



City of Ukiah,  
California  
Comprehensive Annual  
Financial Report

Fiscal Year Ended  
June 30, 2020



# Comprehensive Annual Financial Report

City of Ukiah, California

Fiscal Year Ended June 30, 2020

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# Introductory Section



December 30, 2020

To the Honorable Mayor, members of the City Council and citizens of the City of Ukiah:

We are pleased to submit the City of Ukiah's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020. This report is prepared in accordance with state law, generally accepted accounting principles (GAAP), and the best management practices for financial reporting as defined by the Government Finance Officers' Association (GFOA). California law requires that a financial report be prepared annually and audited by a licensed certified public accountant within a reasonable period following the year end. These financial statements are presented in conformity with GAAP and audited in accordance with generally accepted auditing standards.

Responsibility for the accuracy of the data and the fairness of presentation, including all footnotes and disclosures, rests with City management. We believe the data presented in this report is accurate in all material respects, and all statements and disclosures necessary for the reader to obtain a thorough understanding of the City's financial activities have been included. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.

Management of the City has established an internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile enough, reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatements.

While traditionally addressed to the governing body of the City, this report is intended to provide relevant financial information to external users who include the citizens of the City of Ukiah, City staff, creditors, investors, and other concerned readers. We encourage all readers to contact the Finance Department with any questions or comments concerning this report.

The City's financial statements have been audited by Van Lant & Fankhanel, LLP, a firm of certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2020, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

Based upon the audit, the independent auditors concluded that there was reasonable basis for rendering an unmodified opinion, which states that the City's financial statements for the fiscal year ended June 30, 2020, are presented fairly in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. This report includes all funds of the City and its blended component unit: The Successor Agency to the Ukiah Redevelopment Agency.



## Profile of the City of Ukiah

The City of Ukiah is a full-service city in that it provides most typical municipal functions, including public safety (including police and fire protection), public works, community development and parks and recreation. In addition, the City provides proprietary services, including water, wastewater, electric, golf, and airport services. It operates in a council-manager form of government, whereby the council serves as the legislative body and the City Manager its executive.

Incorporated on March 8, 1876 as a general law city, Ukiah serves as the administrative seat for the County of Mendocino, and with a residential population of more than 16,061<sup>1</sup> in a 4.7 square-mile area, Ukiah is graced with a strong business base and a well-established residential community.

Ukiah is a travel and recreation-oriented destination and fortunate to serve as a hub for Lake, Mendocino, southern Humboldt, and northern Sonoma counties. The Ukiah business environment is positive and well organized. Driven by an active chamber of commerce, local businesses are community-oriented and engaged in City-business partnerships, including economic development, job creation, tourism, and community events. The City's permanent retail trade area population is approximately 104,000 people with 45,000 within a 10-mile radius. Ukiah's historic downtown area is the center of commercial activity within the community. There are also commercial areas along Orchard/Perkins corridor, Airport Park Boulevard, Perkins Street, as well as much of State Street.

The City's total labor force is approximately 7,230<sup>2</sup>. Unemployment in Ukiah was approximately 15.3 percent in June 2020, up from 4.2 percent in 2019<sup>3</sup>. Within ten miles, there is a diverse labor force specializing in such

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<sup>1</sup> 2020 California Department of Finance, Demographic Research Unit, E-1 Population Estimates for Cities, Counties, and the State, May 2020

<sup>2</sup> 2020 California Employment Development Department, Labor Market Information Division, <https://www.labormarketinfo.edd.ca.gov/data/interactive-labor-market-data-tools.html>

<sup>3</sup> Unemployment spike to end the fiscal year, June 30, 2020 due predominantly to the COVID-19 pandemic. Prior to March 2020, the unemployment rate in Ukiah was 5.9 percent.

occupations as sales, technical and professional services, education, medical, agriculture, and government services, and other specialties. The largest employment sectors in the Ukiah area are: government (county and city); education; healthcare; light industry; and the service and hospitality trades. The agricultural and construction sectors are important, and the transportation/public utilities, wholesale trade, finance/insurance/real estate and manufacturing sectors round out the employment picture. Some of the larger employers in the primary trade area include the Ukiah Valley Medical Center, Ukiah Unified School District, County of Mendocino, City of Ukiah, and Savings Bank of Mendocino County. Approximately 17 percent of all jobs in Mendocino County are located within the City of Ukiah.

## The City of Ukiah Organization

The City is committed to providing high quality services in an economical manner. For fiscal year 2019-20, the City's efforts were focused in the following areas:

- **Public Safety Services.** Demand for police and fire services continued to grow. The Police Department has initiated aggressive recruiting strategies in a highly competitive job market, working to increase staffing of skilled officers capable of serving an expanding scope of duties to meet the broadened demands on law enforcement. These include untreated mental illness, substance abuse, homelessness, criminals more sophisticated, use of technology, and the effects of prison realignment and decriminalization. With the continued and steady rise of incidents, the Fire Department is seeing an increasing number of times where all their resources are committed and unable to respond to additional calls for service. The COVID-19 pandemic elevated considerably the need for public safety services, working with other services offered by the City and Mendocino County to ensure the Ukiah community could manage well the effects of the pandemic.
- **Housing.** The City of Ukiah adopted a 2020-2027 Housing Element on October 23, 2019, and the newly updated Housing Element was certified by the State Department of Housing and Community Development (HCD) on December 5, 2019. This was the culmination of a significant amount of effort during the 2019-20 fiscal year. The City continued its efforts in 2020 and it implemented the measures contained in the Housing Element, with deliberate focus on increasing the supply of housing.
- **Streets.** Public Works has continued to utilize Measure Y funds for the improvement of all streets throughout the City. In this effort, the establishment of a Construction Management and Inspection Team has been implemented, as requested by Council. In FY 2020 \$2.9 million was expended on streets from Measure Y alone (additional discussion of this provided later in this letter). From all sources, the City spent over \$8.3 million on streets in FY 2020.

The City Council establishes annual budgets for the General Fund, proprietary (enterprise and internal service) funds, and all special revenue funds, with a possible exception for certain special revenue funds for which expenditures are controlled by grant funding or by special assessments. Budgetary control is legally maintained at the fund level. Department heads submit budget requests to the City Manager. The City Manager prepares an estimate of revenues and prepares recommendations for the next year's budget. The preliminary budget may

or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30.

The Ukiah City Council consists of five members, elected at-large to four-year overlapping terms. Council members must be residents of the City. The positions of Mayor and Vice Mayor are chosen by the Council through its own policy. The Mayor conducts the Council meetings and represents the City in ceremonial functions.

The City Council serves as the policy board for the municipality. It provides policy direction, establishes goals, and sets priorities for the City government. In addition to serving as the broad policy makers for the community, the City Council also is responsible for numerous land use decisions within its borders, including the General Plan. The City Council appoints the City Manager, the City Attorney, and all members of advisory boards and commissions. The City also maintains an elected City Treasurer.

## Current Economic Conditions and Outlook

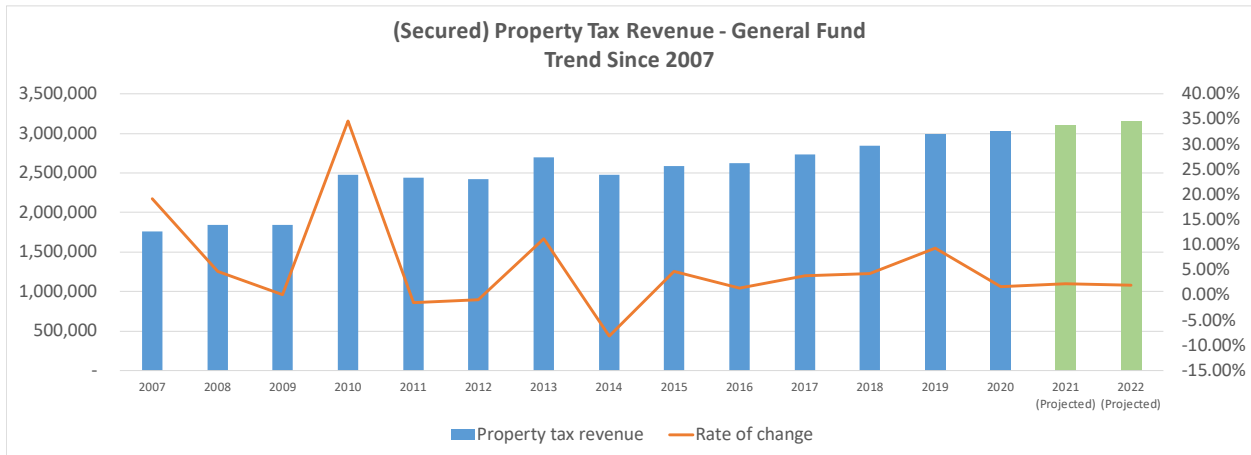
The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates. Understanding that property and sales taxes generate the City's largest two sources of general revenue, it is important to look at the economy in the context of people's wherewithal for producing General Fund tax revenues.

Like every community in the nation, Ukiah was hit hard by the COVID-19 pandemic. The local economy, however, endured (and continues to endure) through the most challenging financial impacts of it. Due in large part to its diverse, economic base and function as an economic hub to the greater Mendocino, Lake, southern Humboldt, and northern Sonoma counties, Ukiah businesses have persevered, and the City finances have remained reasonably stable. Prior to March 2020, unemployment remained low, and consumer spending (through sales tax analysis), building permits, and planning work indicates economic confidence to invest in housing and business development was strong. The housing market, while making progress toward recovering values from the highs of 2007, remained strong, albeit insufficient to meet the demands for market-based housing due to its low supply of units and high prices.

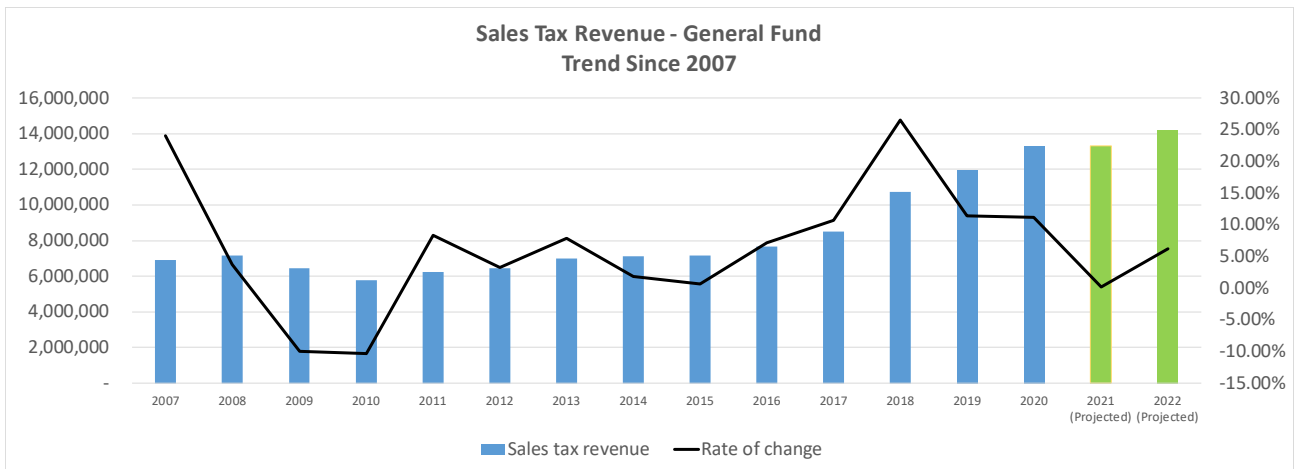
The City's economic development efforts and development of a high-quality workforce help to promote Ukiah's long-term fiscal stability. This will be a cornerstone in the Council's approach to debt structuring, capital improvement planning, labor negotiations, and service delivery.

