

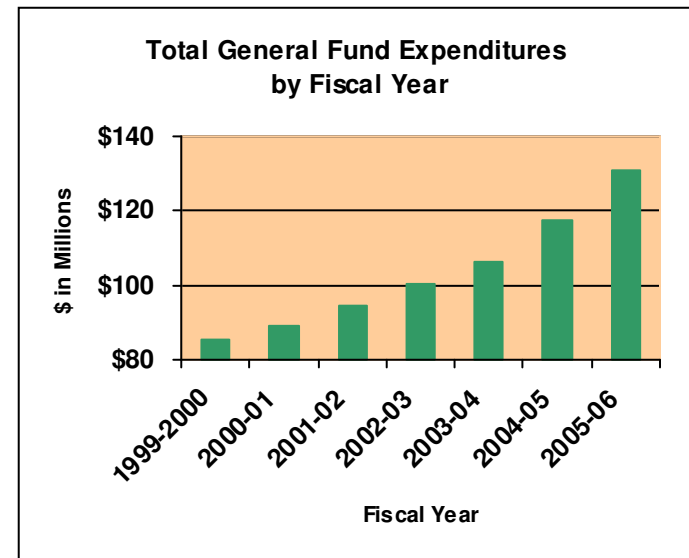
Expenditure Detail

City of Ontario

Explanation of Major Expenditure Categories

General Fund

The General Fund provides most of the services commonly associated with Government, such as Fire, Police, Library, Recreation and Community Services, Parks and Maintenance, and Planning. Funding sources for the General Fund include Sales Tax, Transient Occupancy Tax, Business License, Parking Fee Tax, Motor Vehicle In-Lieu Tax, Franchise Fees, and Development Related Fees. The Undesignated Fund Balance of the General Fund is the City's reserve for providing for cash flow and for unforeseen contingencies such as earthquakes and floods. Total General Fund appropriations are projected to be **\$130,864,687** for Fiscal Year 2005-06, an **11.3%** or **\$13.3 million increase** over the General Fund appropriations amount of \$117,543,96 reflected in the FY 2004-05 Adopted Budget. This is attributable to increases in all expenditure categories from Personnel Services to Capital Expenditures. Highlights of those changes are described below, by expenditure category.



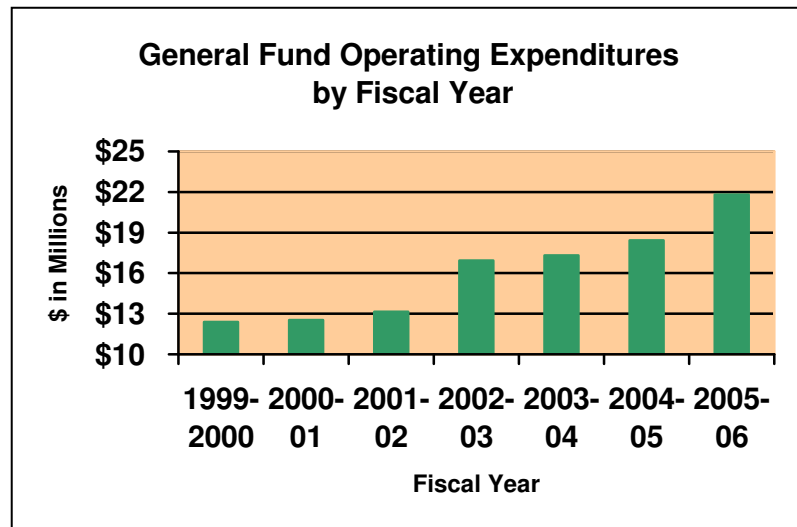
Personnel Services:

For the FY 2005-06 Adopted Budget, Personnel Services is expected to increase by **7.5%** compared to the Fiscal Year 2004-05 Adopted Budget. This is the result of previously negotiated labor contract increases, rising health insurance costs, and increases to retirement costs. General salary increases for Police, Fire, Confidential, and Management bargaining groups, and increases to Uniform Allowances and Longevity Pay are a few of the labor contract changes. The impact of employee labor contract changes amount to approximately \$1.1 million of the \$6 million growth in personnel services. Included in the Adopted Personnel Services Budget for 2005-06 is an additional 33 full-time positions, of which approximately \$2.5 million will be added to the General Fund. Those additional General Funded positions are: Police Department is funding a total of 10 positions (four positions are contingent on the award of state grants); Housing is adding two Code Enforcement Officers; nine extra positions for Development to meet the growing needs of development activity for New and Old Model Colony (funding is split between General Fund and Other Funds, such as Gas Tax, Measure, Water Capital, and Sewer Capital); Administrative Services with two additional General Fund positions; and full staffing of the newly renovated Main Library to open in Fall 2005, which will include additional 4 full-time and 6 part-time positions. Another factor in personnel services growth is a further allocation of resources (\$550,000) for Police overtime. Although Personnel Services is projected to increase significantly, the City will be saving approximately \$750,000 in Fire Safety retirement

costs due to the recently amended Fire PERS plan to extend the actuarial amortization schedule to 30 years, which resulted in a decrease of more than 6% in the PERS rate for Fire Safety employees. Overall, projected PERS retirement costs for the City will increase over \$1 million compared to the prior year.

Operating Expenditures:

General Fund Operating Expenditures are anticipated to increase over **18%** or approximately **\$3.4 million** compared to the Adopted Budget for FY 2004-05. The main elements contributing to this increase are:



- \$2,379,439 City ERAF contribution to the State
- \$ 550,000 3% baseline budget growth given to Agencies/Departments
- \$ 100,000 Main Library operating budget for materials (books, videos/DVDs, magazines) and additional public computers
- \$ 98,000 Police ammunition and department issue handguns (previously funded from Asset Seizure funds)
- \$ 75,000 Replacement of Fire Hoses
- \$ 50,000 Curb repairs to assist in West Nile Prevention

Contractual Services:

Included in the General Fund Contractual Services Adopted Budget for 2005-06 is an increase of approximately **6.9 %**, over the FY 2004-05 Adopted Budget. Highlights of those changes are listed below:

- \$220,000 3% baseline budget growth given to Agencies/Departments
- \$100,000 Police Department optimal staffing study
- \$ 30,000 Processing of legacy document retention for the Fire Department (first year of 2 year project)

Internal Service Charges:

Internal Services allocated to the General Fund will contribute a significant increase of **22%** to the FY 2005-06 Adopted Budget. This is the result of the additional \$2.6 million included in the Information Technology allocation for IT Equipment Replacement Fund, which has been severely underfunded in prior years. Approximately 75% of the internal service allocation for IT is charged to the General Fund, and supports technology advances made throughout the City. Recent additions include new Police technology such as Mobile Dispatch Centers (MDCs), Automated Vehicle Locator (AVL), and dispatch communications enhancements. Another factor in the overall increase to General Fund Internal Service Charges is the rising cost of Workers' Compensation statewide.

