$9,350,000.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2009, including interest, are as follows:

	2001 Tax Allocation Refunding Bonds, Project Area V	
	Principal	Interest
2009-2010	\$ -	\$ 484,960
2010-2011	-	484,960
2011-2012	280,000	477,960
2012-2013	295,000	463,585
2013-2014	310,000	448,460
2014-2019	1,795,000	1,987,925
2019-2024	2,290,000	1,473,470
2024-2029	2,965,000	784,003
2029-2031	1,415,000	75,923
Totals	<u>\$ 9,350,000</u>	<u>\$ 6,681,246</u>

**City of Montclair
Notes to Financial Statements (Continued)**

Note 6: Long-Term Debt (Continued)

1997 Taxable Tax Allocation Bonds, Project Area 1

On November 1, 1997, the Agency issued \$325,000 of Redevelopment Project Area No. 1 1997 Taxable Tax Allocation Bonds for the purpose of financing the project area's capital projects. Interest is payable semi-annually on April and October 1 in each year, commencing on April 1, 1998 and through October 1, 2021. The bonds carry an interest rate of 8.4%. The outstanding balance as of June 30, 2009, was \$245,000.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2009, including interest, are as follows:

	1997 Taxable Tax Allocation Bonds, Project Area 1	
	Principal	Interest
2009-2010	\$ 10,000	\$ 20,160
2010-2011	10,000	19,320
2011-2012	15,000	18,270
2012-2013	15,000	17,010
2013-2014	15,000	15,750
2014-2019	100,000	56,280
2019-2022	80,000	10,500
Totals	<u>\$ 245,000</u>	<u>\$ 157,290</u>

The Agency has pledged, as security for bonds it has issued, a portion of the tax increment revenue, including Low and Moderate Income Housing set-aside that it receives. These bonds were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. The Agency has committed to appropriate each year, from these resources amounts sufficient to cover the principal and interest requirements on the debt. Total principal and interest remaining on the debt is \$104,887,997 with debt service requirements as indicated below. For the current year, the total tax increment revenue, net of pass through payments, was \$9,680,849 and the debt service on the bonds was \$3,903,656.

Claims and Judgments

The City is self-insured for general liability and workers' compensation. For more detail, see Note 9. The balance of the long-term portion at June 30, 2009, was \$978,672.

Compensated Absences

There is no fixed repayment schedule for compensated absences. For more information, see Note 1.d. The long-term portion of compensated absences at June 30, 2009, was \$2,340,292.

b. Proprietary Fund Long-Term Debt

The following is a summary of changes in Proprietary Fund long-term debt for the year ended June 30, 2009:

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009	Due Within One Year
Compensated Absences	<u>\$ 94,353</u>	<u>\$ 7,553</u>	<u>\$ 4,779</u>	<u>\$ 97,127</u>	<u>\$ 4,920</u>

City of Montclair
Notes to Financial Statements (Continued)

Note 6: Long-Term Debt (Continued)

Compensated Absences

There is no fixed repayment schedule for compensated absences. For more information, see Note 1.d.

c. Residential Mortgage Revenue Bonds

The following issues of Residential Mortgage Revenue Bonds were not reflected in the financial statements because these bonds are special obligations payable solely from, and secured by, specific revenue sources described in the bond resolutions and official statements of the respective issues. Neither the faith and credit nor the taxing power of the City, the Redevelopment Agency, the State of California or any political subdivision thereof, is pledged for the payment of these bonds:

On October 2, 1979, the Agency issued \$14,855,000 of Residential Mortgage Revenue Bonds, Issue of 1979 for the purpose of providing long-term, low interest mortgage loans to finance residential construction in Redevelopment Project Area No. 2. On December 1, 1990, the Agency issued \$4,400,000 of Taxable Collateralized Mortgage Bonds, Series 1990 for the purpose of advance refunding to maturity the outstanding Residential Mortgage Revenue Bonds, Issue of 1979.

In fiscal year 1982-1983, the Agency entered into a joint exercise of powers agreement with the Redevelopment Agency of the City of Pomona. This agreement created the Montclair-Pomona Housing Finance Agency, a public entity separate from the Redevelopment Agency of Montclair and Pomona, pursuant to Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California. During April 1983, the Montclair-Pomona Housing Finance Agency issued \$33,025,000 of Residential Mortgage Revenue Bonds for the purpose of providing long-term, low interest mortgage loans to finance residential construction in redevelopment project areas of the Redevelopment Agency of the Cities of Montclair and Pomona.

d. Mobile Home Park Revenue Bonds

The following issues of Mobile Home Park Revenue Bonds were not reported in the Agency's financial statements since the use and disposition of the bond proceeds is controlled by an outside trustee rather than the Agency, and since neither the faith and credit nor the taxing power of the Agency has been pledged to the payment of the bonds. The Bonds are payable solely by pledged revenues from residential rental income and certain other funds and accounts held by the Trustee, and interest earned thereon:

On July 1, 1999, the Agency approved the issuance of \$3,645,000 in Mobile Home Park Revenue Bonds, Series 1999 to finance the acquisition by Augusta Homes Villa Montclair (the Borrower), of certain real property constituting the Villa Montclair Mobile Home Park. These bonds bear interest of 4.200% to 6.155% per annum and are subject to mandatory and/or optional redemption prior to maturity.

In addition, the Agency issued a loan in the amount of \$350,000 to the Borrower to facilitate the Mobile Home Park acquisition. Repayment of the loan will commence on July 1, 2006, at which time the unpaid principal amount including the accrued interest added thereto will be amortized over a period of 24 years.

On December 15, 2000, the Agency approved the issuance of \$6,100,000 in Mobile Home Park Revenue Bonds, Series 2000 to finance the acquisition by Augusta

**City of Montclair
Notes to Financial Statements (Continued)**

Note 6: Long-Term Debt (Continued)

Homes Villa Montclair (the Borrower), of certain real property constituting the Monterey Manor Mobile Home Estates. These bonds bear interest of 4.6% to 6.5% per annum and are subject to mandatory and/or optional redemption prior to maturity.

In addition, the Agency issued a loan in the amount of \$750,000 to the Borrower to facilitate the Mobile Home Park acquisition. Repayment of the loan will commence on December 20, 2007, at which time the unpaid principal amount, including the accrued interest added thereto, will be amortized over a period of 24 years.

On November 15, 2002, the Agency issued \$10,750,000 of Mobile Home Park Revenue Bonds, Series 2002. The bonds were issued to finance the acquisition and rehabilitation of the Hacienda Mobile Home Park by Augusta Homes. Interest on the bonds is payable semi-annually on May 15 and November 15 commencing on May 15, 2003. Principal maturities on the term bonds are November 15, 2002, November 15, 2029, and November 15, 2037, and carry interest rates of 6.12%, 6.20% and 6.30%, respectively. In addition, the Agency issued a loan in the amount of \$1,000,000 to the Borrower to facilitate the Mobile Home Park acquisition. Repayment of the loan commenced on December 13, 2002.

IV. OTHER INFORMATION

Note 7: City Employees Retirement Plan (Defined Benefit Pension Plan)

Miscellaneous Plan

Plan Description

The City of Montclair contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance. Copies of PERS' annual financial report may be obtained from their executive office located at 400 P Street, Sacramento, California 95814.