As mentioned earlier, the City's principal General Fund revenue sources are sales tax and property taxes. These sources grew modestly to end the 2020 fiscal year. They continue to grow modestly in the first quarter of FY 2021. But so much of that continued growth depends on the actions of the federal government, most notably Congress, in its economic relief response to the pandemic.

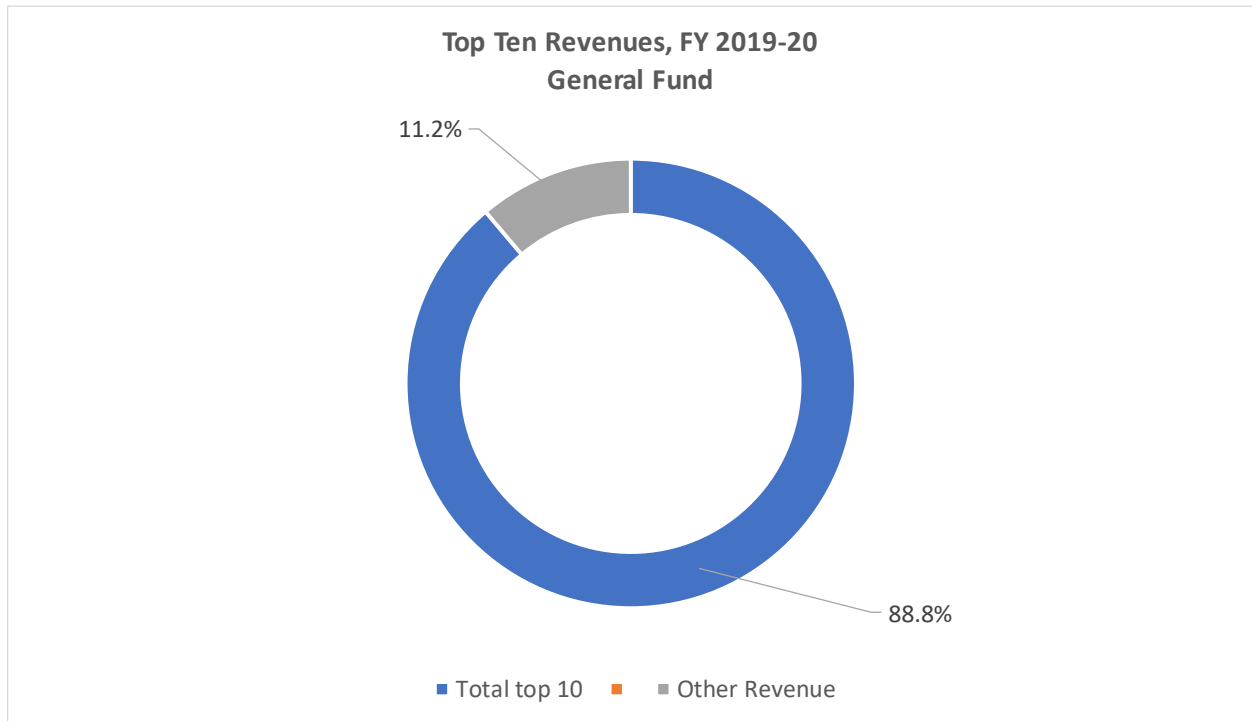
The housing market has improved markedly; however, changes to property tax receipts will continue to be nominal due to retroactive Prop 8 adjustments still being processed by the Mendocino County Assessor. Property-related revenues in general are expected to increase modestly FY 2020-21 and beyond, likely to average 2-2.25 percent, as illustrated in the following table.



As the hub of Mendocino County, Ukiah has a strong sales tax base. The economic and financial effects of the pandemic have tested that. Up to March of 2020 the City realized positive sales tax returns beyond initial budgetary estimates for the year. As the pandemic took hold the City continued to realize strong gains driven curiously at the end by new car sales and increased consumer spending stimulated by the CARES Act. Given that, management considers the region to be in recession even as our analysis suggests continued growth in sales tax. We are taking a cautiously optimistic view at this time.



## Financial Condition: General Revenues - Top Ten:



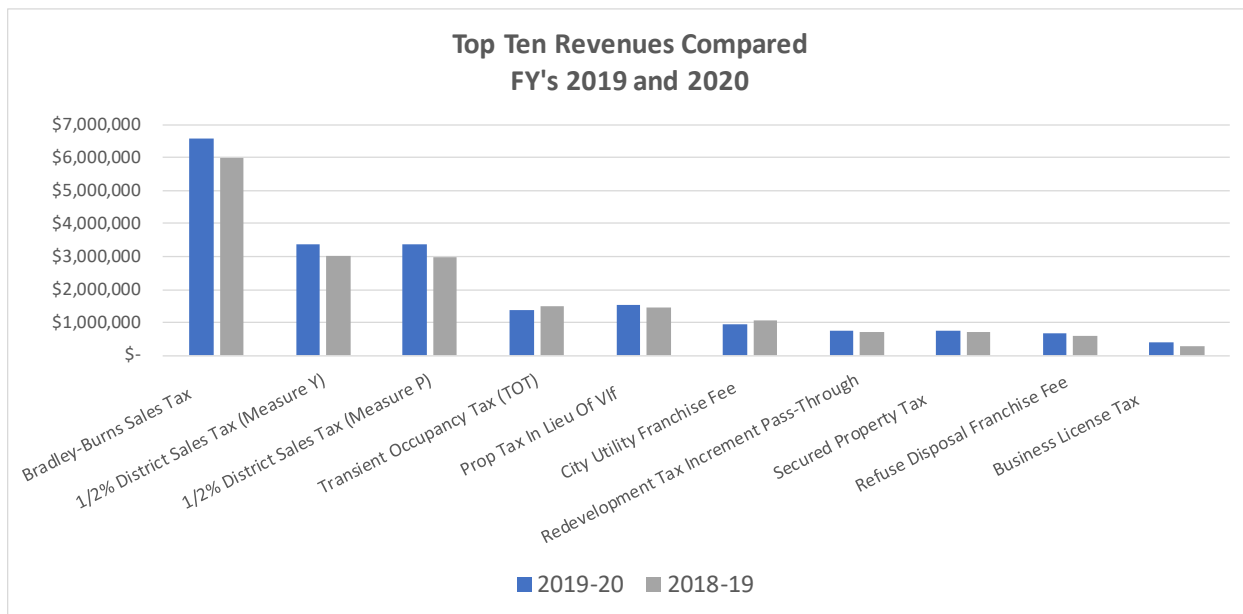
The City's top ten revenue sources account for 88.8 percent of total General Fund income. Focusing on these sources can provide a useful understanding of the City's revenue position.

Overall, these key revenues performed better in 2020 than in 2019. The strongest performer was Measure P transaction and use tax (13.45 percent increase) due in large part to strong auto sales in the fourth quarter of the year. Revenues from Measure Y following closely as did the City's Bradley-Burns sales tax. The primary reason Measure P and Y outperformed Bradley is due to the nature of the tax. P and Y are collected on transactions made outside the City limits but are determined to be used within. Bradley is collected on only those transactions that physically occurred within. The weakest performers were TOT and the City's utility franchise fee, the former being affected by travel restrictions from the pandemic and the later from decreased revenues from commercial electric rates (also resulting from the economic response to the pandemic). Business license revenues were up considerably from 2019 due mostly to late payments. The following schedule and chart demonstrate this comparison:

**TOP 10 - REVENUES**

Current from Prior  
Year Ended June 30, 2020

REVENUE	2019-20	2018-19	Percent Change	Percent of Total 2019-20 General Revenues
Top 10:				
Bradley-Burns Sales Tax	\$ 6,572,573	\$ 5,985,840	9.80%	29.62%
1/2% District Sales Tax (Measure Y)	3,368,450	3,016,205	11.68%	15.18%
1/2% District Sales Tax (Measure P)	3,372,183	2,972,334	13.45%	15.20%
Transient Occupancy Tax (TOT)	1,365,477	1,496,473	-8.75%	6.15%
Prop Tax In Lieu Of Vlf	1,530,602	1,451,100	5.48%	6.90%
City Utility Franchise Fee	951,857	1,040,975	-8.56%	4.29%
Redevelopment Tax Increment Pass-Through	763,483	709,061	7.68%	3.44%
Secured Property Tax	743,317	690,720	7.61%	3.35%
Refuse Disposal Franchise Fee	657,307	609,150	7.91%	2.96%
Business License Tax	389,829	293,706	32.73%	1.76%
<b>Total top 10</b>	<b>19,715,078</b>	<b>18,265,564</b>	<b>7.94%</b>	<b>88.84%</b>
Other Revenue	2,475,554	3,069,937	-19.36%	11.16%
<b>Total current revenue</b>	<b>\$ 22,190,632</b>	<b>\$ 21,335,501</b>	<b>4.01%</b>	<b>100.00%</b>



**Sales Tax.** The City collects sales tax from three sources: normal Bradley-Burns sales taxes (1 percent of taxable transactions), a ½ cent transaction and use tax, commonly referred to as Measure P, and a ½ cent transaction and use tax, commonly referred to as Measure Y. All are devoted entirely to the City and are distinct and considered separate sources of revenue. Each behave slightly differently given their tax base. Bradley-Burns sales taxes are referred to as “sales and use” taxes, levied on transactions based geographically in the City. Measures P and Y are referred to as a “transaction and use” taxes and is applied to any taxable sale in the City as well as any sale where the use of the item is in the City. For instance, a car purchased outside the City but registered to, and therefore presumed to be used at, an address within would be levied the ½ cent on the



purchase price for Measure P and the same amount for Measure Y. Both are general taxes and can be used for any regular, general governmental purpose; however, the City Council, through resolution, has assigned their use to public safety and streets, respectively.