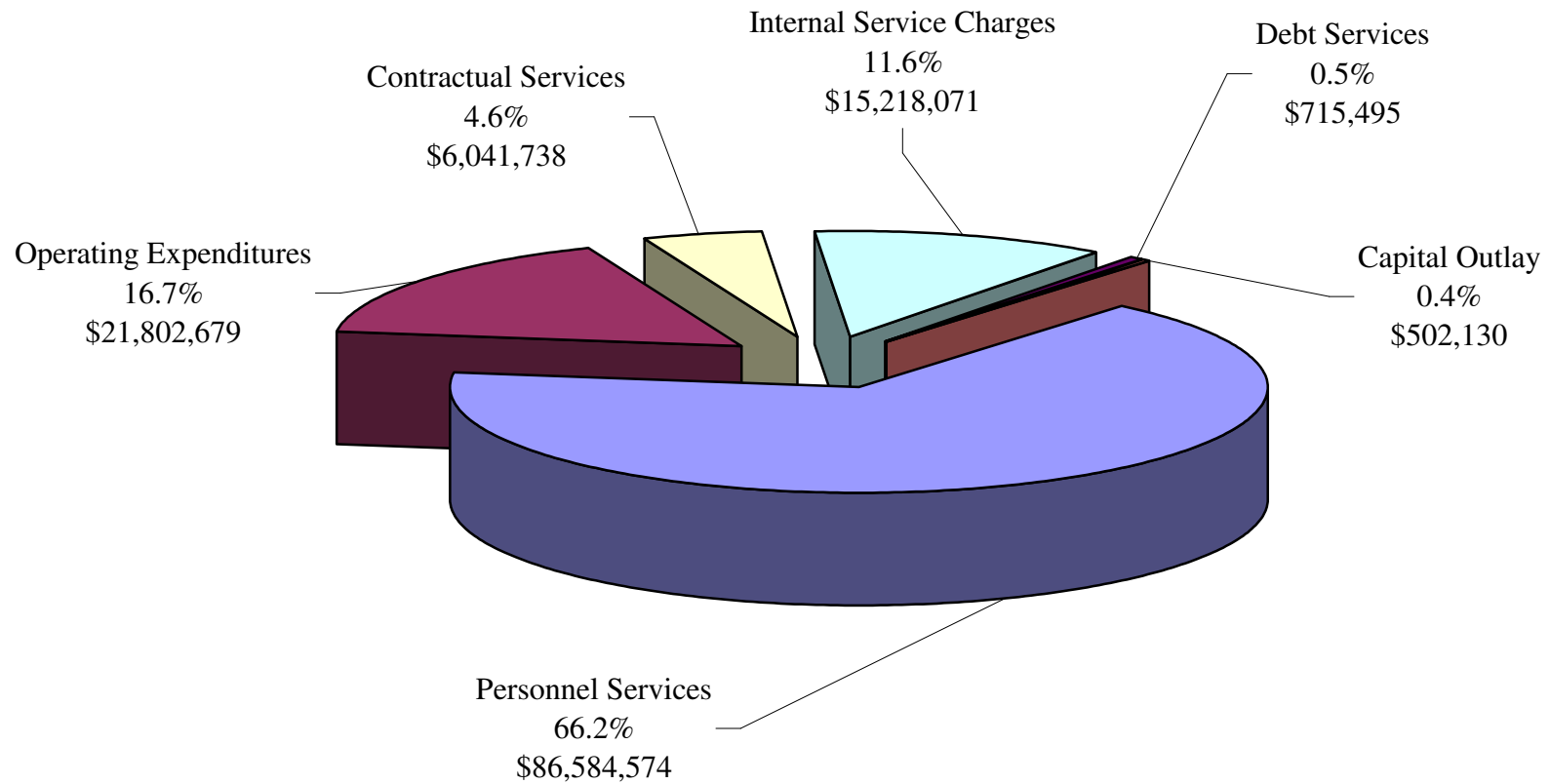
Debt Service:

The projected increase in the General Fund expenditure category of Debt Service for FY 2005-06 Adopted Budget relates to the inclusion of one-time expenditures of \$675,495 to cover the City's proportionate share of Colony High School Library construction costs. Reimbursement to Chaffey Joint Union High School District will be made through Development Impact Fees to be collected in 2005-06.

Capital Outlay:

Included in the additional amount adopted for FY 2005-06 for General Fund Capital Outlay is \$111,300 for 3 additional Police vehicles for 6 new Police Sworn positions. Two of the vehicles are contingent on the award of State grants for the funding of four of the new Police sworn positions. Another \$18,000 is included for a vehicle for the two new Code Enforcement Officer positions.

City of Ontario
General Fund Expenditures - by Major Category
Total General Fund \$130,864,687