Funding Policy

Participants are required to contribute 8% of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate is 14.491% for non-safety employees of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost

For 2009, the City's annual pension cost of \$1,648,579 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2006, actuarial valuation using the entry age normal actuarial cost method.

**City of Montclair
Notes to Financial Statements (Continued)**

Note 7: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

Three-Year Trend Information For PERS
(Amounts in Thousands)

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2007	\$ 935	100%	\$ -
6/30/2008	1,037	100%	-
6/30/2009	1,648	100%	-

The summary of principal assumptions and methods used to determine the annual required contribution is shown below:

Valuation Date	June 30, 2008
Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	26 Years as of the Valuation Date for the miscellaneous plans
Asset Valuation Method	15 Year Smoothed Market
Actuarial	
Investment Rate of Return	7.75% (net of administrative expenses)
Projected Salary Increases	3.25% to 14.45% depending on Age, Service, and Type of employment
Inflation	3.00%
Payroll Growth	3.25%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 3.00% and an annual production growth of 0.25%

Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into CalPERS. Subsequent plan amendments are amortized as a level percent of pay over a closed 20-year period. Gains and losses that occur in the operation of the plan are amortized over a 30 year rolling period, which results in an amortization of 6% of unamortized gains and losses each year. If the plan's accrued liability exceeds the actuarial value of plan assets, the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30-year amortization period.

Schedule of Funding Progress For PERS Miscellaneous Plan
Most Recent Available
(Amounts in Thousands)

Actuarial Valuation Date	Actuarial Accrued Liability (AAL) Entry Age	Actuarial Value of Assets	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
6/30/2006	\$ 44,267	\$ 39,715	\$ 4,552	89.7%	\$ 6,699	68.0%
6/30/2007	48,336	43,342	4,994	89.7%	7,107	70.3%
6/30/2008	51,871	46,436	5,435	89.5%	7,560	71.9%

**City of Montclair
Notes to Financial Statements (Continued)**

Note 7: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

Safety Plan

Plan Description

The City of Montclair contributes to the California Public Employees Retirement System (PERS), a cost-sharing multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance. Copies of PERS' annual financial report may be obtained from their executive office located at 400 P Street, Sacramento, California 95814.

Funding Policy

Participants are required to contribute 9% of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate of annual covered payroll; the current rate is 29.817% for police safety first tier employees, 15.191% for police safety second tier employees, 37.765% for fire safety first tier employees, and 16.945% for fire safety second tier employees. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost

For 2009, the City's annual pension cost of \$2,504,097 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2006, actuarial valuation using the entry age normal actuarial cost method.

Three-Year Trend Information For PERS
(Amounts in Thousands)

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2007	\$ 1,748	100%	\$ -
6/30/2008	1,752	100%	-
6/30/2009	2,504	100%	-

For fiscal year 2008-2009, the City of Montclair participated in risk pooling. Risk pooling consists of combining assets and liabilities across employers to produce large groups where the impact of a catastrophic demographic event is shared among all employers of the same risk pool. Participation in risk pools is mandatory for all rate plans with less than 100 active members. Mandated participation in risk pools was initially based on the active membership of each rate plan as of June 30, 2003. The implementation of risk pools was done in a way that minimizes the impact on employer contribution rates. The first year in risk pools, the employer contribution rates are almost identical to what the rates would have been outside pools. Future rates will be based on the experience of each pool. Pooling will reduce the volatility of future employer rates. Mandated participation will occur on an annual basis. If on any valuation date starting with the June 30, 2003 valuation, a rate plan has less than 100 active members, it will be mandated in one of the risk pools effective on that valuation date.

City of Montclair
Notes to Financial Statements (Continued)

Note 8: Other Post-Employment Employee Benefits

The City has not implemented GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, since it is still compiling data to determine its liability at June 30, 2009, for postemployment benefits other than pensions.

The City provides certain post-employment health care benefits. Substantially all of the City's employees may become eligible for those benefits if they retire after 15 years of continuous service to the City under a normal service retirement. Those and similar benefits for active employees are provided through several insurance companies whose premiums are based on the benefits paid during the year. The expenditure is accounted for within the general government funds and is funded on a pay-as-you-go (cash) basis. The total post-employment health insurance expenditures for fiscal year 2008-2009 were \$252,892. There are currently 60 participants receiving benefits.

Note 9: Self-Insurance Program

The City has a self-insurance program for workers' compensation liability claims administered by Colen & Lee. The City is self-insured up to \$200,000 for each occurrence. The City is also self-insured for general liability claims up to \$2,000,000, except Employment Practices Liability which is \$1,000,000.

Excess liability coverage above the self-insurance amounts is provided through the California Insurance Pool Authority (CIPA). CIPA, a public entity risk pool was established to pool resources, share risks, purchase excess insurance and share costs for professional risk management, and claims administration. Workers' Compensation and Employers Liability Pool Contract is limited per accident at \$3,000,000 in excess of the City's self-insurance retention stated in the above paragraph. Portions of general liability exceeding the above mentioned amounts are covered by CIPA up to a maximum \$40,000,000 each occurrence and in the aggregate by Everest National Insurance Company (up to \$10,000,000), and American Merchants Casualty Insurance Company (up to \$15,000,000), by Arch Specialty Insurance Company (up to \$15,000,000) in that order. Member cities make payments to CIPA based on underwriting estimates. Additional coverage for general liability claims is maintained through CIPA from a commercial insurer for claims in excess of per claim and annual aggregate amounts. Complete financial statements for CIPA may be obtained from their offices at the following address: CIPA, 240 Newport Center Drive, Suite 210, Newport Beach, CA 92660.

As of June 30, 2009, Adminsure and Carl Warren & Co., indicated a need for potential liability reserves of approximately \$978,672 for general liability and workers' compensation claims representing estimates of amounts to be paid for reported claims, based upon past experience, modified for current trends and information. The City has not experienced a significant reduction in insurance coverage from coverage in the prior year. Additionally, the amount of settlements has not exceeded budgeted coverage for each of the past three fiscal years.

While the ultimate amount of losses incurred through June 30, 2009, are dependent on future developments, based upon information from the City Attorney, outside counsel, service agent and others involved with the administration of the programs, City management believes that the aggregate amount is adequate to cover such losses. Costs relating to the litigation of claims are charged to expenditures as incurred. There are other claims pending for which it is not probable that a loss has been incurred or where the amount cannot be determined.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate

**City of Montclair
Notes to Financial Statements (Continued)**

Note 9: Self-Insurance Program (Continued)

of claims that has been incurred but not reported. At June 30, 2009, the amount of these liabilities was \$978,672. The amount represents an estimate of \$869,132 for reported claims through June 30, 2009, and \$109,540 of estimated incurred but not reported claims. This liability is the City's best estimate based on available information.

The following is a summary of the changes in the claims liability over the past two fiscal years:

Year	Beginning of Year Liability	Current Year Claims and Changes In Estimates	Claim Payments for Current and Prior Years	End of Year Liability
2007-2008	\$ 1,382,453	\$ 481,093	\$ (515,169)	\$ 1,348,377
2008-2009	1,348,377	52,182	(421,887)	978,672

Note 10: Joint Ventures

SBWESTNET

The City of Montclair is a member of San Bernardino County West End Narcotic Enforcement Team (SBWESTNET). SBWESTNET is a narcotics task force comprised of the Chino Police Department, Montclair Police Department and the State Department of Justice (DOJ)/Bureau of Narcotic Enforcement (BNE). The task force falls under the guidelines of DOJ/BNE and is supervised by a DOJ/BNE Special Agent Supervisor.