Overall, sales taxes receipts (Bradley-Burns and Measure P) were up from a year ago due in part to stronger sales in the City's retail sector. All sales tax due the City will come exclusively from the California Department of Tax and Fee Administration (CDTFA).

**Property Tax in Lieu of VLF (Vehicle License Fee).** These are property tax shares allocated to cities and counties beginning in FY 04-05 as compensation for the state's take of Vehicle License Fees (VLF). This revenue source typically follows regular property tax collections, discussed under "Secured Property Tax" below and is up 5.48 percent compared to last year.

**Transient Occupancy Tax (TOT).** Commonly referred to as a "bed," "hotel," or "room" tax this revenue source was performing strongly over the last two years up until March. Travel restriction brought on by the pandemic will continue to negatively affect this revenue source. However, driven by increased tourism in the greater Ukiah Valley area and a larger volume of travelers heading north, this revenue source is poised to continue its growth trend for several more years after the pandemic has abated. Visitors are stopping in Ukiah as a final layover before making the trek to Fort Bragg and Humboldt County and are exploring the wonders of what the Ukiah Valley has to offer.

The TOT rate in Ukiah currently is 10 percent; however, 1 percentage point has been committed by the Ukiah City Council to fund the Visit Ukiah Program.

**City Utility Franchise Fees.** This revenue source is a charge to the City's electric utility. Franchise fees are not taxes; rather, they are rents paid by utility providers to operate on or in City rights-of-way and City property, such as roads, sidewalks, parklands, etc. The rents are established by the City Council and typically are correlated to gross revenues generated by the utility provider. Revenues from this source remain stable albeit lower than otherwise would be due to the economic effects of the pandemic on the utility commercial customer base.

**Redevelopment Tax Increment Pass-Through.** After the dissolution of Redevelopment in California by the Legislature, the Ukiah Redevelopment Agency was sent into receivership of a successor agency. Property tax increment revenue once received by the former redevelopment agency was instead held in trust by the County Auditor-Controller in a specific fund, affectionately known as the Redevelopment Property Tax Trust Fund (RPTTF). Property tax increment collected in this fund would first pay the County Auditor-Controller's administrative costs, then pass to the successor agency of the former RDA (City of Ukiah) to satisfy the obligations of the former agency, then to the taxing entities in the project area of the former RDA, including the Ukiah Unified School District and the County of Mendocino General Fund. The City also receives a share of these residuals which are reported in the General Fund.

This revenue source tracks like regular (secured) property tax, although it is calculated from a slightly different derivative property tax base (tax increment).

**Secured Property Tax.** Traditionally, revenue from property tax was viewed as a very stable source. The housing collapse of 2008 tested that assumption. However, as the housing market continued to recover modestly in Ukiah, receipts came in higher than the year prior. This was due to a combination of factors,

including retroactive Prop 8 (1978) assessment adjustments and increased assessed values from housing sales. Slightly less than 11 percent of property taxes paid by property owners within the City are allocated to the City. The majority is distributed to local schools and the County of Mendocino.

Depending on the final economic outcome of the pandemic to Ukiah, revenue from this source may continue to trend positively over the next few years as the county continues to process Prop 8 property value adjustments and as housing prices and home sales increase.

**Refuse Disposal Franchise Fees.** This revenue source is a charge to the City's franchise solid waste hauler. As discussed earlier, franchise fees are not taxes; rather, in the case of refuse disposal franchise fees they are rents paid by the refuse hauler for the use of rights-of-way to provide and distribute its services. Refuse hauler vehicles used to haul refuse are utilized more frequently and wear roads more significantly than other commercial or non-commercial vehicles. Revenues from this source were higher in FY 2019-20 than in the preceding year due to increased sales and rate adjustments by the hauler, Ukiah Waste Solutions.

**Business License Tax.** Businesses that operate within City limits are required to obtain a business license. The fees are based on the type of business and an estimate of their gross receipts. The proceeds from the tax collected are available for unrestricted use in the General Fund. As mentioned earlier, receipts were higher in 2020 than in the prior year due to late payments. Before the onset of the pandemic in March 2020, business license activity was trending positively. That trend has slowed and may reverse into the 2021 fiscal year.

## Major Initiatives

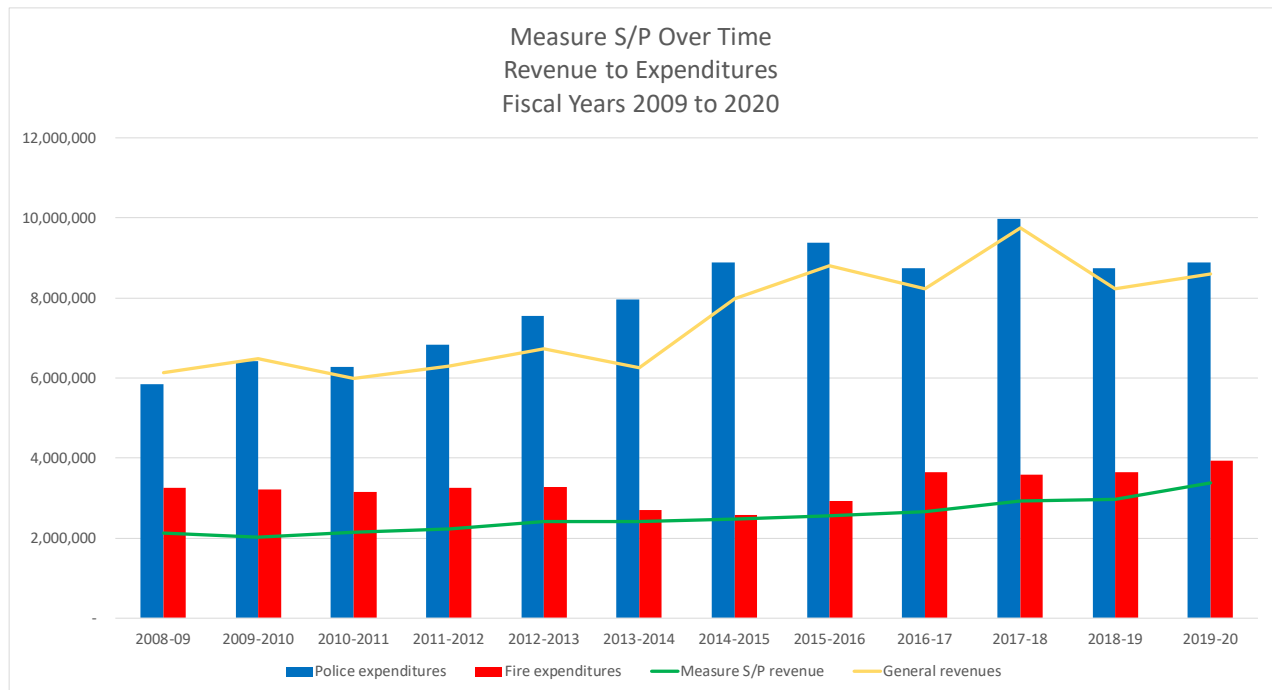
The Ukiah City Council, through a strategic process of discussion, observation, and education, has developed the following set of focused priorities that help guide the development and implementation of policies, activities, and programs. These three areas are in no way all-encompassing of the City's scope of work nor are they finite; rather, the strategic planning process is considered evolutionary and vision-based. All these areas work to further promote the vibrancy and sustainability of the Ukiah community and the organization.

### Strategic Plan Priorities

- **Enhance Our Neighborhoods:** Foster a sense of small-town life by embracing our diversity and supporting our residents with quality services and vibrant places (People, Places, & Services).
- **Develop Quality Infrastructure:** Implement a prioritized plan for maintaining and improving public infrastructure and utilities.
- **Plan for the Future:** Utilize sound principles for valley-wide planning
- **Grow our Businesses:** Facilitate the development of a sound local economy that attracts investment, promotes economic diversity, supports businesses, creates employment opportunities, and generates public revenues.
- **Value our Team:** Ensure Council and staff work together to create a more responsive and effective workplace environment.

## Measure P

Measure P, passed by a simple majority (50 percent plus 1) of Ukiah voters in November of 2014, is a general (unrestricted) transaction and use tax. A general, unrestricted tax is one that can be used to fund any program, function, service, or project at the discretion of the City Council. It is not a special, restricted tax, which would require approval of two-thirds of the voting public. It continued a sun-set transaction and use tax, known as Measure S (2005), accompanied by an advisory Measure T (2005). Measure P, however, was passed with no advisory measure. The purpose of Measure P is to augment public safety expenditures to provide a higher level of police and fire service to the community. Amounts collected from the tax are to be used in addition to the commitment of the General Fund and not in replacement of. The following graph demonstrates how the past revenue measure (S) and now Measure P have been employed with relation to the General Fund.



**City of Ukiah  
Measure P  
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Baseline to Current Actual  
For the Year Ended June 30, 2020**

	2014-15 Baseline	2019-20 Actual	Variance with Baseline
<b>REVENUES</b>			
Measure P	\$ 2,465,521	\$ 3,372,183	\$ 906,662
Public safety revenues:			
Police	1,001,861	703,158	(298,703)
Fire	37,235	41,655	4,420
Prop 172	53,471	97,719	44,248
General revenues (general fund)	<u>7,922,006</u>	<u>8,601,652</u>	<u>679,646</u>
Total revenues	<u>11,480,094</u>	<u>12,816,367</u>	<u>1,336,273</u>
<b>EXPENDITURES</b>			
Current:			
Police	8,709,693	8,876,781	(167,088)
Fire	<u>2,553,407</u>	<u>3,643,341</u>	<u>(1,089,934)</u>
Total current	<u>11,263,100</u>	<u>12,520,122</u>	<u>(1,257,022)</u>
Capital outlay:			
Police	186,594	5,131	181,463
Fire	<u>30,400</u>	<u>291,114</u>	<u>(260,714)</u>
Total capital outlay	<u>216,994</u>	<u>296,245</u>	<u>(79,251)</u>
Total expenditures	<u>11,480,094</u>	<u>12,816,367</u>	<u>(1,336,273)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>PERSONNEL</b>			
Police:			
Sworn	32	34	2
Miscellaneous	18	19	1
Total police	<u>50</u>	<u>53</u>	<u>3</u>
Fire:			
City	11	19	8
UVSD	6	-	(6)
Total fire	<u>17</u>	<u>19</u>	<u>2</u>

Notes:

- 1) Excludes parking enforcement expenditures and associated revenue.
- 2) Excludes dispatch service revenue, except for general fund contributions.
- 3) Includes a temporary reduction in budgeted officers and an increase to the number of CSO positions, an interim measure to meet work demands due to the number of sworn officer vacancies.
- 4) Does not include Emergency Management services, which are included in Public Safety on the Statement of Revenues, Expenditures, and Changes in Fund Balance.