City of Ontario
2005-06 Total General Fund Expenditure by Major Category

		2002-03	2003-04	2004-05	2004-05	2005-06	% Change
		Actual	Actual	Adopted	Budget	Adopted	to Adopted
				Budget		Budget	Budget
							2004-05
<u>Personnel Services</u>							
51010	Salaries-Full Time	\$ 43,930,770	\$ 43,977,508	\$ 45,630,556	\$ 45,517,019	\$ 49,731,016	9.0%
51020	Salaries-Temporary/Part Time	962,386	1,242,283	1,498,940	1,652,332	1,852,992	23.6%
51030	Salaries-Overtime	8,344,423	8,481,947	8,320,649	8,353,525	8,887,068	6.8%
51100	Fringe Benefits	12,385,108	16,600,174	22,948,028	22,905,859	23,863,519	4.0%
51160	Retired Employee Group Ins	1,374,370	1,609,140	1,700,000	1,700,000	1,751,000	3.0%
51210	Auto Allowance	82,266	81,787	79,009	79,009	85,314	8.0%
51310	Uniform Allowance	357,833	365,600	368,146	371,346	413,665	12.4%
Total Personnel Services		\$ 67,437,156	\$ 72,358,438	\$ 80,545,328	\$ 80,579,090	\$ 86,584,574	7.5%
<u>Operating Expenditures</u>							
52010	Computer Supplies	\$ 81,320	\$ 38,026	\$ 54,202	\$ 95,852	\$ 84,414	55.7%
52020	Office Supplies	167,921	145,610	166,163	173,521	180,436	8.6%
52030	Books/Publications	53,568	49,403	49,625	50,816	51,588	4.0%
52031	Library Books Adult	101,042	113,340	115,000	121,000	153,500	33.5%
52032	Library Books Children	32,530	50,154	48,000	51,500	62,550	30.3%
52033	Magazines/Periodicals	29,366	28,660	34,100	34,100	41,250	21.0%
52034	Videos/Cassettes	53,655	53,200	49,920	49,920	63,770	27.7%
52050	Uniforms	127,730	139,374	141,333	174,044	161,900	14.6%
52110	Materials	800,506	739,406	1,211,923	1,296,878	1,220,103	0.7%
52120	Fuel & Oil	94,799	126,018	94,000	95,700	114,450	21.8%
52140	Chemicals	28,062	25,698	36,000	36,000	36,000	0.0%
52160	Equipment Under \$5,000	123,942	400,140	134,616	349,089	322,972	139.9%
52190	Misc Materials/Supplies	698,085	637,882	746,482	793,386	888,418	19.0%
52210	Maintenance & Repairs	1,303,406	1,049,235	1,554,902	1,581,325	1,477,997	-4.9%
52310	Electric Services	2,105,494	1,648,659	2,259,192	2,261,088	2,366,383	4.7%
52320	Natural Gas Services	61,907	62,701	157,554	157,554	161,521	2.5%
52330	Telecommunication Services	367,831	437,113	407,977	419,773	428,388	5.0%
52341	City Utilities Service	738,943	745,600	569,250	569,250	642,467	12.9%
52410	Advertising/Promotional	320,109	278,501	339,600	356,604	381,470	12.3%

City of Ontario
2005-06 Total General Fund Expenditure by Major Category

		2002-03	2003-04	2004-05	2004-05	2005-06	% Change
		Actual	Actual	Adopted	Budget	Adopted	to Adopted
				Budget		Budget	Budget
							2004-05
52510	Travel/Conference/Training	482,100	453,980	532,049	539,899	581,692	9.3%
52520	Dues and Memberships	80,271	71,090	99,300	99,700	106,826	7.6%
52530	Employee Education	9,814	6,177	21,800	21,800	22,500	3.2%
52610	Rental/Lease Expense	2,878,461	3,612,817	2,598,302	2,598,005	2,548,662	-1.9%
52620	Insurance Premium	2,740	1,950	-	-	-	0.0%
52710	Duplicating Expense	164,188	146,416	173,716	177,323	189,143	8.9%
52720	Postage Expense	322,325	345,250	382,900	413,416	398,539	4.1%
52730	Booking Fees-Police	465,765	444,608	2,726	422,726	227,726	8253.9%
52740	Landfill Disposal	33,920	8,632	33,600	31,739	32,600	-3.0%
52990	Miscellaneous Services	1,162,889	1,096,436	1,954,603	2,006,641	2,155,941	10.3%
52991	Maintenance Services	1,344,465	1,398,434	1,405,850	1,408,850	1,410,250	0.3%
53020	Relocation Services Costs	137	-	-	-	-	0.0%
53310	Debt Issuance Expense	140	-	-	-	-	0.0%
53610	Bad Debt Expense	4,554	1,349	-	-	-	0.0%
53725	ERAF Tax Increment Reduction	-	-	-	2,379,439	2,379,439	0.0%
53730	Property Tax Assessment	46,775	208,245	208,245	208,245	195,500	-6.1%
53990	Other Expense	2,645,270	2,760,353	2,847,638	3,197,543	2,714,284	-4.7%
Total Operating Expenditure		\$ 16,934,040	\$ 17,303,365	\$ 18,430,568	\$ 22,172,726	\$ 21,802,679	18.3%
<u>Contractual Services</u>							
55010	Legal Services	\$ 1,104,132	\$ 899,521	\$ 1,077,500	\$ 1,077,500	\$ 1,107,000	2.7%
55020	Accounting & Auditing Services	44,714	37,467	43,953	48,783	45,220	2.9%
55110	Architect & Engineer Services	35,295	26,782	40,000	51,031	40,000	0.0%
55120	Construction Contracts	151,373	119,434	120,000	143,555	130,000	8.3%
55130	Improvement Costs	698,470	631,195	631,292	631,292	631,292	0.0%
55140	Environmental Remediation	6,937	37,772	55,657	56,144	51,657	-7.2%
55150	Site Clearance Costs	17,086	2,806	17,500	4,150	15,000	-14.3%
55310	Other Professional Services	3,243,190	3,513,343	3,499,107	5,360,113	3,873,969	10.7%
55330	Property Management Services	29,262	28,460	165,000	165,000	147,600	-10.5%
Total Contractual Services		\$ 5,330,460	\$ 5,296,781	\$ 5,650,009	\$ 7,537,568	\$ 6,041,738	6.9%

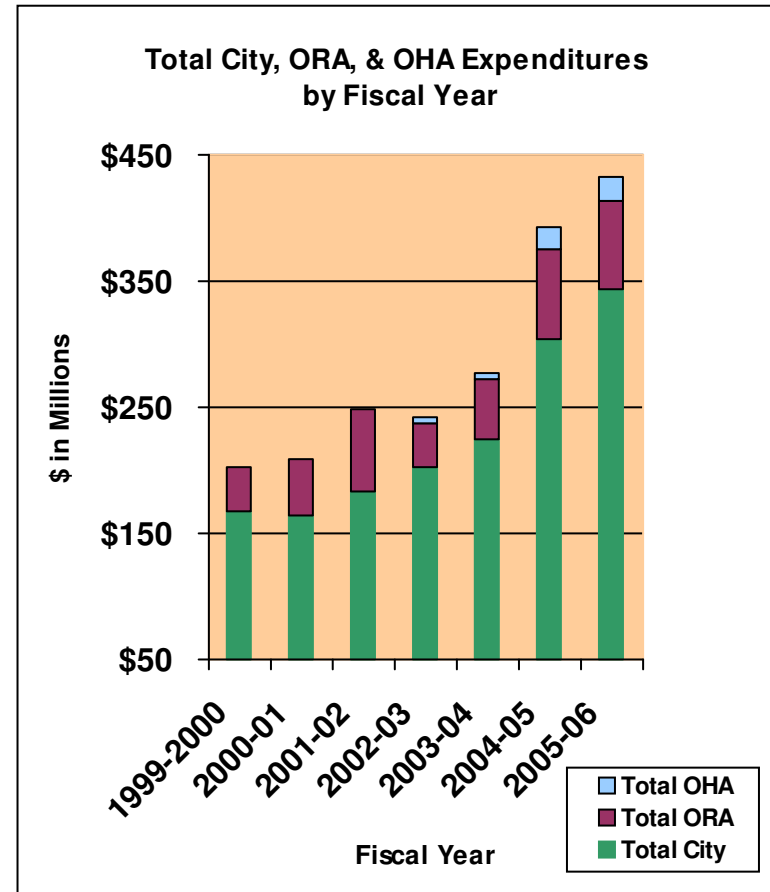
City of Ontario
2005-06 Total General Fund Expenditure by Major Category