The mission of SBWESTNET is to ensure public safety by significantly diminishing the availability, use and manufacturing of illegal drugs in the cities of Chino, Montclair, and in the unincorporated west county areas of San Bernardino County, and to apprehend the responsible offenders, thereby increasing public safety.

SBWESTNET was established in August 1997, and allows for local control over task force operations while being able to draw upon resources from the State. SBWESTNET derives its authority from a formal agreement (Memorandum of Understanding) between the Chief Executive Officers of Montclair Police Department, Chino Police Department, and the Bureau of Narcotic Enforcement/Riverside regional office. The CEO's constitute the governing body/Executive Board of SBWESTNET. All financial decisions are made and approved by the task force Executive Board.

Note 11: Fund Balances and Net Assets Restatements

Beginning fund balances have been restated has follows:

Governmental Funds/Governmental Activities	
Montclair Redevelopment Agency - Capital Project Fund	
To correct prior year pass-through payments liability	\$ (61,966)
Total governmental funds restatement	(61,966)
To adjust capital assets to detail record	1,735,481
Net assets restatement - Governmental Activities	<u>\$ 1,673,515</u>
Enterprise Fund/Business-type activities	
Sewer Maintenance Fund	
To correct prior year accounts payable overstated	<u>\$ 87,612</u>

City of Montclair
Notes to Financial Statements (Continued)

Note 12: Subsequent Events

Property Tax Under Proposition 1A

On July 24, 2009, the legislation approved the “borrowing” of up to 8 percent of the local property tax under Proposition 1A (2004). The City is a participant in the Proposition 1A Securitization Program offered by California Communities, a joint powers authority sponsored by the League of California Cities and California State Association of Counties. California Communities sold bonds on November 10, 2009, securitizing the future payments by the State and remit the proceeds of the bonds to the local governments who opt to participate in the program. The purchase price paid on the sale of the City’s receivable is 100% or \$ \$647,742. Participants of the Securitization program have no obligation on the bonds and no credit exposure to the State. Distribution of the proceeds to the participants is expected 50% on January 15, 2010 and 50% on May 3, 2010.

SERAF Tax Increment Revenue Shift for fiscal year 2009-2010 and 2010-2011

On July 23, 2009, the California Legislature passed SB 26, requiring a shift in tax increment revenues during fiscal years 2009-2010 and 2010-2011 to be deposited into the County “Supplement” Educational Revenue Augmentation Fund (SERAF) and which is to be distributed to meet the State’s Prop 98 obligations to schools. It is estimated that the Agency’s share if the SERAF shift for fiscal year 2009-2010 and 2010-2011 will amount to approximately \$4,195,772 and \$863,835 respectively. In October 2009, the California Redevelopment Association and its member agencies filed a legal action in an attempt to stop these amounts from having to be paid. In May 2010, the Superior Court ruled to uphold the state budget bill. The California Redevelopment Association has since filed an appeal to the decision. However, the Agency, pending the outcome of the appeal, has made the first required payment of \$4,199,811 on May 10, 2010.

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CITY OF MONTCLAIR

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	<u>Special Revenue Funds</u>			
	<u>Gas Tax</u>	<u>Measure I</u>	<u>Traffic Safety</u>	<u>Park Development</u>
Assets:				
Pooled cash and investments	\$ 2,811,446	\$ -	\$ 478,836	\$ 1,118,475
Receivables:				
Accounts	-	-	-	14,391
Accrued interest	6,104	-	-	-
Due from other governments	125,079	33,938	17,417	20
Due from other funds	649,012	44,513	57,333	93
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	1,000
Total Assets	<u>\$ 3,591,641</u>	<u>\$ 78,451</u>	<u>\$ 553,586</u>	<u>\$ 1,133,979</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 650	\$ 731,611	\$ -	\$ 40,774
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	-
Unearned revenues	609,227	-	-	-
Deposits payable	-	-	-	1,000
Due to other governments	206,626	-	15,707	-
Due to other funds	56,513	1,432,398	537,879	273
Total Liabilities	<u>873,016</u>	<u>2,164,009</u>	<u>553,586</u>	<u>42,047</u>
Fund Balances:				
Reserved:				
Reserved for encumbrances	25,093	-	-	18,786
Unreserved:				
Undesignated	2,693,532	(2,085,558)	-	1,073,146
Total Fund Balances	<u>2,718,625</u>	<u>(2,085,558)</u>	<u>-</u>	<u>1,091,932</u>
Total Liabilities and Fund Balances	<u>\$ 3,591,641</u>	<u>\$ 78,451</u>	<u>\$ 553,586</u>	<u>\$ 1,133,979</u>

CITY OF MONTCLAIR

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

(Continued)

	Special Revenue Funds			
	Community Development Block Grant	Air Quality Improvement	Older American Act	State Asset Forfeiture
Assets:				
Pooled cash and investments	\$ 340,860	\$ 68,575	\$ 5,741	\$ 4,042
Receivables:				
Accounts	-	11,570	-	-
Accrued interest	-	-	-	-
Due from other governments	17,128	-	16,337	-
Due from other funds	-	6	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 357,988	\$ 80,151	\$ 22,078	\$ 4,042
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 1,171	\$ 6,538	\$ -
Accrued liabilities	-	-	727	-
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	267,810	-	-	-
Due to other funds	204,955	-	10,068	-
Total Liabilities	472,765	1,171	17,333	-
Fund Balances:				
Reserved:				
Reserved for encumbrances	-	-	-	-
Unreserved:				
Undesignated	(114,777)	78,980	4,745	4,042
Total Fund Balances	(114,777)	78,980	4,745	4,042
Total Liabilities and Fund Balances	\$ 357,988	\$ 80,151	\$ 22,078	\$ 4,042

CITY OF MONTCLAIR

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds			
	Public Safety	State Asset Forfeiture Section 11489	Federal Asset Forfeiture- Treasury	School District Grant
Assets:				
Pooled cash and investments	\$ 716,815	\$ 22,470	\$ 230	\$ -
Receivables:				
Accounts	-	-	-	59,500
Accrued interest	-	-	-	-
Due from other governments	40,451	-	-	32,000
Due from other funds	67	2	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 757,333	\$ 22,472	\$ 230	\$ 91,500
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 19,069	\$ -	\$ -	\$ -
Accrued liabilities	1,457	-	-	4,646
Deferred revenues	-	-	-	57,000
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	30,798	-	-	312,643
Total Liabilities	51,324	-	-	374,289
Fund Balances:				
Reserved:				
Reserved for encumbrances	114,479	-	-	-
Unreserved:				
Undesignated	591,530	22,472	230	(282,789)
Total Fund Balances	706,009	22,472	230	(282,789)
Total Liabilities and Fund Balances	\$ 757,333	\$ 22,472	\$ 230	\$ 91,500

CITY OF MONTCLAIR

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

(Continued)