## Measure Y

Measure Y, passed by a simple majority (50 percent plus 1) of Ukiah voters in November of 2016, is a general (unrestricted) transaction and use tax. A general, unrestricted tax is one that can be used to fund any program, function, service, or project at the discretion of the City Council. It is not a special, restricted tax, which would require approval of two-thirds of the voting public. Measure Z, passed in conjunction with Measure Y, was a distinctly separate, advisory Measure Y, indicating the voting public's preference for the use of Measure Y proceeds. Language for the two ballot measures was as follows:

### Ballot Measure "Y":

Shall Ordinance No. 1165 be adopted to impose as a general tax an additional transaction (sales) and use tax of on-half of one percent within the city limits of the City of Ukiah to fund essential City services, including street repair and maintenance. Such tax increase is estimated to raise \$2,470,000 annually at a rate of 0.5 percent. The duration of the tax will continue unless or until the tax is repealed by majority vote in a municipal election.

### Advisory Measure "Z":

Shall street repair and maintenance and related public infrastructure improvements be the exclusive use of the revenues from an additional 0.5 percent sales tax in the City of Ukiah and add to and not replace current spending for street maintenance and repair.

#### City of Ukiah

#### Comparative Schedule of Resources and Uses

#### Measure Y

For the Years Ended June 30, 2020, 2019, 2018, and 2017

	Measure Y				
	2020	2019	2018	2017	Total
<b>OPERATING REVENUES</b>					
Measure Y 1/2 % transaction and use tax	\$ 3,368,450	\$ 3,016,205	\$ 2,729,797	\$ 528,057	\$ 9,642,509
<b>OPERATING EXPENSES</b>					
General and administrative	17,733	10,150	5,444	9,134	42,461
Basic maintenance and operations	259,685	387,449	306,143	294,084	1,247,360
Enhanced capacity for maintenance and operations	154,479	60,260	1,979	-	216,718
Less: general fund maintenance of effort <sup>1</sup>	(385,086)	(375,597)	(373,870)	(350,000)	(1,484,553)
Total operating expenditures	46,811	82,262	(60,304)	(46,782)	21,986
<b>DEBT SERVICE AND CAPITAL PROJECTS</b>					
Debt service, I-Bank	75,638	75,638	75,638	-	226,914
Projects	2,786,043	4,526,294	1,841,113	38,460	9,191,910
Total debt service and capital projects	2,861,681	4,601,932	1,916,751	38,460	9,418,824
Change in Measure Y resources	459,958	(1,667,989)	873,351	536,379	201,699
Measure Y resources - beginning	(258,259)	1,409,729	536,379	-	-
Measure Y resources - ending	\$ 201,699	\$ (258,259)	\$ 1,409,729	\$ 536,379	
<b>PROJECTS IN PROCESS<sup>2</sup></b>					
Reconstruction	\$ 2,865,575				
Slurry seals	311,436				
Total projects in process	\$ 3,177,011				

#### Notes:

1. This is the amount established by the City Council, per Resolution 2016-34, committing a minimum of \$350,000 per year from the general fund on street maintenance and repair. That amount is to be adjusted annually by changes to the Construction Cost Index, as reported by the Engineering News-Record.
2. Projects in process are projects and activities that are in contract (encumbered) but which have not incurred expenditures as of June 30, 2020.

## Relevant Financial Policies

City Management has adopted a series of financial policies meant to guide its use and reporting of revenues. Some of the more germane policies as related to this report include the following:

- All current operating expenditures will be paid for with current revenues, unless the use of reserves is approved by the City Council.
- Revenues will be conservatively estimated.
- Intergovernmental assistance in the form of grants and loans will be used to finance only:
  - Those capital improvements which can be maintained and operated over time; or
  - Operating programs that can either be sustained over time or have a limited horizon.
- A minimum fund balance reserve in the General Fund will always be maintained. The minimal, optimal level required for this reserve will be 25 percent of the General Fund operating budget. The reserve will be drawn down as a funding source of last resort and used only after other reserve accounts have been accessed.
- The unrestricted fund balance in the General Fund will be maintained at a level enough to provide adequate working capital and to accommodate required adjustments to other reserve accounts, including the reserves for advances to other funds, deposits and prepaid items.
- In general, one-time revenues will be used only to support capital or other non-recurring expenditures. One-time revenues may be used for operating programs only after an examination determines if they are subsidizing an imbalance between operating revenues and expenditures; and then only if a long-term forecast shows that the operating deficit will not continue.
- The City invests all idle cash as determined by analysis of anticipated cash flow needs. Specific emphasis will be placed on future cash requirements when selecting maturity dates to avoid forced liquidations and the potential corresponding loss of investment earnings.
- When the City finances capital projects by issuing bonds or acquiring loans, it will pay back those obligations within a period that is consistent with the useful life of the project.
- The City requires an annual audit of the books of account, financial records, inventories and reports of all City officers and employees involved in the handling of financial matters by a qualified independent auditor.

Information concerning significant accounting policies affecting the finances of the City is summarized in the Notes to the Financial Statements.

## Acknowledgements

The preparation of this Comprehensive Annual Financial Report could not be accomplished without the efficient and dedicated service of the entire staff of the Finance Department, the City's Management Team, and the auditing firm of Van Lant & Fankhanel, LLP. We would like to express our appreciation to Brett Van Lant, CPA; Greg Fankhanel, CPA; the staff of Van Lant & Fankhanel; and to the members of the Finance Department, City Manager's Office, and other administrative divisions who assisted and contributed to its development.

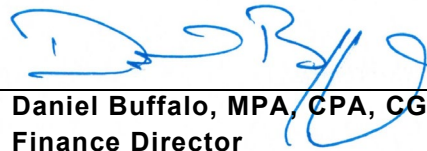
We also would like to thank members of the City Council and all City departments for their cooperation and support in planning and conducting the financial operations of the City during the fiscal year.

Respectfully submitted,



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**Sage Sangiacomo**  
**City Manager**



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**Daniel Buffalo, MPA, CPA, CGMA**  
**Finance Director**



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Ukiah  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



City of Ukiah, California  
List of Officials  
June 30, 2020

CITY COUNCIL  
UKIAH REDEVELOPMENT SUCCESSOR AGENCY BOARD OF DIRECTORS

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Doug Crane	Mayor
Juan Orozco	Vice Mayor
Jim Brown	Council Member
Maureen Mulheren	Council Member
Steve Scalmanini	Council Member

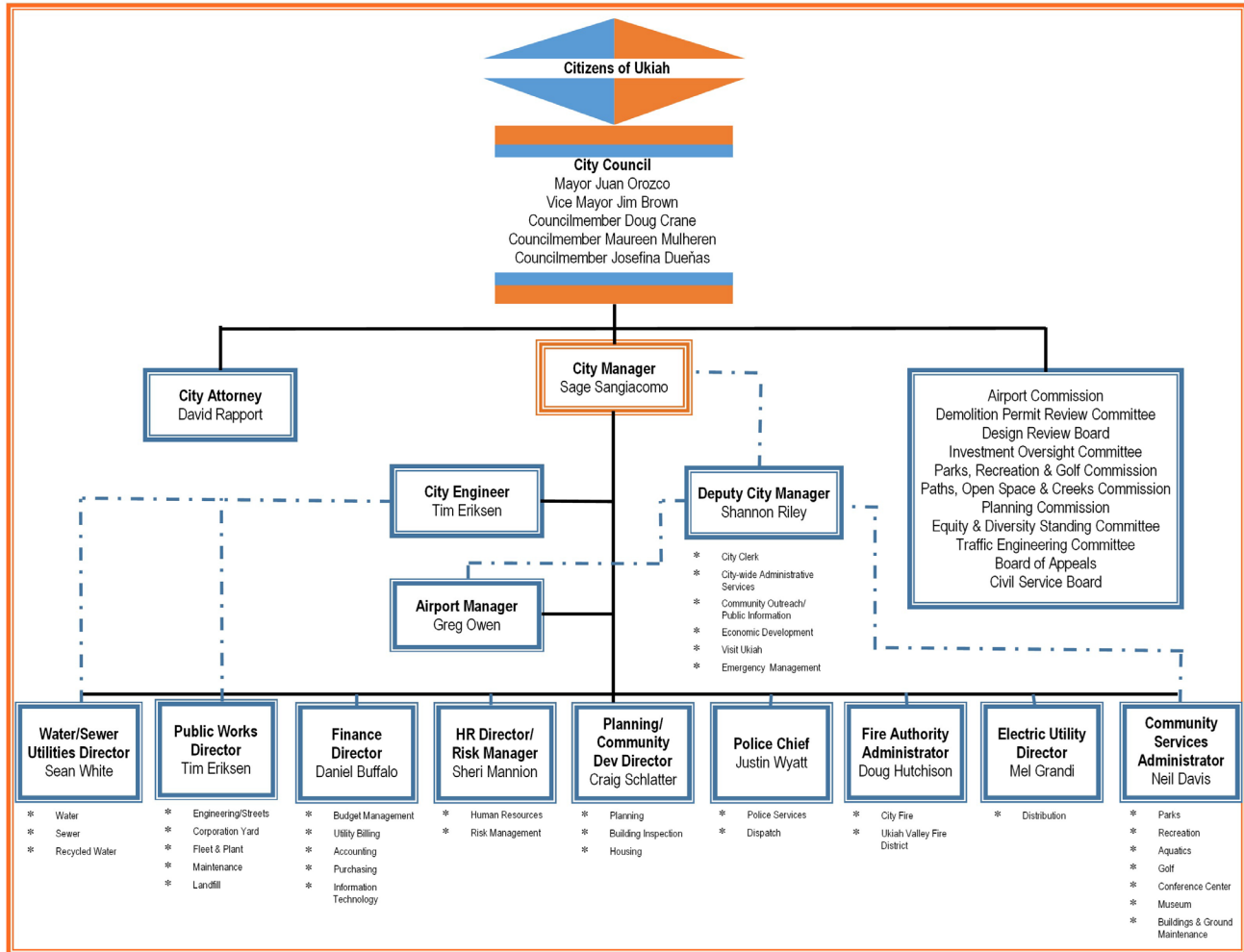
EXECUTIVE MANAGEMENT TEAM

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Sage Sangiacomo	City Manager
Shannon Riley	Deputy City Manager
David Rapport	City Attorney
Kristine Lawler	City Clerk
Justin Wyatt	Chief of Police
Doug Hutchison	Fire Authority Chief
Daniel Buffalo	Finance Director
Sheri Mannion	Human Resources/Risk Management Director
Tim Eriksen	Public Works Director/City Engineer
Craig Schlatter	Community Development Director
Greg Owen	Airport Manager
Mel Grandi	Electric Utility Director
Sean White	Water Resources Director



# City Organizational Chart



## Financial Section



## Independent Auditor's Report

The Honorable City Council  
City of Ukiah, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Ukiah (City), as of and for the year ended June 30, 2020, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

#### *Auditor's Responsibility*

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Ukiah, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, the schedules listed in the supplementary Information section of the table of contents, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules listed in the supplementary information section of the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules listed in the supplementary information section of the table of contents are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated December 30, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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* in considering the City's internal control over financial reporting and compliance.