	2002-03 Actual	2003-04 Actual	2004-05 Adopted Budget	2004-05 Budget	2005-06 Adopted Budget	% Change to Adopted Budget 2004-05
<u>Internal Service Charges</u>						
57010 Equipment Services-City	\$ 3,324,604	\$ 3,396,024	\$ 3,798,304	\$ 3,798,304	\$ 3,826,827	0.8%
57110 Information Services-City	3,173,436	3,284,196	3,488,712	3,463,070	5,224,011	49.7%
57210 Risk Liability-City	2,234,084	2,195,244	2,205,618	2,205,618	2,276,637	3.2%
57310 Workers Compensation	1,438,702	1,437,954	2,504,972	2,504,972	3,366,937	34.4%
57410 Disability/Unemployment	<u>340,842</u>	<u>350,260</u>	<u>477,764</u>	<u>477,764</u>	<u>523,659</u>	9.6%
Total Internal Service Charges	\$ 10,511,668	\$ 10,663,678	\$ 12,475,370	\$ 12,449,728	\$ 15,218,071	22.0%
<u>Debt Service</u>						
58110 Reimbursement Agreement	\$ <u>7,917</u>	\$ <u>594,168</u>	\$ <u>40,000</u>	\$ <u>40,000</u>	\$ 715,495	1688.7%
Total Debt Service	\$ <u>7,917</u>	\$ <u>594,168</u>	\$ <u>40,000</u>	\$ <u>40,000</u>	\$ 715,495	1688.7%
<u>Capital Outlay</u>						
60010 Office Equipment & Furniture	\$ 64,841	\$ 13,361	\$ 102,187	\$ 123,387	\$ -	-100.0%
61010 Vehicles	-	-	-	122,000	219,300	0.0%
62010 Other Equipment	39,421	26,170	300,500	355,698	282,830	-5.9%
63010 Building & Structures	<u>-</u>	<u>125</u>	<u>-</u>	<u>209,564</u>	<u>-</u>	0.0%
Total Capital Outlay	\$ <u>104,262</u>	\$ <u>39,656</u>	\$ <u>402,687</u>	\$ <u>810,649</u>	\$ 502,130	24.7%
Total General Fund Expenditures	<u>\$ 100,325,502</u>	<u>\$ 106,256,086</u>	<u>\$ 117,543,962</u>	<u>\$ 123,589,761</u>	<u>\$ 130,864,687</u>	11.3%