	Special Revenue Funds			
	State Supplemental Law Enforcement	Local Law Enforcement Block Grant	Crime Prevention PC 1202.5	Recycling Block Grant
Assets:				
Pooled cash and investments	\$ 77,024	\$ -	\$ 8,764	\$ -
Receivables:				
Accounts	38,014	-	-	-
Accrued interest	-	-	-	-
Due from other governments	-	-	65	-
Due from other funds	7	-	1	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 115,045	\$ -	\$ 8,830	\$ -
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 1,772	\$ -	\$ -	\$ 22,878
Accrued liabilities	-	-	-	-
Deferred revenues	19,538	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	3,761	-	5,976
Total Liabilities	21,310	3,761	-	28,854
Fund Balances:				
Reserved:				
Reserved for encumbrances	400	-	-	-
Unreserved:				
Undesignated	93,335	(3,761)	8,830	(28,854)
Total Fund Balances	93,735	(3,761)	8,830	(28,854)
Total Liabilities and Fund Balances	\$ 115,045	\$ -	\$ 8,830	\$ -

CITY OF MONTCLAIR

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	<u>Special Revenue Funds</u>			
	<u>Human Services Grant</u>	<u>California Nutrition Grant</u>	<u>E.M.S Paramedic</u>	<u>OCJP Grant</u>
Assets:				
Pooled cash and investments	\$ 185,163	\$ -	\$ -	\$ -
Receivables:				
Accounts	160,553	-	42,866	-
Accrued interest	-	-	-	-
Due from other governments	158,751	58,942	-	-
Due from other funds	866,312	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 1,370,779</u>	<u>\$ 58,942</u>	<u>\$ 42,866</u>	<u>\$ -</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 25,208	\$ 1,773	\$ 1,596	\$ -
Accrued liabilities	27,767	953	652	-
Deferred revenues	162,512	58,942	-	-
Unearned revenues	-	-	-	-
Deposits payable	225	-	-	-
Due to other governments	27,083	-	-	-
Due to other funds	49,603	57,623	156,617	76,718
Total Liabilities	<u>292,398</u>	<u>119,291</u>	<u>158,865</u>	<u>76,718</u>
Fund Balances:				
Reserved:				
Reserved for encumbrances	103,117	875	-	-
Unreserved:				
Undesignated	975,264	(61,224)	(115,999)	(76,718)
Total Fund Balances	<u>1,078,381</u>	<u>(60,349)</u>	<u>(115,999)</u>	<u>(76,718)</u>
Total Liabilities and Fund Balances	<u>\$ 1,370,779</u>	<u>\$ 58,942</u>	<u>\$ 42,866</u>	<u>\$ -</u>

CITY OF MONTCLAIR

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

(Continued)

	Special Revenue Funds			
	Automated Traffic Enforcement	Office of Traffic Safety Grant	Equipment Replacement	Infrastructure
Assets:				
Pooled cash and investments	\$ -	\$ 2,918	\$ 1,406,342	\$ 849,999
Receivables:				
Accounts	-	-	-	-
Accrued interest	-	-	2,361	3,857
Due from other governments	7,236	-	-	-
Due from other funds	-	-	30,124	74
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 7,236	\$ 2,918	\$ 1,438,827	\$ 853,930
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 21,248	\$ -	\$ 71	\$ -
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	25,000
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	424,647	-	-	589,040
Total Liabilities	445,895	-	71	614,040
Fund Balances:				
Reserved:				
Reserved for encumbrances	-	-	-	-
Unreserved:				
Undesignated	(438,659)	2,918	1,438,756	239,890
Total Fund Balances	(438,659)	2,918	1,438,756	239,890
Total Liabilities and Fund Balances	\$ 7,236	\$ 2,918	\$ 1,438,827	\$ 853,930

CITY OF MONTCLAIR

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds		Capital Projects Funds	
	Refuse Fee Impound	Montclair Youth Sponsorship	Monte Vista Grade Separation Project	City Facility Improvement
Assets:				
Pooled cash and investments	\$ -	\$ -	\$ -	\$ 939,892
Receivables:				
Accounts	-	-	24,762	-
Accrued interest	-	-	-	1,333
Due from other governments	-	-	-	-
Due from other funds	-	-	-	83
Restricted assets:				
Cash and investments with fiscal agents	-	72,461	-	-
Total Assets	\$ -	\$ 72,461	\$ 24,762	\$ 941,308
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 2,572	\$ -	\$ 213,872	\$ 58,171
Accrued liabilities	461	-	-	-
Deferred revenues	71,908	-	24,762	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	54,300	-	2,102,757	-
Total Liabilities	129,241	-	2,341,391	58,171
Fund Balances:				
Reserved:				
Reserved for encumbrances	-	-	12,000	-
Unreserved:				
Undesignated	(129,241)	72,461	(2,328,629)	883,137
Total Fund Balances	(129,241)	72,461	(2,316,629)	883,137
Total Liabilities and Fund Balances	\$ -	\$ 72,461	\$ 24,762	\$ 941,308

CITY OF MONTCLAIR

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

(Continued)

	Capital Projects Funds			Debt Service Funds
	Police Facility Capital Project	Senior/Youth Centers Capital Project	Parking Lot Expansion	2005 Lease Revenue Bonds
Assets:				
Pooled cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables:				
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Due from other governments	628,120	-	-	-
Due from other funds	929,768	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	308,777	-	-	8,452,564
Total Assets	\$ 1,866,665	\$ -	\$ -	\$ 8,452,564
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 974,203	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	1,037,158	406,673	1,264	-
Total Liabilities	2,011,361	406,673	1,264	-
Fund Balances:				
Reserved:				
Reserved for encumbrances	32,928	-	-	-
Unreserved:				
Undesignated	(177,624)	(406,673)	(1,264)	8,452,564
Total Fund Balances	(144,696)	(406,673)	(1,264)	8,452,564
Total Liabilities and Fund Balances	\$ 1,866,665	\$ -	\$ -	\$ 8,452,564

CITY OF MONTCLAIR

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2009

	Total Nonmajor Governmental Funds
Assets:	
Pooled cash and investments	\$ 9,037,592
Receivables:	
Accounts	351,656
Accrued interest	13,655
Due from other governments	1,135,484
Due from other funds	2,577,395
Restricted assets:	
Cash and investments with fiscal agents	8,834,802
	<hr/>
Total Assets	\$ 21,950,584
	<hr/> <hr/>
Liabilities and Fund Balances:	
Liabilities:	
Accounts payable	\$ 2,123,177
Accrued liabilities	36,663
Deferred revenues	419,662
Unearned revenues	609,227
Deposits payable	1,225
Due to other governments	517,226
Due to other funds	7,551,664
	<hr/>
Total Liabilities	11,258,844
	<hr/>
Fund Balances:	
Reserved:	
Reserved for encumbrances	307,678
Unreserved:	
Undesignated	10,384,062
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Total Fund Balances	10,691,740
	<hr/>
Total Liabilities and Fund Balances	\$ 21,950,584
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CITY OF MONTCLAIR