*Van Lant & Funkhanel, LLP*

Loma Linda, California  
December 30, 2020

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## Management Discussion and Analysis (MD&A) (Required Supplementary Information)

The following discussion provides readers of the City of Ukiah's financial statements a narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with the Independent Auditor's Report, the basic financial statements, and the accompanying notes.

### Financial Highlights

- City assets exceeded its liabilities by \$159.5 million (net position) as of June 30, 2020.
- Deferred inflows and outflows related to the City's unfunded accrued pension liabilities (UAL) with CalPERS changed from the prior year due to gains and losses recognized by CalPERS, including contributions made by the City.
- The City's net position in total increased by \$20.7 million during the fiscal year 2019-20.
- The net position for governmental activities ended the year at \$38.1 million, while the net position of business activities was \$121.4 million.
- Of the \$38.1 million in total governmental activities net position, a negative \$19.8 million is characterized as unrestricted.
- The governmental activities saw increased revenues from most major sources. Tax sources rose in the amount of \$1.5 million offset, including business license tax receipts resulting from late payments.
- Business activities saw revenue for charges for services decrease by \$914,533, resulting primarily from the onset of the COVID-19 pandemic in March, 2020.

### Overview of the Comprehensive Annual Financial Report

This Comprehensive Annual Financial Report is presented in three major parts:

- 1) **Introductory section**, which includes the Transmittal Letter and general information; and
- 2) **Financial section**, which includes the Management's Discussion and Analysis (MD&A), the Basic Financial Statements, which include the Government-wide and the Fund Financial Statements, along with the notes to these financial statements and Combining and Individual Fund Financial Statements and Schedules; and
- 3) **Statistical section**, which includes financial, demographic and economic information on the City and surrounding community such as the value of taxable property, direct and overlapping tax rates, direct and overlapping debt, population and estimated per capita income.

This Management Discussion and Analysis is intended to serve as an introduction to the financial section. The statements of this section are comprised of components including financial highlights, government-wide financial statements, fund financial statements, a General Fund budgetary comparison and an economic outlook.

### The Government-Wide Financial Statements

The government-wide financial analysis provides an overview of the City's activities and is comprised of the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the City as a whole, including all its assets, capital assets and liabilities on the full-



accrual basis, like that used by private sector entities. The Statement of Activities provides information about all the City's revenues and expenses, also on the full-accrual basis, with the emphasis on measuring net revenues or expenses of each the City's major functions, which have been categorized as follows:

#### Governmental Activities

- General and administrative (City Council, City manager, City Clerk)
- General government (e.g., administration, finance and accounting, human resources, legal, treasurer, etc.)
- Community development (planning and building)
- Roads and infrastructure (road maintenance, city engineer and public works,)
- Housing and support programs (CDBG and HOME grants, etc.)
- Redevelopment/Economic development
- Public safety (Police and Fire)
- Parks, buildings, and grounds (parks, building and grounds maintenance, etc.)
- Culture and recreation (museum, pool, sports, etc.)

#### Business-type activities

- Airport
- Ambulance
- Conference Center
- Electric
- Golf Course
- Landfill
- Parking District
- Street lighting
- Wastewater
- Water

The Statement of Activities explains in detail the change in Net Position for the year. As indicated in the Financial Highlights, the City's net position increased \$19.8 million, which includes costs associated with depreciation and other non-budgeted items that may not influence cash or current financial resources but do affect net position. The statement presents expenses categorized by function or activity. This is done so that a direct connection can be made to the cost of providing that service or function for the year. The statement then presents how that activity was financed using funds other than those that can be used for any purpose (i.e. taxes, fines, investment earnings, etc.). This is an attempt to demonstrate how self-sufficient an activity was during the year. The remainder is the net expense covered by general revenues.

All the City's activities are grouped into either governmental activities or business-type activities, as explained below. The amounts in the Statement of Net Position and the Statement of Activities are separated into governmental activities and business-type activities in order to provide a clear summary of the two.

Government-wide financial statements, prepared on the accrual basis, measure the flow of all economic resources of the City.

The Statement of Net Position and the Statement of Activities present information about the following:

- **Governmental activities**—all the City’s basic services are governmental activities. These services are supported by general city revenues, such as taxes, and by specific program revenues such as user fees and charges.

The City’s governmental activities also include the housing activities of the (former) Ukiah Redevelopment Agency, a separate legal entity for which the City is financially responsible. As of February 1, 2012, the Ukiah Redevelopment Agency was dissolved, and a successor agency was established to handle the remaining affairs and obligations of the former agency. The City of Ukiah elected to be that successor agency. Upon dissolution, the assets and liabilities of the former agency were transferred to a private-purpose trust fund, which is not reported on the government-wide statements but is presented in the fund-based statements using the full accrual basis of accounting.

- **Business-type activities**—The City’s enterprise activities of electric, water, wastewater, recycled water, solid waste disposal site, parking, street lighting, airport, conference center and golf course are reported in this area. Unlike governmental activities, these services are supported by charges paid by users based on the amount of the service they use.

## Fund Financial Statements

The fund financial statements report the City’s operations in more detail than the entity-wide statements and focus primarily on the short-term activities of the City’s General Fund and other major funds. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts.

Because the focus of fund statements is narrower than that of the government-wide, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impacts of the City’s near-term financing decisions. Both the governmental activities Statement of Net Position and the governmental funds Statement of Revenues, Expenditures, and Changes in Net Position provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Major funds account for the largest portion of the financial activities of the City and are presented individually, while the activities of non-major funds are presented in summary, with supplementary schedules presenting the detail for each. Major funds are explained below.

The fund financial statements provide detailed information about each of the City’s most significant funds, termed major funds. The concept of major funds, and the determination of which are major, was established by GASB Statement 34 and replaces the concept of combining like funds and presenting them in total. Instead, each major fund is presented individually, with all non-major funds summarized and presented only in a single column. Supplementary Information present the detail of these non-major funds. Major funds present the major activities of the City for the year and may change from year to year as a result of changes in the pattern of City’s activities.

For the fiscal year ended June 30, 2020, the City's major funds were as follows:

**GOVERNMENTAL FUNDS:**

- General Fund
- Streets Capital Projects

**PROPRIETARY FUNDS:**

- Landfill
- Electric Enterprise
- Water Enterprise
- Wastewater Enterprise

The City's enterprise funds (electric, water, wastewater and landfill) are reported as proprietary funds. Enterprise fund financial statements are prepared on the full-accrual basis, and include all their assets and liabilities, both current and long-term.

The City adopts an annual appropriated budget for all governmental and proprietary funds. Budgetary comparison statements for the General Fund and all major governmental funds are presented as required supplementary information (RSI), as required by GASB 34. Proprietary budget comparison statements are not required or presented.

### [Fiduciary Statements](#)

The City's fiduciary activities are reported in the separate Statement of Fiduciary Net Position. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its own operations. The City maintains two fund types in this category: custodial and private purpose trust funds. These funds include resources held by the City on behalf of the Ukiah Valley Sanitation District, The Russian River Watershed Association, and the Ukiah Valley Fire District and the Ukiah Redevelopment Successor Agency. They provide information about the cash balances and activities of these funds. In its presentation of these statements, the City has adopted the provisions of GASB 85: Fiduciary Activities.

### [Notes to the Financial Statements](#)

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The notes to the basic financial statements can be found following the basic financial statement presentation of this report.

### [Other Supplementary Information](#)

In addition to the basic financial statements and the accompanying notes, this report also presents combined statements, which illustrate the condition and activities of all non-major funds. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements can be found subsequent to the notes section of this report.

## Government-Wide Financial Analysis

### Net Position

Net position may serve over time as a useful indicator of a government's financial position. The following table reflects the condensed net position for both governmental and business-type activities.

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 23,599,020	\$ 27,324,781	\$ 43,378,334	\$ 55,608,409	\$ 66,977,354	\$ 82,933,190
Capital assets(net)	53,075,972	47,386,857	173,928,238	169,238,480	227,004,210	216,625,337
Total assets	76,674,992	74,711,638	217,306,572	224,846,889	293,981,564	299,558,527
Deferred outflows of resources	6,786,028	7,197,955	2,572,408	2,414,751	9,358,436	9,612,706
Total assets and deferred outflows of resources	83,461,020	81,909,593	219,878,980	227,261,640	303,340,000	309,171,233
Current and other liabilities	1,796,527	3,310,766	5,784,110	5,522,562	7,580,637	8,833,328
Long-term liabilities	42,761,500	41,723,009	92,450,178	118,677,956	135,211,678	160,400,965
Total liabilities	44,558,027	45,033,775	98,234,288	124,200,518	142,792,315	169,234,293
Deferred inflows of resources	814,656	820,201	265,550	369,346	1,080,206	1,189,547
Total Liability and deferred inflows of resources	45,372,683	45,853,976	98,499,838	124,569,864	143,872,521	170,423,840
<b>NET POSITION</b>						
Net investment in capital assets	47,339,972	42,321,290	119,060,268	86,114,096	166,400,240	128,435,386
Restricted	10,544,419	12,610,721	99,829	123,367	10,644,248	12,734,088
Unrestricted	(19,796,054)	(18,876,394)	2,219,045	16,454,313	(17,577,009)	(2,422,081)
Total net position	\$ 38,088,337	\$ 36,055,617	\$ 121,379,142	\$ 102,691,776	\$ 159,467,479	\$ 138,747,393

The City's net position as of June 30, 2020, was \$159.5 million, an increase of \$20.7 million. The overall change in net position is due in large part to a capital contribution to the City from the Ukiah Valley Sanitation District of \$18.1 million, which was part of the joint refunding effort of the City's 2006 wastewater bonds. The City also accrued \$3.3 million in grants from the Federal Aviation Administration for runway improvements at the Ukiah Municipal Airport. Additionally, increased revenues from taxes and other governmental revenues bolstered the City's overall net position.

Restricted net position of \$10.6 million is primarily comprised of cash and cash-equivalents for use as prescribed by an outside entity, such as a grantor, bond holder, covenant, or other restricting entity or instrument, or are in the form of long-term notes receivable and are unavailable for spending. In the case for FY 2020, this is held primarily for Housing Programs in the form of loans receivable and unspent bond proceeds. A much small portion is restricted for public safety activities. It is important to note that restricted cash and investments may be different than restricted net position, e.g., cash restricted by a bond indenture as part of a bond issue is offset by the corresponding liability on the statement of net position, which is part of net investment in capital assets.