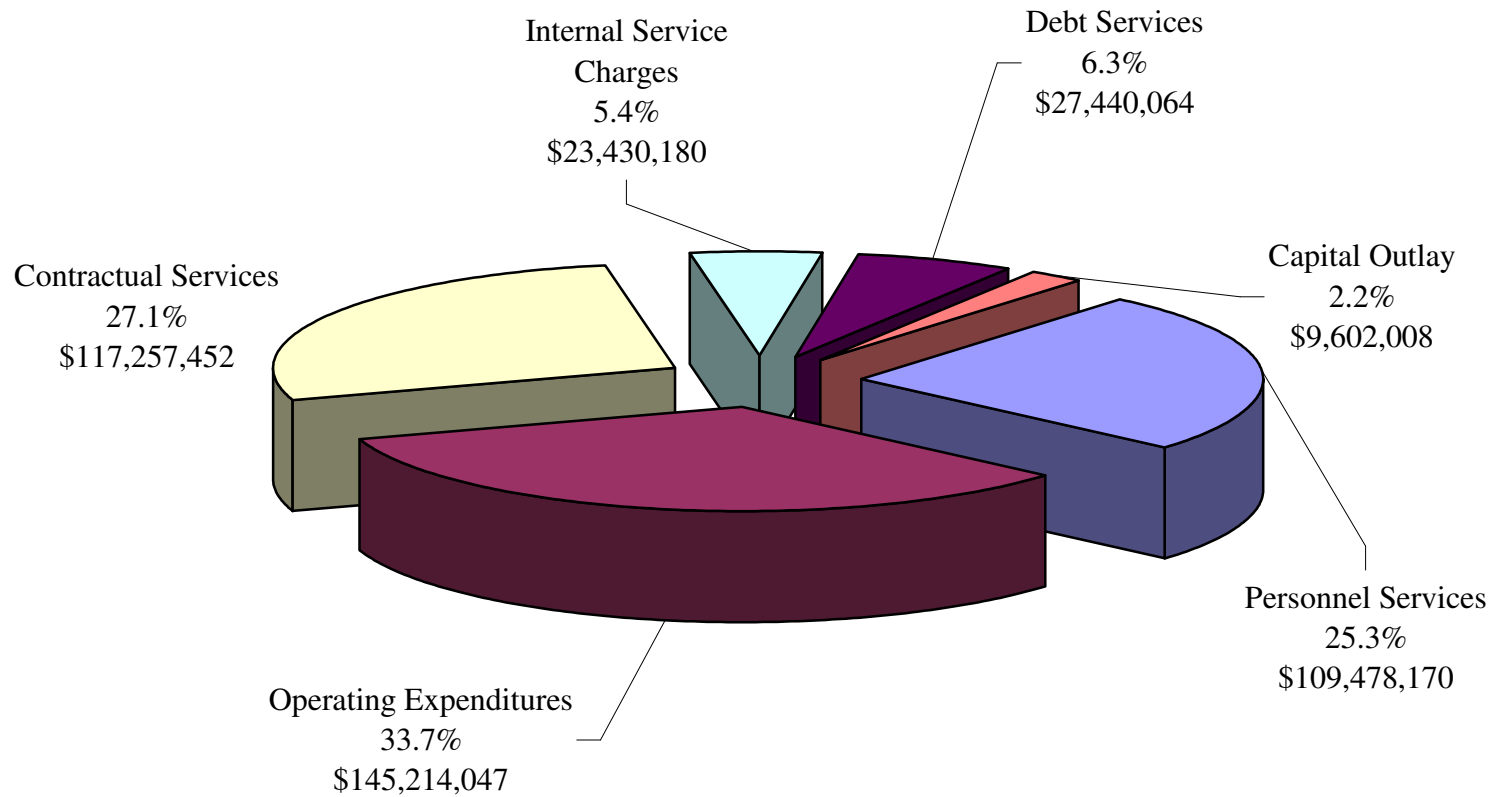
Total Expenditures – All Funds

Total Expenditures included for FY 2005-06 Adopted Budget are \$432,421,921, which is an increase of **10.2%** or approximately **\$40 million** over the FY 2004-05 Adopted Budget amount of \$392,359,969. . Highlights of the major changes include:

- \$21,364,315 Increase in the Capital Improvement Program from the 2004-05 Adopted Budget. Mainly due to the increase in Developer Impact Fee funded projects, which contributed to over \$27 million of the \$98 million total Capital Improvement Program projects.
- \$ 770,000 Approximate 3% increase included in General Fund adopted operating budget.
- \$ 5,200,000 Personnel labor contract changes, rising health insurance costs, increases to retirement costs, and anticipated employee merit increases.
- \$ 3,300,000 Additional funded positions, for a total of 33 extra full-time positions Citywide.
- \$ 2,600,000 Information Technology Replacement Fund Reserve added to the Internal Services allocation for the Adopted 2005-06 Budget. It is estimated that the City will need to contribute \$2.6 million each year for future replacement of hardware, software, and major operating systems.
- \$ 2,379,439 City ERAF contribution to the State.
- \$ 1,695,000 Additional and replacement costs for Solid Waste roll-offs, commercial bins, and automated refuse containers.
- \$ 1,570,000 Increased costs for Ontario Housing Authority's Civic Center South project.
- \$ 862,000 Workers' Compensation increase due to rising costs Statewide.



City of Ontario
Total Expenditure by Major Category
Total City, ORA & OHA Expenditures \$432,421,921



City of Ontario
2005-06 Total Expenditure by Major Category

		2002-03	2003-04	2004-05	2004-05	2005-06	% Change
		Actual	Actual	Adopted	Current	Adopted	to Adopted
				Budget	Budget	Budget	Budget
							2004-05
Personnel Services							
51010	Salaries-Full Time	\$ 54,466,797	\$ 55,401,452	\$ 59,907,478	\$ 59,599,586	\$ 65,587,251	9.5%
51020	Salaries-Temporary/Part Time	1,032,844	1,285,867	1,722,624	1,831,125	1,977,152	14.8%
51030	Salaries-Overtime	9,191,429	9,458,009	8,916,254	9,025,727	9,724,968	9.1%
51050	Compensated Absence	116,295	16,463	-	-	-	0.0%
51100	Fringe Benefits	15,476,771	19,902,702	28,342,015	28,276,537	29,787,500	5.1%
51140	Disability Benefits	69,402	62,395	-	-	110,000	0.0%
51160	Retired Employee Group Ins	1,374,370	1,609,140	1,700,000	1,700,000	1,751,000	3.0%
51210	Auto Allowance	112,430	115,186	113,579	113,688	122,099	7.5%
51310	Uniform Allowance	361,010	369,300	372,051	375,251	418,200	12.4%
Total Personnel Services		\$ 82,201,347	\$ 88,220,514	\$ 101,074,001	\$ 100,921,914	\$ 109,478,170	8.3%
Operating Expenditures							
52010	Computer Supplies	\$ 215,515	\$ 183,558	\$ 236,052	\$ 302,009	\$ 318,394	34.9%
52020	Office Supplies	208,743	189,741	214,088	229,504	243,551	13.8%
52030	Books/Publications	69,355	61,409	74,625	76,026	79,488	6.5%
52031	Library Books Adult	101,042	113,340	115,000	121,000	153,500	33.5%
52032	Library Books Children	70,975	59,838	48,000	51,500	62,550	30.3%
52033	Magazines/Periodicals	29,793	29,468	34,600	34,600	41,650	20.4%
52034	Videos/Cassettes	53,655	53,200	50,220	50,220	64,070	27.6%
52050	Uniforms	127,730	139,374	141,333	174,044	161,900	14.6%
52110	Materials	2,982,223	2,941,352	3,927,123	5,327,742	5,629,865	43.4%
52120	Fuel & Oil	896,196	961,096	1,019,000	1,023,729	1,239,450	21.6%
52130	Tires	218,237	254,902	200,000	240,000	300,000	50.0%
52140	Chemicals	45,911	47,261	91,000	102,648	96,000	5.5%
52150	Water Purchases	6,914,980	9,275,226	11,006,000	11,006,000	11,006,000	0.0%
52160	Equipment Under \$5,000	502,667	2,058,751	1,282,350	3,182,630	2,186,809	70.5%
52190	Misc Materials/Supplies	1,153,080	974,611	1,327,417	1,687,556	1,778,532	34.0%
52210	Maintenance & Repairs	3,110,074	3,166,942	4,202,283	4,304,666	4,109,659	-2.2%