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Special Revenue Funds			
	Gas Tax	Measure I	Traffic Safety	Park Development
Revenues:				
Taxes	\$ 595,174	\$ -	\$ -	\$ -
Intergovernmental	313,102	445,255	-	-
Charges for services	-	-	-	-
Use of money and property	72,603	283	255	47,358
Fines and forfeitures	-	-	212,565	-
Miscellaneous	-	-	-	95,200
Total Revenues	980,879	445,538	212,820	142,558
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Public works	-	-	-	9,955
Capital outlay	57,226	3,446,661	-	143,120
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	57,226	3,446,661	-	153,075
Excess (Deficiency) of Revenues Over (Under) Expenditures	923,653	(3,001,123)	212,820	(10,517)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(6,000)	-	(212,820)	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	(6,000)	-	(212,820)	-
Net Change in Fund Balances	917,653	(3,001,123)	-	(10,517)
Fund Balance, Beginning of year	1,800,972	915,565	-	1,102,449
Fund Balance, End of year	\$ 2,718,625	\$ (2,085,558)	\$ -	\$ 1,091,932

CITY OF MONTCLAIR

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009

(Continued)

	Special Revenue Funds			
	Community Development Block Grant	Air Quality Improvement	Older American Act	State Asset Forfeiture
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	382,261	42,571	100,332	1,034
Charges for services	-	-	-	-
Use of money and property	-	33	-	61
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	382,261	42,604	100,332	1,095
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	8,150	12,820	92,294	-
Public works	25,411	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	33,561	12,820	92,294	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	348,700	29,784	8,038	1,095
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	348,700	29,784	8,038	1,095
Fund Balance, Beginning of year	(463,477)	49,196	(3,293)	2,947
Fund Balance, End of year	\$ (114,777)	\$ 78,980	\$ 4,745	\$ 4,042

CITY OF MONTCLAIR

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Special Revenue Funds			
	Public Safety	State Asset Forfeiture Section 11489	Federal Asset Forfeiture- Treasury	School District Grant
Revenues:				
Taxes	\$ 251,436	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	138,336
Charges for services	-	-	-	-
Use of money and property	530	15	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	251,966	15	-	138,336
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	315,577	-	-	302,053
Community development	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	315,577	-	-	302,053
Excess (Deficiency) of Revenues Over (Under) Expenditures	(63,611)	15	-	(163,717)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	3,000	-	-	-
Total Other Financing Sources (Uses)	3,000	-	-	-
Net Change in Fund Balances	(60,611)	15	-	(163,717)
Fund Balance, Beginning of year	766,620	22,457	230	(119,072)
Fund Balance, End of year	\$ 706,009	\$ 22,472	\$ 230	\$ (282,789)

CITY OF MONTCLAIR

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009

(Continued)

	Special Revenue Funds			
	State Supplemental Law Enforcement	Local Law Enforcement Block Grant	Crime Prevention PC 1202.5	Recycling Block Grant
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	79,136	-	-	9,607
Charges for services	-	-	-	-
Use of money and property	42	-	6	6
Fines and forfeitures	-	-	744	-
Miscellaneous	-	-	-	-
Total Revenues	79,178	-	750	9,613
Expenditures:				
Current:				
General government	-	-	-	29,248
Public safety	36,347	3,424	-	-
Community development	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	36,347	3,424	-	29,248
Excess (Deficiency) of Revenues Over (Under) Expenditures	42,831	(3,424)	750	(19,635)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	42,831	(3,424)	750	(19,635)
Fund Balance, Beginning of year	50,904	(337)	8,080	(9,219)
Fund Balance, End of year	\$ 93,735	\$ (3,761)	\$ 8,830	\$ (28,854)

CITY OF MONTCLAIR

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Special Revenue Funds			
	Human Services Grant	California Nutrition Grant	E.M.S Paramedic	OCJP Grant
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,752,802	14,380	8,157	-
Charges for services	-	-	175,813	-
Use of money and property	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	54,048	-	10,360	-
Total Revenues	1,806,850	14,380	194,330	-
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	268,633	-
Community development	1,750,692	62,220	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,750,692	62,220	268,633	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	56,158	(47,840)	(74,303)	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	56,158	(47,840)	(74,303)	-
Fund Balance, Beginning of year	1,022,223	(12,509)	(41,696)	(76,718)
Fund Balance, End of year	\$ 1,078,381	\$ (60,349)	\$ (115,999)	\$ (76,718)

CITY OF MONTCLAIR

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

(Continued)

	Special Revenue Funds			
	Automated Traffic Enforcement	Office of Traffic Safety Grant	Equipment Replacement	Infrastructure
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	-	33,476	5,587
Fines and forfeitures	96,036	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	96,036	-	33,476	5,587
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	147,671	-	58,262	-
Community development	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	589,063
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	147,671	-	58,262	589,063
Excess (Deficiency) of Revenues Over (Under) Expenditures	(51,635)	-	(24,786)	(583,476)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	2,533	-
Total Other Financing Sources (Uses)	-	-	2,533	-
Net Change in Fund Balances	(51,635)	-	(22,253)	(583,476)
Fund Balance, Beginning of year	(387,024)	2,918	1,461,009	823,366
Fund Balance, End of year	\$ (438,659)	\$ 2,918	\$ 1,438,756	\$ 239,890

CITY OF MONTCLAIR

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009

	<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>	
	<u>Refuse Fee Impound</u>	<u>Montclair Youth Sponsorship</u>	<u>Monte Vista Grade Separation Project</u>	<u>City Facility Improvement</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	723,035	-
Charges for services	-	-	-	-
Use of money and property	112,843	(17,616)	-	(959)
Fines and forfeitures	-	-	-	-
Miscellaneous	-	8,421	-	-
Total Revenues	112,843	(9,195)	723,035	(959)
Expenditures:				
Current:				
General government	93,796	-	-	-
Public safety	15,362	-	-	-
Community development	-	16,426	-	-
Public works	-	-	-	3,313
Capital outlay	-	-	2,009,333	106,202
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	109,158	16,426	2,009,333	109,515
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,685	(25,621)	(1,286,298)	(110,474)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	3,685	(25,621)	(1,286,298)	(110,474)
Fund Balance, Beginning of year	(132,926)	98,082	(1,030,331)	993,611
Fund Balance, End of year	\$ (129,241)	\$ 72,461	\$ (2,316,629)	\$ 883,137

CITY OF MONTCLAIR

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

(Continued)

	Capital Projects Funds			Debt Service Funds
	Police Facility Capital Project	Senior/Youth Centers Capital Project	Parking Lot Expansion	2005 Lease Revenue Bonds
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,623,203	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	-	-	51,086
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	2,623,203	-	-	51,086
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	679	-	-	-
Community development	-	-	-	-
Public works	-	-	-	-
Capital outlay	1,312,184	1,304,036	26,007	-
Debt service:				
Principal retirement	-	-	-	595,000
Interest and fiscal charges	-	-	-	1,323,576
Total Expenditures	1,312,863	1,304,036	26,007	1,918,576
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,310,340	(1,304,036)	(26,007)	(1,867,490)
Other Financing Sources (Uses):				
Transfers in	1,313,768	897,363	24,743	1,897,358
Transfers out	-	-	-	(2,235,874)
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	1,313,768	897,363	24,743	(338,516)
Net Change in Fund Balances	2,624,108	(406,673)	(1,264)	(2,206,006)
Fund Balance, Beginning of year	(2,768,804)	-	-	10,658,570
Fund Balance, End of year	\$ (144,696)	\$ (406,673)	\$ (1,264)	\$ 8,452,564