Unrestricted net position of negative \$17.6 million includes cash and cash equivalents and may be used to meet the City's ongoing obligations to citizens, creditors, and City-imposed designations (e.g. reserves, pending litigations, contingencies, capital projects, special grant and revenue programs and projects, etc.). It is negative primarily due to the City's long-term obligations related to net pension liabilities, capital-related debt, and estimated landfill closure costs. The City's working capital to meet current and other near-term operating and capital concerns was \$59.4 million.

### Activities

Expenses incurred by the City for FY 2020 year totaled \$68.5 million, an increase from FY 2019 of \$6.8 million. Much of this increase was related to pension costs of the City UAL with CalPERS. Governmental expenses totaled nearly \$25.1 million or 36.8 percent of total expenses. Public safety costs represented most of the governmental expenses, followed by public works and recreation.

Business-type activities incurred \$43.4 million of expense during the fiscal year, 63.2 percent of all City expenses.

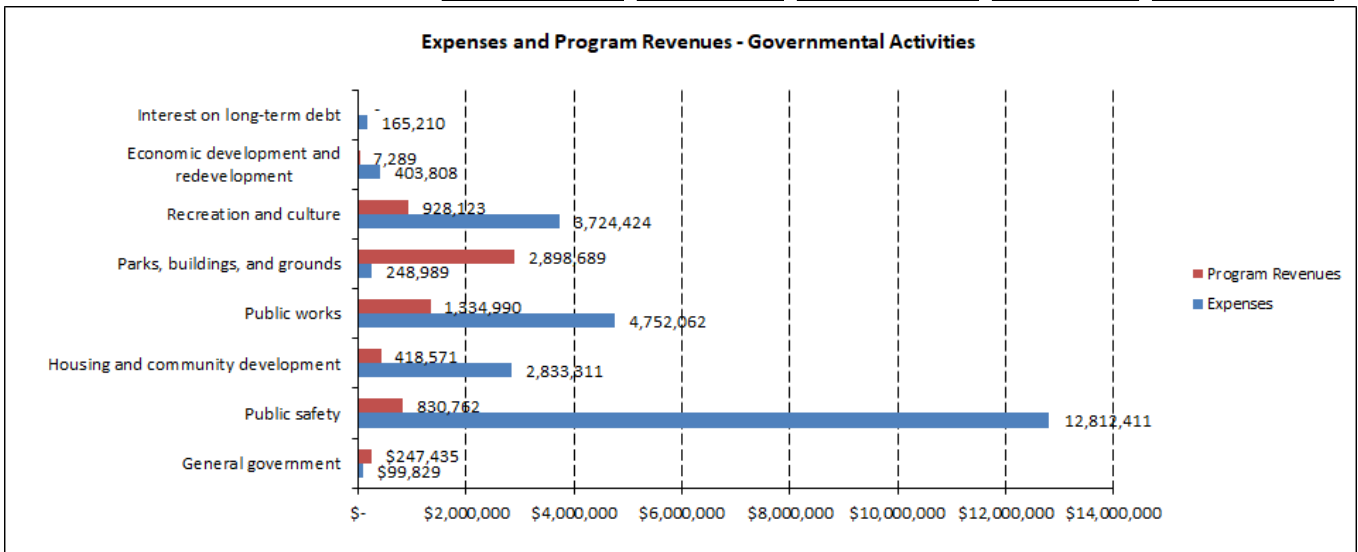
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>REVENUES</b>						
Program revenues:						
Charges for services	\$ 2,157,277	\$ 2,539,362	\$ 32,912,229	\$ 33,601,553	\$ 35,069,506	\$ 36,140,915
Operating grants and contributions	4,431,684	2,044,901	2,830,622	819,586	7,262,306	2,864,487
Capital grants and contributions	76,898	1,574,928	24,876,967	12,524,559	24,953,865	14,099,487
General revenues:						
Taxes	18,231,528	16,759,110	16,815	17,121	18,248,343	16,776,231
Franchises	1,742,671	1,781,141	-	-	1,742,671	1,781,141
Use of money and property	696,930	850,711	950,715	1,076,919	1,647,645	1,927,630
Other revenue	246,319	181,676	-	101,513	246,319	283,189
Total revenues	<u>27,583,307</u>	<u>25,731,829</u>	<u>61,587,348</u>	<u>48,141,251</u>	<u>89,170,655</u>	<u>73,873,080</u>
<b>EXPENSES</b>						
Governmental activities:						
General government	99,829	2,655,969	-	-	99,829	2,655,969
Public safety	12,812,411	12,167,151	-	-	12,812,411	12,167,151
Housing and community development	2,833,311	2,128,714	-	-	2,833,311	2,128,714
Public works	4,752,062	3,467,503	-	-	4,752,062	3,467,503
Parks, buildings, and grounds	248,989	354,205	-	-	248,989	354,205
Recreation and culture	3,724,424	3,507,371	-	-	3,724,424	3,507,371
Economic development and redevelopment	403,808	299,397	-	-	403,808	299,397
Interest on long-term debt	165,210	176,067	-	-	165,210	176,067
Business-Type activities:						
Airport	-	-	1,528,285	1,360,631	1,528,285	1,360,631
Ambulance Services	-	-	11,089	-	11,089	-
Conference Center	-	-	503,445	500,305	503,445	500,305
Electric	-	-	18,854,227	17,373,419	18,854,227	17,373,419
Golf	-	-	251,078	213,949	251,078	213,949
Landfill	-	-	4,165,711	2,114,576	4,165,711	2,114,576
Parking District	-	-	171,705	128,643	171,705	128,643
Street Lighting	-	-	147,861	43,349	147,861	43,349
Wastewater	-	-	11,580,850	10,979,067	11,580,850	10,979,067
Water	-	-	6,196,274	4,111,529	6,196,274	4,111,529
Total expenses	<u>25,040,044</u>	<u>24,756,377</u>	<u>43,410,525</u>	<u>36,825,468</u>	<u>68,450,569</u>	<u>61,581,845</u>
Change in net position before extraordinary items and transfers	2,543,263	975,452	18,176,823	11,315,783	20,720,086	12,291,235
Extraordinary items and transfers						
Extraordinary Item	-	6,000,000	-	-	-	6,000,000
Transfers	(510,543)	(410,782)	510,543	410,782	-	-
Change in net position	<u>2,032,720</u>	<u>6,564,670</u>	<u>18,687,366</u>	<u>11,726,565</u>	<u>20,720,086</u>	<u>18,291,235</u>
Net position - beginning, restated	36,055,617	29,490,947	102,691,776	90,965,211	138,747,393	120,456,158
Net position - ending	<u>\$ 38,088,337</u>	<u>\$ 36,055,617</u>	<u>\$ 121,379,142</u>	<u>\$ 102,691,776</u>	<u>\$ 159,467,479</u>	<u>\$ 138,747,393</u>

## Governmental Activities

The most significant expenses incurred by the City are providing public safety services (49.2 percent of governmental expenses). Streets and infrastructure include depreciation expense associated with assets assigned to governmental functions, such as buildings, equipment, and vehicles. Costs and programmatic revenues directly associated with governmental activities were as follows:

**City of Ukiah  
Expenses and Program Revenues  
Governmental Activities  
For the Year Ended June 30, 2020**

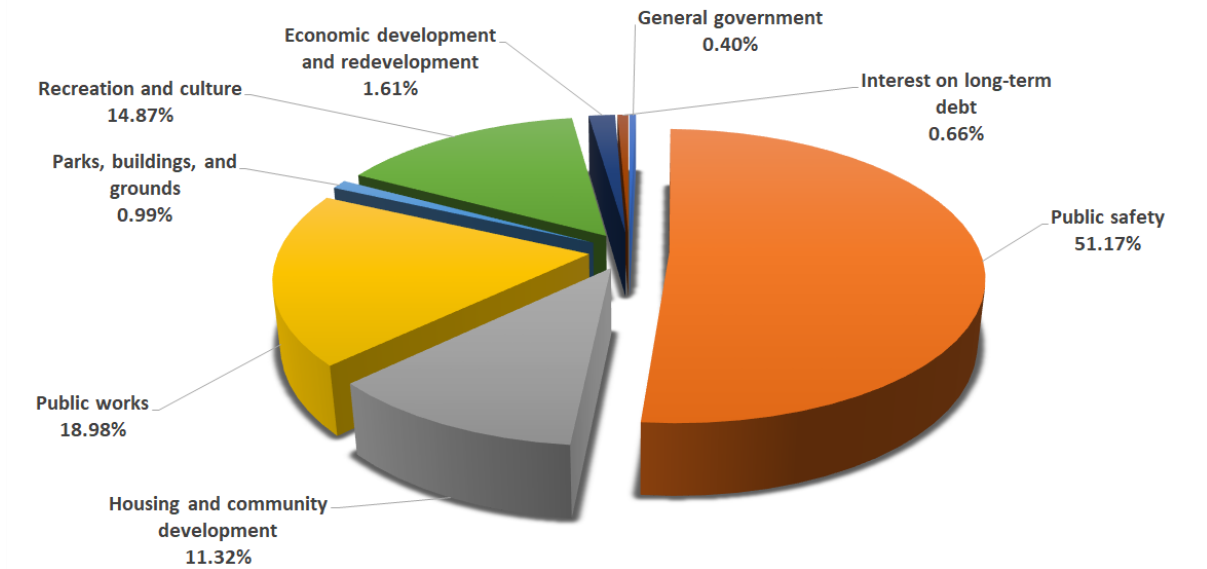
Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
General government	\$ 99,829	0.40%	\$ 247,435	3.71%	\$ 147,606
Public safety	12,812,411	51.17%	830,762	12.46%	(11,981,649)
Housing and community development	2,833,311	11.32%	418,571	6.28%	(2,414,740)
Public works	4,752,062	18.98%	1,334,990	20.03%	(3,417,072)
Parks, buildings, and grounds	248,989	0.99%	2,898,689	43.49%	2,649,700
Recreation and culture	3,724,424	14.87%	928,123	13.92%	(2,796,301)
Economic development and redevelopment	403,808	1.61%	7,289	0.11%	(396,519)
Interest on long-term debt	165,210	0.66%	-	0.00%	(165,210)
<b>Total</b>	<b>\$ 25,040,044</b>	<b>100.00%</b>	<b>\$ 6,665,859</b>	<b>100.00%</b>	<b>\$ (18,374,185)</b>



Net expenses of \$19.9 million for the provision of these governmental activities was funded by general revenues, primarily in the general fund, including taxes, licenses, permits, franchise fees, and rents.

Public safety (police, fire, and emergency management services) comprised the largest activity segment of governmental expenses (\$12.8 million, 49.2 percent). A significant portion of this expense is related to retirement benefit costs. Maintenance of streets and rights-of-way were the next largest expense of the City’s governmental activities. The City has deployed a significant portion of its discretionary and programmatic resources toward the improvement of City streets, walkways, and trails.