City of Ontario
2005-06 Total Expenditure by Major Category

		2002-03	2003-04	2004-05	2004-05	2005-06	% Change
		Actual	Actual	Adopted	Current	Adopted	to Adopted
				Budget	Budget	Budget	Budget
							2004-05
52310	Electric Services	5,339,415	3,691,502	5,707,292	5,754,688	5,836,783	2.3%
52320	Natural Gas Services	195,211	356,716	363,554	518,954	578,021	59.0%
52330	Telecommunication Services	795,834	853,359	1,076,230	1,153,060	1,081,001	0.4%
52340	Sewage Treatment Services	5,248,612	5,330,667	5,800,000	5,800,000	5,800,000	0.0%
52341	City Utilities Service	891,185	904,795	735,850	741,450	842,567	14.5%
52410	Advertising/Promotional	1,084,302	847,874	1,182,928	1,341,633	1,204,387	1.8%
52510	Travel/Conference/Training	820,537	670,153	732,199	876,353	836,176	14.2%
52520	Dues and Memberships	101,042	107,254	132,695	133,095	145,691	9.8%
52530	Employee Education	10,189	6,177	21,800	21,800	22,500	3.2%
52610	Rental/Lease Expense	3,668,006	4,400,786	3,419,236	3,443,656	3,379,481	-1.2%
52620	Insurance Premium	1,100,742	1,172,100	1,595,000	1,595,000	1,595,000	0.0%
52630	Settlement Claims Expense	3,502,966	3,692,842	3,920,000	3,922,645	3,922,645	0.1%
52710	Duplicating Expense	181,545	174,244	252,259	251,762	404,135	60.2%
52720	Postage Expense	348,283	379,421	422,615	485,071	450,139	6.5%
52730	Booking Fees-Police	465,765	444,608	2,726	422,726	227,726	8253.9%
52740	Landfill Disposal	7,820,753	7,877,688	9,399,734	9,539,555	9,593,600	2.1%
52750	S.B. County Household Hazard	122,196	164,435	160,000	160,000	160,000	0.0%
52990	Miscellaneous Services	3,059,568	2,934,385	4,453,703	5,101,577	5,387,187	21.0%
52991	Maintenance Services	1,815,939	1,903,791	1,943,650	2,021,816	2,027,550	4.3%
53010	Property Acquisition Expense	6,941,722	15,394,071	26,814,751	32,243,630	23,390,586	-12.8%
53020	Relocation Expense	169,069	124,005	370,219	598,609	441,249	19.2%
53030	Relocation Payments	1,096,904	742,156	3,276,073	3,553,215	4,081,500	24.6%
53120	Loss on Sale of Assets	14,914	466,156	-	-	-	0.0%
53210	Loans	-	1,437,408	1,171,708	1,166,708	1,064,625	-9.1%
53211	HOME Loan	-	-	183,437	164,082	473,177	158.0%
53212	Rehabilitation Loan M/F	177,000	-	100,000	100,000	100,000	0.0%
53213	Rehabilitation Loan S/F	460,595	659,097	1,392,656	1,589,036	1,363,114	-2.1%
53220	Rehabilitation Grants	841,884	1,466,730	1,848,026	1,803,159	1,387,329	-24.9%

City of Ontario
2005-06 Total Expenditure by Major Category

		2002-03	2003-04	2004-05	2004-05	2005-06	% Change
		Actual	Actual	Adopted	Current	Adopted	to Adopted
				Budget	Budget	Budget	Budget
							2004-05
53310	Debt Issuance Expense	8,632	-	-	-	-	0.0%
53410	Administrative Expense	3,774,290	4,472,264	3,267,079	3,244,979	4,203,087	28.6%
53510	Depreciation	4,609,030	5,052,491	6,287,000	6,287,000	6,012,000	-4.4%
53610	Bad Debt Expense	34,262	307,363	200,000	200,000	200,000	0.0%
53710	County Tax Collection Fee	549,393	548,048	646,452	646,452	669,713	3.6%
53720	RDA Pass-thru Expense	2,260,461	2,520,196	2,583,905	2,583,905	2,666,017	3.2%
53725	ERAF Tax Increment Reduction	1,012,516	1,624,436	5,329,512	5,386,845	5,386,845	1.1%
53730	Property Tax Assessment	355,460	338,666	533,245	563,245	345,500	-35.2%
53990	Other Expense	5,243,590	7,487,076	23,063,854	24,009,138	22,463,298	-2.6%
Total Operating Expenditure		\$ 80,821,986	\$ 99,063,028	\$ 142,358,479	\$ 155,338,718	\$ 145,214,047	2.0%
<u>Contractual Services</u>							
55010	Legal Services	\$ 1,712,332	\$ 1,823,182	\$ 2,153,640	\$ 2,456,767	\$ 2,548,971	18.4%
55020	Accounting & Auditing Services	65,170	63,411	80,161	93,391	89,828	12.1%
55110	Architect & Engineer Services	3,359,146	2,976,794	9,810,987	15,586,511	9,363,083	-4.6%
55120	Construction Contracts	22,105,836	29,286,149	73,752,328	91,511,808	88,521,814	20.0%
55130	Improvement Costs	784,061	632,064	731,292	788,323	681,292	-6.8%
55140	Environmental Remediation	31,497	64,238	84,157	84,644	88,157	4.8%
55150	Site Clearance Costs	386,351	591,245	1,182,500	1,590,294	1,666,000	40.9%
55310	Other Professional Services	7,089,914	7,841,728	10,025,372	13,758,946	13,125,099	30.9%
55320	Property Acquisition Services	296,549	309,800	520,324	813,172	440,000	-15.4%
55330	Property Management Services	300,010	348,720	585,079	817,221	733,208	25.3%
Total Contractual Services		\$ 36,130,865	\$ 43,937,331	\$ 98,925,840	\$ 127,501,077	\$ 117,257,452	18.5%

City of Ontario
2005-06 Total Expenditure by Major Category

		2002-03 Actual	2003-04 Actual	2004-05 Adopted Budget	2004-05 Current Budget	2005-06 Adopted Budget	% Change to Adopted Budget 2004-05
<u>Internal Service Charges</u>							
57010	Equipment Services-City	\$ 6,708,652	\$ 6,824,940	\$ 8,251,308	\$ 8,251,308	\$ 8,455,121	2.5%
57110	Information Services-City	4,208,244	4,340,568	4,706,894	4,671,894	6,972,364	48.1%
57210	Risk Liability-City	2,888,216	2,816,772	2,852,211	2,852,211	2,907,253	1.9%
57310	Workers Compensation	1,642,422	1,662,236	3,095,018	3,097,357	4,347,364	40.5%
57410	Disability/Unemployment	424,997	442,092	679,772	679,940	748,078	10.0%
Total Internal Service Charges		\$ 15,872,531	\$ 16,086,609	\$ 19,585,203	\$ 19,552,710	\$ 23,430,180	19.6%
<u>Debt Service</u>							
58010	Debt - Principal	\$ 4,683,783	\$ 6,547,232	\$ 8,404,229	\$ 9,300,908	\$ 9,595,738	14.2%
58020	Interest Expense	9,147,026	10,785,212	9,369,535	11,705,120	12,103,662	29.2%
58110	Reimbursement Agreements	4,507,257	4,379,791	3,418,548	8,322,569	5,740,664	67.9%
Total Debt Service		\$ 18,338,066	\$ 21,712,235	\$ 21,192,312	\$ 29,328,597	\$ 27,440,064	29.5%
<u>Capital Outlay</u>							
60010	Office Equipment & Furniture	\$ 791,322	\$ 1,157,778	\$ 1,525,187	\$ 1,625,403	\$ 1,960,823	28.6%
61010	Vehicles	5,459,577	3,126,594	5,236,500	8,324,285	5,044,656	-3.7%
62010	Other Equipment	1,891,428	2,901,817	2,462,447	2,958,985	2,565,619	4.2%
63010	Building & Structures	-	125	-	240,474	30,910	0.0%
Total Capital Outlay		\$ 8,142,327	\$ 7,186,314	\$ 9,224,134	\$ 13,149,147	\$ 9,602,008	4.1%
Total Expenditures		\$ 241,507,122	\$ 276,206,030	\$ 392,359,969	\$ 445,792,163	\$ 432,421,921	10.2%