CITY OF MONTCLAIR

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Total Nonmajor Governmental Funds
Revenues:	
Taxes	\$ 846,610
Intergovernmental	6,633,211
Charges for services	175,813
Use of money and property	305,609
Fines and forfeitures	309,345
Miscellaneous	168,029
	<hr/>
Total Revenues	8,438,617
	<hr/>
Expenditures:	
Current:	
General government	123,044
Public safety	1,148,008
Community development	1,942,602
Public works	38,679
Capital outlay	8,993,832
Debt service:	
Principal retirement	595,000
Interest and fiscal charges	1,323,576
	<hr/>
Total Expenditures	14,164,741
	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,726,124)
	<hr/>
Other Financing Sources (Uses):	
Transfers in	4,133,232
Transfers out	(2,454,694)
Proceeds from sale of capital asset	5,533
	<hr/>
Total Other Financing Sources (Uses)	1,684,071
	<hr/>
Net Change in Fund Balances	(4,042,053)
	<hr/>
Fund Balance, Beginning of year	14,733,793
	<hr/>
Fund Balance, End of year	\$ 10,691,740
	<hr/> <hr/>

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
GAS TAX
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,800,972	\$ 1,800,972	\$ 1,800,972	\$ -
Resources (Inflows):				
Taxes	659,200	659,200	595,174	(64,026)
Intergovernmental	-	-	313,102	313,102
Use of money and property	66,000	66,000	72,603	6,603
Amounts Available for Appropriation	2,526,172	2,526,172	2,781,851	255,679
Charges to Appropriation (Outflow):				
General government	1,600	1,600	-	1,600
Capital outlay	530,000	1,254,420	57,226	1,197,194
Transfers out	6,000	6,000	6,000	-
Total Charges to Appropriations	537,600	1,262,020	63,226	1,198,794
Budgetary Fund Balance, June 30	\$ 1,988,572	\$ 1,264,152	\$ 2,718,625	\$ 1,454,473

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 MEASURE I
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 915,565	\$ 915,565	\$ 915,565	\$ -
Resources (Inflows):				
Intergovernmental	550,000	550,000	445,255	(104,745)
Use of money and property	43,000	43,000	283	(42,717)
Amounts Available for Appropriation	1,508,565	1,508,565	1,361,103	(147,462)
Charges to Appropriation (Outflow):				
Capital outlay	625,000	1,661,952	3,446,661	(1,784,709)
Total Charges to Appropriations	625,000	1,661,952	3,446,661	(1,784,709)
Budgetary Fund Balance, June 30	\$ 883,565	\$ (153,387)	\$ (2,085,558)	\$ (1,932,171)

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 TRAFFIC SAFETY
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Use of money and property	1,000	1,000	255	(745)
Fines and forfeitures	384,000	384,000	212,565	(171,435)
Amounts Available for Appropriation	385,000	385,000	212,820	(172,180)
Charges to Appropriation (Outflow):				
Transfers out	385,000	385,000	212,820	172,180
Total Charges to Appropriations	385,000	385,000	212,820	172,180
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
PARK DEVELOPMENT
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,102,449	\$ 1,102,449	\$ 1,102,449	\$ -
Resources (Inflows):				
Intergovernmental	395,000	395,000	-	(395,000)
Use of money and property	34,530	34,530	47,358	12,828
Miscellaneous	70,000	70,000	95,200	25,200
Amounts Available for Appropriation	1,601,979	1,601,979	1,245,007	(356,972)
Charges to Appropriation (Outflow):				
Public works	13,200	13,200	9,955	3,245
Capital outlay	425,000	721,075	143,120	577,955
Total Charges to Appropriations	438,200	734,275	153,075	581,200
Budgetary Fund Balance, June 30	\$ 1,163,779	\$ 867,704	\$ 1,091,932	\$ 224,228

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 COMMUNITY DEVELOPMENT BLOCK GRANT
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (463,477)	\$ (463,477)	\$ (463,477)	\$ -
Resources (Inflows):				
Intergovernmental	73,150	73,150	382,261	309,111
Amounts Available for Appropriation	(390,327)	(390,327)	(81,216)	309,111
Charges to Appropriation (Outflow):				
Community development	8,150	8,150	8,150	-
Public works	40,000	40,000	25,411	14,589
Capital outlay	25,000	25,000	-	25,000
Total Charges to Appropriations	73,150	73,150	33,561	39,589
Budgetary Fund Balance, June 30	\$ (463,477)	\$ (463,477)	\$ (114,777)	\$ 348,700

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 AIR QUALITY IMPROVEMENT
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 49,196	\$ 49,196	\$ 49,196	\$ -
Resources (Inflows):				
Intergovernmental	40,000	40,000	42,571	2,571
Use of money and property	200	200	33	(167)
Amounts Available for Appropriation	89,396	89,396	91,800	2,404
Charges to Appropriation (Outflow):				
Community development	6,866	6,866	12,820	(5,954)
Total Charges to Appropriations	6,866	6,866	12,820	(5,954)
Budgetary Fund Balance, June 30	\$ 82,530	\$ 82,530	\$ 78,980	\$ (3,550)

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 OLDER AMERICAN ACT
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (3,293)	\$ (3,293)	\$ (3,293)	\$ -
Resources (Inflows):				
Intergovernmental	115,408	115,408	100,332	(15,076)
Amounts Available for Appropriation	112,115	112,115	97,039	(15,076)
Charges to Appropriation (Outflow):				
Community development	115,409	115,409	92,294	23,115
Total Charges to Appropriations	115,409	115,409	92,294	23,115
Budgetary Fund Balance, June 30	\$ (3,294)	\$ (3,294)	\$ 4,745	\$ 8,039

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
STATE ASSET FORFEITURE
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,947	\$ 2,947	\$ 2,947	\$ -
Resources (Inflows):				
Intergovernmental	-	-	1,034	1,034
Use of money and property	50	50	61	11
Amounts Available for Appropriation	2,997	2,997	4,042	1,045
Budgetary Fund Balance, June 30	\$ 2,997	\$ 2,997	\$ 4,042	\$ 1,045

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
PUBLIC SAFETY
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 766,620	\$ 766,620	\$ 766,620	\$ -
Resources (Inflows):				
Taxes	285,000	285,000	251,436	(33,564)
Use of money and property	2,000	2,000	530	(1,470)
Proceeds from sale of capital asset	-	3,000	3,000	-
Amounts Available for Appropriation	1,053,620	1,056,620	1,021,586	(35,034)
Charges to Appropriation (Outflow):				
Public safety	149,759	353,307	315,577	37,730
Transfers out	100,000	100,000	-	100,000
Total Charges to Appropriations	249,759	453,307	315,577	137,730
Budgetary Fund Balance, June 30	\$ 803,861	\$ 603,313	\$ 706,009	\$ 102,696

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 STATE ASSET FORFEITURE SECTION 11489
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 22,457	\$ 22,457	\$ 22,457	\$ -
Resources (Inflows):				
Use of money and property	150	150	15	(135)
Amounts Available for Appropriation	22,607	22,607	22,472	(135)
Budgetary Fund Balance, June 30	\$ 22,607	\$ 22,607	\$ 22,472	\$ (135)