### Governmental Expenses by Activity

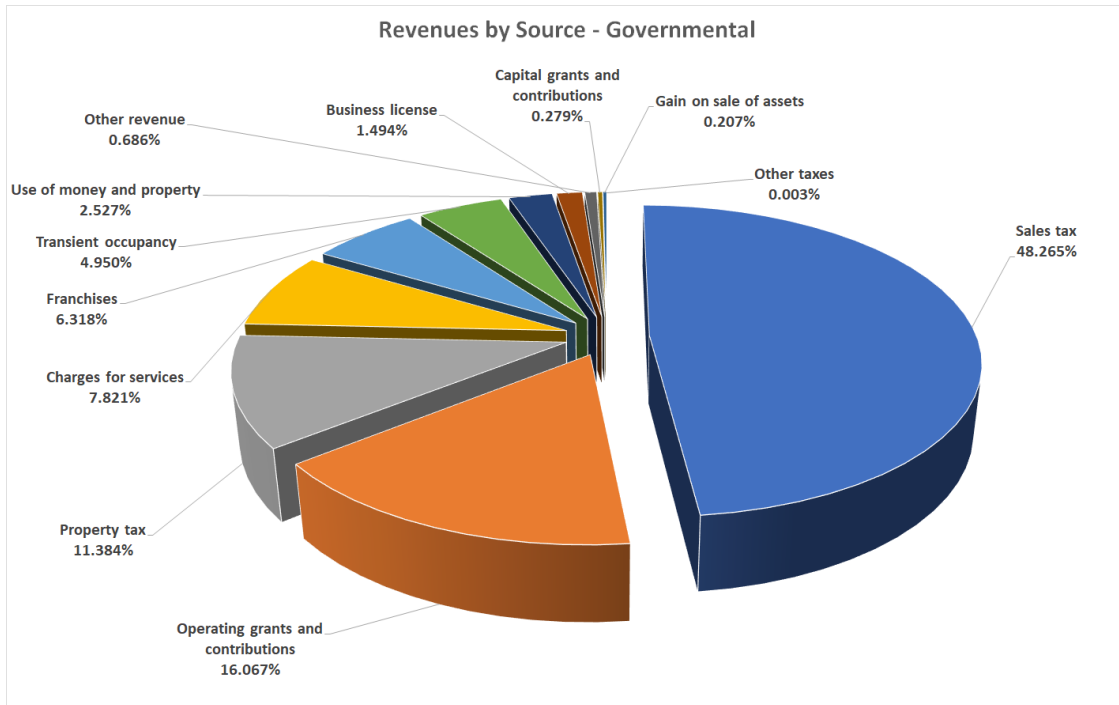


Significant revenues for the City came from taxes (61.2 percent), which included sales taxes (Bradley-Burns, Measure P and Measure Y transactions and use taxes), property taxes and transient occupancy taxes. Despite the onset of the COVID-19 pandemic, tax revenues overall were higher than in the prior year due to increases to the sales and property tax base from a strong and diversified local economy. Of particular note, auto sales drove much of the sales tax increase for the City in the fourth quarter of the fiscal year.

From highest to lowest, revenues directly associated with governmental collections were as follows. This information is presented in greater detail than that found on the Statement of Activities or Changes in Fund Balance to allow the reader to gain a more in-depth understanding of the sources and uses of revenue.

**City of Ukiah  
Revenues by Source  
Governmental Activities  
For the Year Ended June 30, 2020**

Revenues Source	Revenue	% of Total
Sales tax	\$ 13,313,206	48.27%
Operating grants and contributions	4,431,684	16.07%
Property tax	3,139,960	11.38%
Charges for services	2,157,277	7.82%
Franchises	1,742,671	6.32%
Transient occupancy	1,365,477	4.95%
Use of money and property	696,930	2.53%
Business license	411,997	1.49%
Other revenue	189,241	0.69%
Capital grants and contributions	76,898	0.28%
Gain on sale of assets	57,078	0.21%
Other taxes	888	0.00%
<b>Total</b>	<b>\$ 27,583,307</b>	<b>100.00%</b>



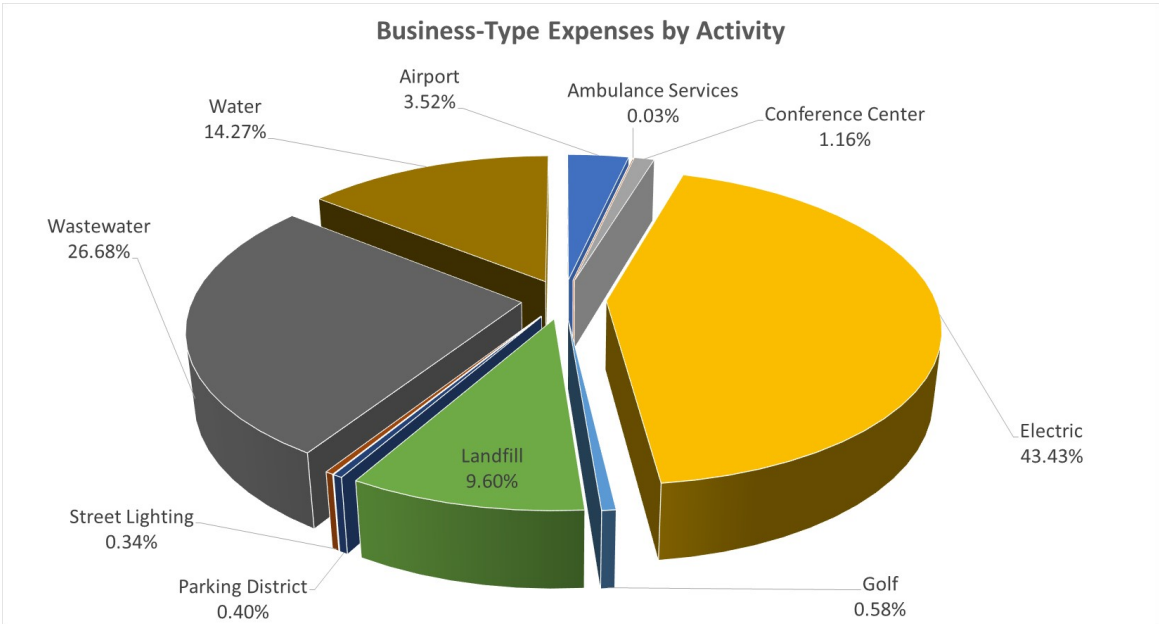
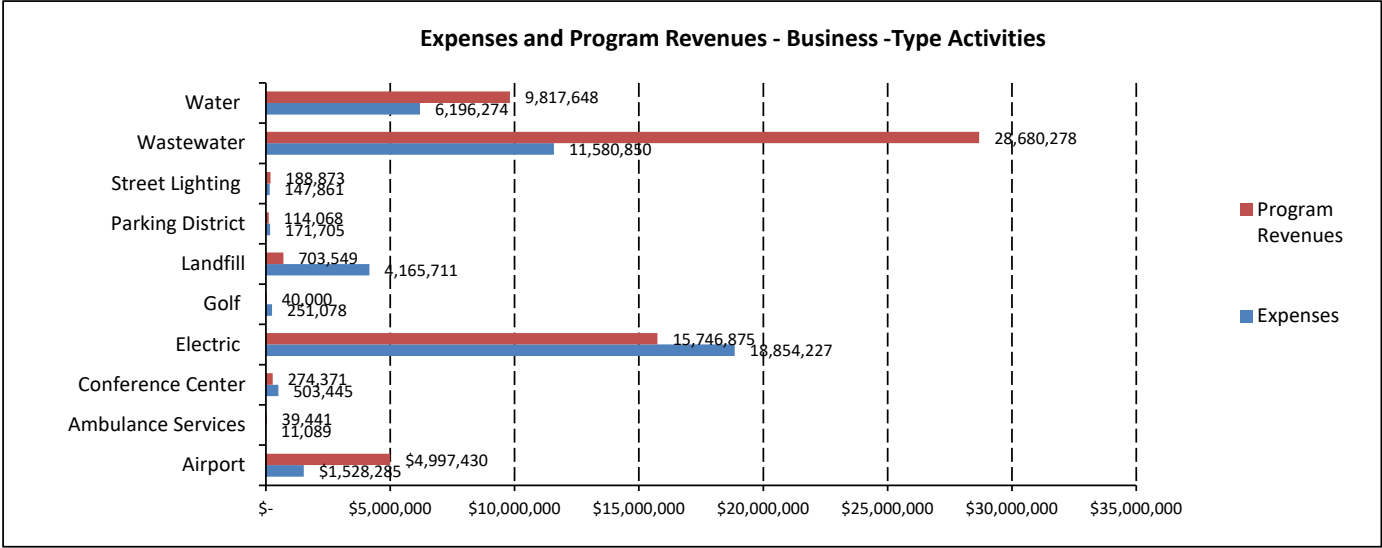
### Business-type Activities

In the fiscal year ended June 30, 2020, business-type activities increased the City's net position by \$18.7 million. Of that amount \$17.2 million came from net revenues, which is defined as total expenses minus program revenues, which include charges for service, as well as operating and capital grants and contributions. As mentioned earlier, a large contribution (\$18.1 million) in the sewer enterprise accounted for the majority of \$60.6 million in program revenues. This was a cash contribution to the City directly used to reduce the total amount of outstanding sewer revenue bonds issued in 2006. The City refunded the remaining amount of those bonds at a lower cost of borrowing.