City of Ontario
2005-06 Total Expenditure by Fund

	2002-03	2003-04	2004-05	2004-05	2005-06	% Change
	Actual	Actual	Adopted	Current	Adopted	to Adopted
			Budget	Budget	Budget	Budget
						2004-05
CITY OF ONTARIO						
General Fund						
001 General Fund	\$ 100,325,502	\$ 106,256,086	\$ 117,543,962	\$ 123,589,761	\$ 130,864,687	11.3%
Total General Fund	\$ 100,325,502	\$ 106,256,086	\$ 117,543,962	\$ 123,589,761	\$ 130,864,687	11.3%
Special Revenue Funds						
002 Quiet Home	\$ 5,339,202	\$ 10,531,378	\$ 13,691,990	\$ 17,709,490	\$ 12,095,671	-11.7%
003 Gas Tax	2,040,088	2,909,081	4,894,234	5,248,020	5,358,330	9.5%
004 Measure I	1,952,741	2,415,149	6,913,871	7,076,636	4,388,991	-36.5%
007 Park Development	313,583	96,098	502,360	709,704	218,811	-56.4%
008 C.D.B.G.	1,397,411	2,893,424	5,914,631	6,259,037	6,622,929	12.0%
009 HOME Grants	683,300	1,986,854	3,624,300	3,624,300	2,926,381	-19.3%
010 Asset Seizure	2,702,997	277,180	293,995	398,094	314,005	6.8%
012 Park-Interest	22,463	25,227	73,500	105,550	-	-100.0%
013 A.D. Administration	182,036	181,800	195,763	195,763	210,062	7.3%
014 Mobile Source Air	961,533	75,864	123,698	123,698	90,718	-26.7%
015 General Fund Grants	2,360,452	2,113,449	1,895,172	6,725,248	4,775,454	152.0%
018 Dangerous Building	56,984	74,866	125,000	126,581	125,000	0.0%
019 Parkway Maintenance	530,191	554,595	585,670	588,570	640,819	9.4%
070 Street Light Maintenance	235,397	221,685	349,245	352,634	362,163	3.7%
076 Facility Maintenance	392,565	438,696	712,620	1,271,428	1,207,800	69.5%
077 Storm Drain Maintenance	932,878	787,914	1,058,642	1,069,929	1,477,199	39.5%
101 Law Enforcement Impact Fee	-	-	-	-	337,000	0.0%
103 Old Model Colony Street Impact Fee	-	-	100,000	100,000	500,000	400.0%
104 Old Model Colony Water Impact Fee	-	-	5,650,000	-	190,000	-96.6%
113 Fiber Impact Fee	-	-	-	227,696	500,000	0.0%
116 New Model Colony Water Impact Fee	-	-	-	10,164,000	26,221,000	0.0%
117 New Model Colony Sewer Impact Fee	-	-	-	3,638,432	-	0.0%
Total Special Revenue Funds	\$ 20,103,822	\$ 25,583,262	\$ 46,704,691	\$ 65,714,810	\$ 68,562,333	46.8%

City of Ontario
2005-06 Total Expenditure by Fund

	2002-03 Actual	2003-04 Actual	2004-05 Adopted Budget	2004-05 Current Budget	2005-06 Adopted Budget	% Change to Adopted Budget 2004-05
Capital Project Funds						
016 Ground Access	\$ 7,502,452	\$ 2,999,835	\$ 1,980,293	\$ 2,615,431	\$ 919,856	-53.5%
017 Capital Projects	9,000,513	18,544,850	32,735,686	45,954,918	21,707,974	-33.7%
051 Community Facilities District No. 5	<u>295</u>	<u>3,576</u>	<u>-</u>	<u>77,981</u>	<u>30,000</u>	0.0%
Total Capital Project Funds	\$ 16,503,260	\$ 21,548,261	\$ 34,715,979	\$ 48,648,330	\$ 22,657,830	-34.7%
Enterprise Funds						
024 Water Operating	\$ 16,812,327	\$ 18,275,000	\$ 23,022,874	\$ 23,425,251	\$ 23,787,846	3.3%
025 Water Facilities	3,442,854	5,575,763	13,660,407	24,476,224	21,342,484	56.2%
026 Sewer Operating	7,403,032	7,592,253	9,665,251	10,020,706	10,732,231	11.0%
027 Sewer Revolving	1,497,672	1,416,960	10,287,768	13,678,071	11,111,522	8.0%
029 Solid Waste	18,245,707	18,508,138	24,379,887	26,196,479	28,492,567	16.9%
031 Solid Waste Facilities	<u>-</u>	<u>207,891</u>	<u>-</u>	<u>-</u>	<u>260,000</u>	0.0%
Total Enterprise Funds	\$ 47,401,592	\$ 51,576,006	\$ 81,016,187	\$ 97,796,731	\$ 95,726,650	18.2%
Internal Service Funds						
032 Equipment Services	\$ 9,090,447	\$ 10,008,062	\$ 12,972,384	\$ 15,668,958	\$ 12,801,598	-1.3%
033 Self Insurance	5,163,733	5,436,436	6,149,396	6,200,146	6,299,330	2.4%
034 Information Technology	<u>4,320,689</u>	<u>4,597,006</u>	<u>4,856,894</u>	<u>5,073,674</u>	<u>7,291,423</u>	50.1%
Total Internal Service Funds	\$ 18,574,869	\$ 20,041,504	\$ 23,978,674	\$ 26,942,778	\$ 26,392,351	10.1%
TOTAL CITY FUNDS	<u>\$ 202,909,045</u>	<u>\$ 225,005,118</u>	<u>\$ 303,959,493</u>	<u>\$ 362,692,410</u>	<u>\$ 344,203,851</u>	13.2%