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 SCHOOL DISTRICT GRANT
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (119,072)	\$ (119,072)	\$ (119,072)	\$ -
Resources (Inflows):				
Intergovernmental	314,547	314,547	138,336	(176,211)
Amounts Available for Appropriation	195,475	195,475	19,264	(176,211)
Charges to Appropriation (Outflow):				
Public safety	314,547	314,547	302,053	12,494
Total Charges to Appropriations	314,547	314,547	302,053	12,494
Budgetary Fund Balance, June 30	\$ (119,072)	\$ (119,072)	\$ (282,789)	\$ (163,717)

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
CRIME PREVENTION PC 1202.5
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 8,080	\$ 8,080	\$ 8,080	\$ -
Resources (Inflows):				
Use of money and property	50	50	6	(44)
Fines and forfeitures	200	200	744	544
Amounts Available for Appropriation	8,330	8,330	8,830	500
Budgetary Fund Balance, June 30	\$ 8,330	\$ 8,330	\$ 8,830	\$ 500

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 RECYCLING BLOCK GRANT
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (9,219)	\$ (9,219)	\$ (9,219)	\$ -
Resources (Inflows):				
Intergovernmental	19,004	19,004	9,607	(9,397)
Use of money and property	100	100	6	(94)
Amounts Available for Appropriation	9,885	9,885	394	(9,491)
Charges to Appropriation (Outflow):				
General government	20,200	20,200	29,248	(9,048)
Total Charges to Appropriations	20,200	20,200	29,248	(9,048)
Budgetary Fund Balance, June 30	\$ (10,315)	\$ (10,315)	\$ (28,854)	\$ (18,539)

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
HUMAN SERVICES GRANT
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1 as restated	\$ 1,022,223	\$ 1,022,223	\$ 1,022,223	\$ -
Resources (Inflows):				
Intergovernmental	1,281,709	1,370,960	1,752,802	381,842
Charges for services	5,000	5,000	-	(5,000)
Use of money and property	2,000	2,000	-	(2,000)
Miscellaneous	-	25,000	54,048	29,048
Amounts Available for Appropriation	2,310,932	2,425,183	2,829,073	403,890
Charges to Appropriation (Outflow):				
Community development	1,789,797	1,814,797	1,750,692	64,105
Total Charges to Appropriations	1,789,797	1,814,797	1,750,692	64,105
Budgetary Fund Balance, June 30	\$ 521,135	\$ 610,386	\$ 1,078,381	\$ 467,995

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 CALIFORNIA NUTRITION GRANT
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (12,509)	\$ (12,509)	\$ (12,509)	\$ -
Resources (Inflows):				
Intergovernmental	68,541	68,541	14,380	(54,161)
Amounts Available for Appropriation	56,032	56,032	1,871	(54,161)
Charges to Appropriation (Outflow):				
Community development	75,157	75,157	62,220	12,937
Total Charges to Appropriations	75,157	75,157	62,220	12,937
Budgetary Fund Balance, June 30	\$ (19,125)	\$ (19,125)	\$ (60,349)	\$ (41,224)

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 E.M.S. PARAMEDIC
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (41,696)	\$ (41,696)	\$ (41,696)	\$ -
Resources (Inflows):				
Intergovernmental	-	-	8,157	8,157
Charges for services	154,250	274,250	175,813	(98,437)
Use of money and property	150	150	-	(150)
Miscellaneous	1,000	1,000	10,360	9,360
Amounts Available for Appropriation	113,704	233,704	152,634	(81,070)
Charges to Appropriation (Outflow):				
Public safety	132,454	132,454	268,633	(136,179)
Total Charges to Appropriations	132,454	132,454	268,633	(136,179)
Budgetary Fund Balance, June 30	\$ (18,750)	\$ 101,250	\$ (115,999)	\$ (217,249)

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
 AUTOMATED TRAFFIC ENFORCEMENT
 YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (387,024)	\$ (387,024)	\$ (387,024)	\$ -
Resources (Inflows):				
Fines and forfeitures	252,000	252,000	96,036	(155,964)
Amounts Available for Appropriation	(135,024)	(135,024)	(290,988)	(155,964)
Charges to Appropriation (Outflow):				
Public safety	252,000	252,000	147,671	104,329
Total Charges to Appropriations	252,000	252,000	147,671	104,329
Budgetary Fund Balance, June 30	\$ (387,024)	\$ (387,024)	\$ (438,659)	\$ (51,635)

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
EQUIPMENT REPLACEMENT
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,461,009	\$ 1,461,009	\$ 1,461,009	\$ -
Resources (Inflows):				
Use of money and property	35,000	35,000	33,476	(1,524)
Transfers in	212,900	212,900	-	(212,900)
Proceeds from sale of capital asset	-	-	2,533	2,533
Amounts Available for Appropriation	1,708,909	1,708,909	1,497,018	(211,891)
Charges to Appropriation (Outflow):				
Public safety	84,860	84,860	58,262	26,598
Total Charges to Appropriations	84,860	84,860	58,262	26,598
Budgetary Fund Balance, June 30	\$ 1,624,049	\$ 1,624,049	\$ 1,438,756	\$ (185,293)

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 INFRASTRUCTURE
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 823,366	\$ 823,366	\$ 823,366	\$ -
Resources (Inflows):				
Use of money and property	5,000	5,000	5,587	587
Amounts Available for Appropriation	828,366	828,366	828,953	587
Charges to Appropriation (Outflow):				
Capital outlay	100,000	279,030	589,063	(310,033)
Total Charges to Appropriations	100,000	279,030	589,063	(310,033)
Budgetary Fund Balance, June 30	\$ 728,366	\$ 549,336	\$ 239,890	\$ (309,446)

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 REFUSE FEE IMPOUND
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (132,926)	\$ (132,926)	\$ (132,926)	\$ -
Resources (Inflows):				
Use of money and property	103,000	103,000	112,843	9,843
Amounts Available for Appropriation	(29,926)	(29,926)	(20,083)	9,843
Charges to Appropriation (Outflow):				
General government	128,369	128,369	93,796	34,573
Public safety	14,200	14,200	15,362	(1,162)
Total Charges to Appropriations	142,569	142,569	109,158	33,411
Budgetary Fund Balance, June 30	\$ (172,495)	\$ (172,495)	\$ (129,241)	\$ 43,254

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
MONTCLAIR YOUTH SPONSORSHIP
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 98,082	\$ 98,082	\$ 98,082	\$ -
Resources (Inflows):				
Use of money and property	5,000	5,000	(17,616)	(22,616)
Miscellaneous	10,000	10,000	8,421	(1,579)
Amounts Available for Appropriation	113,082	113,082	88,887	(24,195)
Charges to Appropriation (Outflow):				
Community development	-	-	16,426	(16,426)
Total Charges to Appropriations	-	-	16,426	(16,426)
Budgetary Fund Balance, June 30	\$ 113,082	\$ 113,082	\$ 72,461	\$ (40,621)

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 MONTE VISTA GRADE SEPARATION PROJECT
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (1,030,331)	\$ (1,030,331)	\$(1,030,331)	\$ -
Resources (Inflows):				
Intergovernmental	-	-	723,035	723,035
Amounts Available for Appropriation	(1,030,331)	(1,030,331)	(307,296)	723,035
Charges to Appropriation (Outflow):				
Capital outlay	-	18,472,843	2,009,333	16,463,510
Total Charges to Appropriations	-	18,472,843	2,009,333	16,463,510
Budgetary Fund Balance, June 30	\$ (1,030,331)	\$ (19,503,174)	\$(2,316,629)	\$ 17,186,545