City of Ontario
2005-06 Total Expenditure by Fund

	2002-03 Actual	2003-04 Actual	2004-05 Adopted Budget	2004-05 Current Budget	2005-06 Adopted Budget	% Change to Adopted Budget 2004-05
ONTARIO REDEVELOPMENT AGENCY						
<u>Debt Service Funds</u>						
054 RDA Project 2 Debt Service	\$ 1,172,920	\$ 1,670,434	\$ 3,327,847	\$ 3,378,904	\$ 4,590,372	37.9%
059 RDA Guasti Project Area Debt Service	26	10,571	35,320	35,320	19,682	-44.3%
062 RDA Center City Debt Service	852,973	907,331	1,900,812	1,900,812	1,512,838	-20.4%
063 RDA Project 1 Debt Service	13,837,364	16,053,538	19,732,460	17,410,065	17,091,460	-13.4%
064 RDA Cimarron Debt Service	678,404	844,604	1,014,686	1,014,686	1,149,819	13.3%
Total Debt Service Funds	\$ 16,541,688	\$ 19,486,477	\$ 26,011,125	\$ 23,739,787	\$ 24,364,171	-6.3%
<u>Capital Project Funds</u>						
039 RDA Administration	\$ 2,495,780	\$ 2,246,764	\$ 2,669,823	\$ 2,935,805	\$ 3,201,411	19.9%
040 RDA Project Area 2	284,095	379,616	416,775	1,167,441	2,561,839	514.7%
041 RDA Guasti Project Area Capital	-	707	24,192	24,192	19,289	-20.3%
043 RDA Project Area 1	6,378,427	6,650,744	3,968,412	3,973,820	3,672,126	-7.5%
044 RDA Cimarron Area	27,808	57,392	48,635	48,635	284,070	484.1%
061 RDA Center City	1,210,122	929,320	2,058,731	2,267,417	1,027,750	-50.1%
066 Housing Set Aside	6,802,217	17,512,380	35,643,834	31,146,152	33,957,758	-4.7%
Total Capital Project Funds	\$ 17,198,449	\$ 27,776,923	\$ 44,830,402	\$ 41,563,462	\$ 44,724,243	-0.2%
TOTAL ONTARIO REDEVELOPMENT AGENCY	\$ 33,740,136	\$ 47,263,400	\$ 70,841,527	\$ 65,303,249	\$ 69,088,414	-2.5%
<u>ONTARIO HOUSING AUTHORITY</u>						
048 Ontario Housing Authority	\$ 4,857,941	\$ 3,937,513	\$ 17,558,949	\$ 17,796,504	\$ 19,129,656	8.9%
GRAND TOTAL ALL FUNDS	\$ 241,507,122	\$ 276,206,030	\$ 392,359,969	\$ 445,792,163	\$ 432,421,921	10.2%

City of Ontario
Internal Service Charges
Fiscal Year 2005-06

Equipment Services

The City of Ontario maintains a separate fund to account for the accumulation and expenditure of monies related to the ongoing maintenance and replacement of the City's fleet, with the exception of Police helicopters. A separate Public Safety Equipment Replacement Fund reserve was established in Fiscal Year 2001-02 to accumulate replacement costs for the helicopters and certain fire apparatus. \$1.0 million was allocated to the reserve fund each fiscal year thereafter, including Fiscal Year 2005-06.

The City maintains its vehicles and equipment in a comprehensive fleet maintenance system, FleetAnywhere. Vehicle and equipment maintenance and overhead costs are tracked in the system, and depreciation is calculated for each vehicle. Each year, an equipment replacement rate is calculated for each vehicle based on its class (type of the vehicle), annual maintenance costs, and depreciation amount. The rate is then adjusted by inflation, replacement contingency rate, and a citywide full cost general and administrative overhead rate to arrive at a Class Average. The class Average amount is totaled by agency or department which the vehicles belong to, then allocated based on the number of full-time employees of that agency or department for inclusion in the Annual Operating Budget. Equipment Services expenditures for annual operating and maintenance costs are recorded as internal service charges in their respective funds. These internal service charges then become a source of monies for the Equipment Services Fund.

Depreciation schedules used for the Equipment Services Fund coincide with the City's depreciation policy. Over time, depreciation expenses accumulate within this fund to provide for equipment replacement. Replacement vehicles are purchased from the Equipment Services Fund in accordance with established replacement schedules. Police vehicles scheduled for replacement that are still in serviceable condition are rotated into the City's fleet vehicle inventory for use by City staff. Vehicles and rolling stock in which there is no longer a cost justified basis to retain are sold at public auction. New vehicle and rolling stock purchases that are non-replacement items, are budgeted for by the departments when submitting their annual operating budgets.

Information Technology

The Information Technology Department is responsible for all maintenance and support of the City's information technology resources as well as providing support services for Public Safety computer aided dispatch and records systems. Specifically, the Information Technology Department supports computer systems, software, telecommunications, computer networks, and provides technology consulting resources for all other City agencies and departments.

Information Technology department expenditures for annual operating and maintenance costs are recorded as internal service charges in their respective funds. These charges then become a source of monies for the Information Technology Fund. Each year, Information Technology internal services charges are calculated by agency or department based on the agency or department's prior year usage of IT resources, allocated by the number of full-time employees for that department. The allocation is then included in the respective department's annual operating budget.

Self Insurance (Risk, Liability and Workers' Compensation)

Liability

Each department is charged for liability expenses for property insurance coverage, automobile liability, general liability, and excess liability. Charges are determined by review of the department's five-year loss summary maintained by Ward North America, the City's third-party liability administrator. The number of employees and facilities utilized are factors that are taken into consideration for those departments that have little or no loss history.

Workers' Compensation

The City utilizes seven workers compensation job codes to determine cost allocations. The classifications are: Police, Fire, Clerical, Printing, Library, Non-manual Labor, and Manual Labor. When the allocations are made, there is a cross-check made with the pure premium rates published by the Workers' Compensation Insurance Rate Bureau of California. Payroll dollars and percentage of total payroll are factors used in the allocations to agencies and departments.

Safety Program

Safety allocations are made by analysis of which departments historically utilize the Risk Management Department's resources regarding education, instruction, and monitoring of communicable disease exposures, equipment training, and accident history.