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 RAMONA GRADE SEPARATION PROJECT
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (1,100)	\$ (1,100)	\$ (1,100)	\$ -
Resources (Inflows):				
Intergovernmental	-	-	6,831,659	6,831,659
Use of money and property	-	-	1,281	1,281
Amounts Available for Appropriation	(1,100)	(1,100)	6,831,840	6,832,940
Charges to Appropriation (Outflow):				
Capital outlay	-	6,936,900	4,972,238	1,964,662
Total Charges to Appropriations	-	6,936,900	4,972,238	1,964,662
Budgetary Fund Balance, June 30	\$ (1,100)	\$ (6,938,000)	\$ 1,859,602	\$ 8,797,602

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
CITY FACILITY IMPROVEMENT
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 993,611	\$ 993,611	\$ 993,611	\$ -
Resources (Inflows):				
Use of money and property	40,000	40,000	(959)	(40,959)
Transfers in	250,000	250,000	-	(250,000)
Amounts Available for Appropriation	1,283,611	1,283,611	992,652	(290,959)
Charges to Appropriation (Outflow):				
Public works	200,000	200,000	3,313	196,687
Capital outlay	832,842	1,007,842	106,202	901,640
Total Charges to Appropriations	1,032,842	1,207,842	109,515	1,098,327
Budgetary Fund Balance, June 30	\$ 250,769	\$ 75,769	\$ 883,137	\$ 807,368

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
 SENIOR/YOUTH CENTERS CAPITAL PROJECT
 YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	1,000,000	1,000,000	-	(1,000,000)
Transfers in	6,321,500	6,321,500	897,363	(5,424,137)
Amounts Available for Appropriation	7,321,500	7,321,500	897,363	(6,424,137)
Charges to Appropriation (Outflow):				
Capital outlay	7,321,500	10,621,500	1,304,036	9,317,464
Total Charges to Appropriations	7,321,500	10,621,500	1,304,036	9,317,464
Budgetary Fund Balance, June 30	\$ -	\$ (3,300,000)	\$ (406,673)	\$ 2,893,327

CITY OF MONTCLAIR

BUDGETARY COMPARISON SCHEDULE
 PARKING LOT EXPANSION
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Transfers in	2,000,000	2,000,000	24,743	(1,975,257)
Amounts Available for Appropriation	2,000,000	2,000,000	24,743	(1,975,257)
Charges to Appropriation (Outflow):				
Capital outlay	2,000,000	2,000,000	26,007	1,973,993
Total Charges to Appropriations	2,000,000	2,000,000	26,007	1,973,993
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ (1,264)	\$ (1,264)

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
MONTCLAIR REDEVELOPMENT AGENCY - CAPITAL PROJECTS
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1 as restated	\$ 41,668,799	\$41,668,799	\$ 41,668,799	\$ -
Resources (Inflows):				
Taxes	2,307,174	2,307,174	2,438,498	131,324
Intergovernmental	35,000	35,000	-	(35,000)
Use of money and property	647,376	647,376	957,358	309,982
Miscellaneous	-	-	310,119	310,119
Transfers in	-	-	1,163,630	1,163,630
Refunding bonds issued	-	-	7,800,000	7,800,000
Amounts Available for Appropriation	44,658,349	44,658,349	54,338,404	9,680,055
Charges to Appropriation (Outflow):				
General government	8,467,452	8,467,452	4,680,276	3,787,176
Community development	4,080,000	4,080,000	1,122,334	2,957,666
Capital outlay	12,510,000	12,510,000	738,447	11,771,553
Debt service:				
Interest and fiscal charges	-	-	236,335	(236,335)
Transfers out	-	-	195,000	(195,000)
Total Charges to Appropriations	25,057,452	25,057,452	6,972,392	18,085,060
Budgetary Fund Balance, June 30	\$ 19,600,897	\$19,600,897	\$ 47,366,012	\$ 27,765,115

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
2005 LEASE REVENUE BONDS
YEAR ENDED JUNE 30, 2009**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 10,658,570	\$ 10,658,570	\$ 10,658,570	\$ -
Resources (Inflows):				
Use of money and property	450,000	450,000	51,086	(398,914)
Transfers in	1,918,576	1,918,576	1,897,358	(21,218)
Amounts Available for Appropriation	13,027,146	13,027,146	12,607,014	(420,132)
Charges to Appropriation (Outflow):				
Debt service:				
Principal retirement	-	-	595,000	(595,000)
Interest and fiscal charges	-	-	1,323,576	(1,323,576)
Transfers out	8,321,500	8,321,500	2,235,874	6,085,626
Total Charges to Appropriations	8,321,500	8,321,500	4,154,450	4,167,050
Budgetary Fund Balance, June 30	\$ 4,705,646	\$ 4,705,646	\$ 8,452,564	\$ 3,746,918

CITY OF MONTCLAIR

**BUDGETARY COMPARISON SCHEDULE
MONTCLAIR REDEVELOPMENT AGENCY - DEBT SERVICE
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 13,804,360	\$13,804,360	\$ 13,804,360	\$ -
Resources (Inflows):				
Taxes	9,457,000	9,457,000	9,760,553	303,553
Use of money and property	288,800	288,800	361,938	73,138
Miscellaneous	-	-	308,685	308,685
Transfers in	3,531,589	3,531,589	195,000	(3,336,589)
Amounts Available for Appropriation	27,081,749	27,081,749	24,430,536	(2,651,213)
Charges to Appropriation (Outflow):				
General government	2,777,090	2,777,090	2,639,503	137,587
Debt service:				
Principal retirement	2,973,516	2,973,516	1,180,000	1,793,516
Interest and fiscal charges	2,827,446	2,827,446	3,258,898	(431,452)
Transfers out	3,531,589	3,531,589	1,163,630	2,367,959
Total Charges to Appropriations	12,109,641	12,109,641	8,242,031	3,867,610
Budgetary Fund Balance, June 30	\$ 14,972,108	\$14,972,108	\$ 16,188,505	\$ 1,216,397

CITY OF MONTCLAIR

COMBINING BALANCE SHEET
AGENCY FUND
JUNE 30, 2009

	<u>Sewer Plant</u>
Assets:	
Pooled cash and investments	<u>\$ 372,384</u>
Total Assets	<u><u>\$ 372,384</u></u>
Liabilities:	
Due to other governments	<u>\$ 372,384</u>
Total Liabilities	<u><u>\$ 372,384</u></u>

CITY OF MONTCLAIR

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUND
 YEAR ENDED JUNE 30, 2009

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2009</u>
<u>Sewer Plant</u>				
Assets:				
Pooled cash and investments	\$ 388,187	\$ -	\$ 15,803	\$ 372,384
Due from external parties	106,558	-	106,558	-
Total Assets	<u>\$ 494,745</u>	<u>\$ -</u>	<u>\$ 122,361</u>	<u>\$ 372,384</u>
Liabilities:				
Accounts payable	\$ 37,786	\$ -	\$ 37,786	\$ -
Due to other governments	456,959	-	84,575	372,384
Total Liabilities	<u>\$ 494,745</u>	<u>\$ -</u>	<u>\$ 122,361</u>	<u>\$ 372,384</u>

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