#### Expenses and Program Revenues Business-Type Activities For the Year Ended June 30, 2020

Funds	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
Airport	\$ 1,528,285	3.52%	\$ 4,997,430	8.25%	\$ 3,469,145
Ambulance Services	11,089	0.03%	39,441	0.07%	28,352
Conference Center	503,445	1.16%	274,371	0.45%	(229,074)
Electric	18,854,227	43.43%	15,746,875	25.98%	(3,107,352)
Golf	251,078	0.58%	40,000	0.07%	(211,078)
Landfill	4,165,711	9.60%	703,549	1.16%	(3,462,162)
Parking District	171,705	0.40%	114,068	0.19%	(57,637)
Street Lighting	147,861	0.34%	188,873	0.31%	41,012
Wastewater	11,580,850	26.68%	28,680,278	47.33%	17,099,428
Water	6,196,274	14.27%	9,817,648	16.20%	3,621,374
<b>Total</b>	<b>\$ 43,410,525</b>	<b>100.00%</b>	<b>\$ 60,602,533</b>	<b>100.00%</b>	<b>\$ 17,192,008</b>

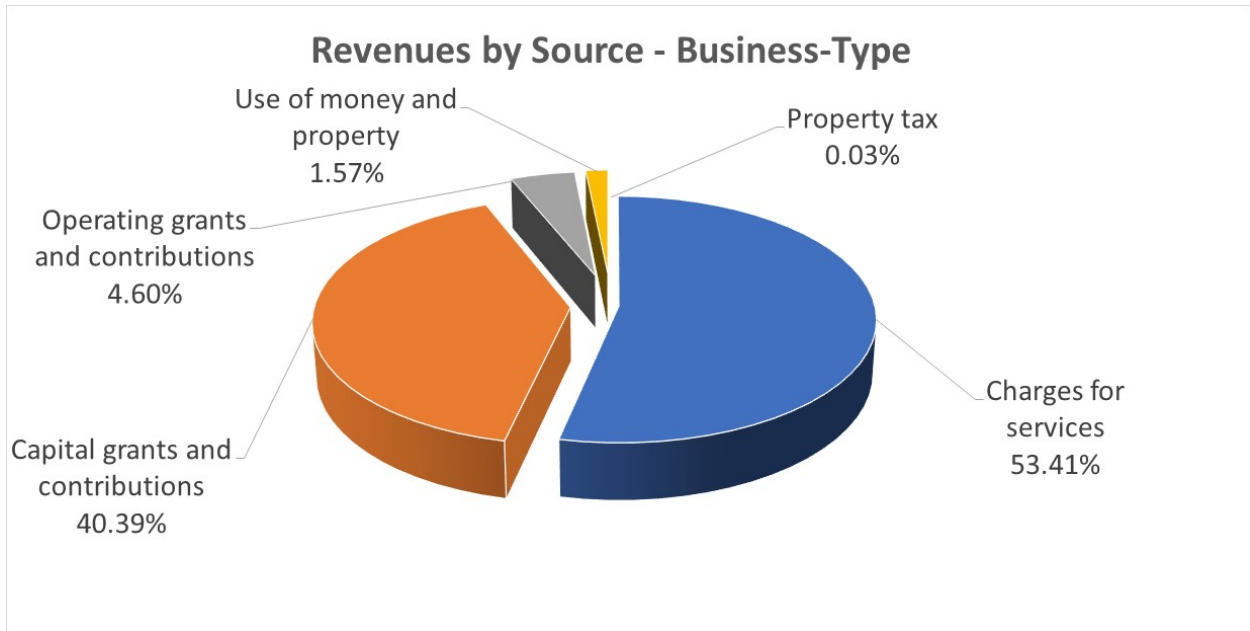




General revenues for business-type activities include rents and interest earnings as well as some property taxes collected by the City's parking district. The general revenues were down from the prior year approximately 10 percent resulting primarily from smaller returns on the City's investment portfolio. Charges for services was lower than the prior year due to the onset of the COVID-19 pandemic in March and resulting effects to local businesses and households.

**Revenues by Source  
Business-Type Activities  
For the Year Ended June 30, 2020**

Revenues Source	Revenue	% of Total
Charges for services	\$ 32,894,944	53.41%
Capital grants and contributions	24,876,967	40.39%
Operating grants and contributions	2,830,622	4.60%
Use of money and property	968,000	1.57%
Property tax	16,815	0.03%
Total	\$ 61,587,348	100.00%



## Capital Assets and Debt Administration

### Capital Assets

The City's investment in capital assets for its governmental and business-type activities at June 30, 2020 totaled \$227 million (net of accumulated depreciation). The investment in capital assets includes land, buildings and improvements, equipment, vehicles, infrastructure, and construction in progress. Depreciation expense for the year, government-wide, totaled \$6.8 million.

#### Comparative Capital Assets Two Year Comparison

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 2,705,812	\$ 495,340	\$ 6,932,722	\$ 6,831,470	\$ 9,638,534	\$ 7,326,810
Intangible assets	-	-	90,000	90,000	90,000	90,000
Construction in progress	1,122,971	2,093,214	7,884,420	27,793,600	9,007,391	29,886,814
Buildings and improvements	21,860,720	21,649,648	63,440,511	63,440,511	85,301,231	85,090,159
Machinery equipment and vehicles	11,642,531	10,935,073	14,695,155	15,028,869	26,337,686	25,963,942
Infrastructure and network	55,602,715	50,590,698	157,263,611	128,464,737	212,866,326	179,055,435
	<u>92,934,749</u>	<u>85,763,973</u>	<u>250,306,419</u>	<u>241,649,187</u>	<u>343,241,168</u>	<u>327,413,160</u>
Less: accumulated depreciation	(39,858,777)	(38,377,116)	(76,378,181)	(72,410,707)	(116,236,958)	(110,787,823)
Capital assets, net	<u>\$ 53,075,972</u>	<u>\$ 47,386,857</u>	<u>\$ 173,928,238</u>	<u>\$ 169,238,480</u>	<u>\$ 227,004,210</u>	<u>\$ 216,625,337</u>

Additional information on the City's capital assets can be found in Note 6, along with the City's capitalization policies in Note 1 in the notes to the basic financial statements. Reasons for the change in capital assets were engagement in major work on several construction projects, including work on the airport runway and several streets and rights-of-way.

### Long-Term Liabilities

The City's outstanding Noncurrent liabilities, including bonds, loans payable, the net pension liability and compensated absences totaled over \$135 million as of June 30, 2020. The most significant obligation added this year were additions to the landfill closure, post closure, and corrective action plan, the engineering estimates for which were updated in 2019 and adjusted for inflation. However, a more accurate estimate of total landfill closure, post-closure, and corrective action costs will not be determined until contractor bids are received.

#### Long-term Obligations Two-Year Comparison

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
2017 CalTrans Aeronautics Loan - Airport	\$ -	\$ -	\$ 169,999	\$ 180,174	\$ 169,999	\$ 180,174
2016 Water Revenue Refunding Bonds	-	-	9,160,000	9,690,000	9,160,000	9,690,000
2016 unamortized premium	-	-	1,383,428	1,408,581	1,383,428	1,408,581
2006 Wastewater Revenue Bonds	-	-	-	56,640,000	-	56,640,000
Lawsuit settlement liability	-	-	3,000,000	4,000,000	3,000,000	4,000,000
Landfill closure and post-closure	-	-	19,063,628	16,236,314	19,063,628	16,236,314
2017 SWRCB recycled water loan	-	-	16,778,411	15,204,589	16,778,411	15,204,589
Series 2020 Wastewater Refunding Bond:	-	-	25,010,000	-	25,010,000	-
2017 fire engine lease	869,798	974,079	-	-	869,798	974,079
2017 computer equipment lease	116,418	171,058	-	-	116,418	171,058
2017 I-Bank financing lease	3,837,218	3,919,930	-	-	3,837,218	3,919,930
2020 fire brush truck equipment lease	227,606	-	-	-	227,606	-
Claims payable	573,944	717,430	148,749	198,332	722,693	915,762
Net pension liability	36,143,162	35,039,367	17,210,447	14,674,241	53,353,609	49,713,608
Compensated absences	993,354	901,145	525,516	445,725	1,518,870	1,346,870
	<u>\$ 42,761,500</u>	<u>\$ 41,723,009</u>	<u>\$ 92,450,178</u>	<u>\$ 118,677,956</u>	<u>\$ 135,211,678</u>	<u>\$ 160,400,965</u>

Additional information on the City's outstanding long-term liabilities can be found in Note 7.

## Fund Financial Analysis

The City employs fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As was mentioned earlier, fund financial statements present information based on current financial resources and expenditures. Essentially, they are snapshots of the condition of major funds in the near-term; whereas, the government-wide statements present the entire picture of the reporting entity. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. For comparison purposes, fund statements correlate well to the City's adopted budget.

## Governmental Funds

As of June 30, 2020, the City's governmental fund balance was \$19.9 million. GASB 54 established five new criteria for categorizing that balance based on its restricted and unrestricted use. The five categories are the following:

- Non-spendable fund balance
- Restricted fund balance
- Committed fund balance
- Assigned fund balance
- Unassigned fund balance.

A more detailed discussion of these fund balance categories is presented in Note 1.

## General Fund Financial Condition

The City's General Fund is its primary source of discretionary resources for the provision of service deemed necessary and desirable by the citizens of Ukiah and the City Council. General fund revenues were up nearly \$900,000 from the year prior, driven by stronger than anticipated sales tax growth, even with the onset of the COVID-19 pandemic. A diverse local economic base supports this growth. Conversely, total expenditures were lower by \$737,274 due mostly to lower capital outlays. After other financing sources and uses were accounted for, fund balance increased by \$467,298.

Other governmental funds reported a net decrease in fund balance of \$518,601. These funds include revenues from many federal, state and special district grants which vary greatly from year to year.

Governmental funds reported \$6.5 million in non-spendable fund balance at the end of the fiscal year. This is comprised of long-term interfund advances held by the General Fund as well as reinstatement of a loan receivable from the Ukiah Redevelopment Successor Agency.

The balance of \$10.9 million in restricted fund balance - those financial resources can be spent only on specific activities as defined by outside entities (e.g. a grantor, state agency, statute, etc.) – is found in special revenue funds law enforcement, housing and streets, and infrastructure.

Committed fund balance of \$500,121 consists primarily of several select capital projects earmarked by the City Council through resolution. \$1.3 million in assigned fund balance consists of reserve amounts designated by management for future capital acquisition and specific projects.

The remaining amount of \$674,711 of unassigned fund balance result primarily from deferred revenues in several special revenue funds that have not been converted to revenues but are expected to in the following year. Additional information on deficit fund balances can be found in Note 2.

## Proprietary Funds

### Enterprise Fund - Landfill

The net position of the landfill closure and post-closure fund decreased \$2.8 million from a negative 6.6 million to \$9.4 million. Operating expenses exceeded operating revenues by \$3.5 million, driven by adjustments to engineering estimates on closure costs in 2019. Non-operating revenues outpaced expenses by \$229,363 due to interest earnings on cash.

### Enterprise Fund - Electric

The net position of the electric enterprise fund decreased \$2.7 million from \$38.5 million to \$35.8 million. Revenues from rates declined from the prior year, principally in commercial accounts. Operating expenses exceeded operating revenues by \$3.05 million, driven by increased personnel costs, specifically retirement-related expenses. Non-operating revenues outpaced expenses by \$311,267.

### Enterprise Fund - Water

The net position of the water enterprise fund increased by \$3.9 million primarily due to receipt of grant funds for the City's recycled water project. Operating revenues exceeded operating expenses by \$1.1 million, while non-operating expenses outpaced revenues by \$237,393. The pandemic had a nominal effect on revenues from rates, as declines in commercial revenues were offset in part by increases in residential.

### Enterprise Fund - Wastewater

The net position of the wastewater enterprise fund increased \$17.2 million. Operating revenue was lower than operating expenses, resulting in an operating loss of 416,733. Those expenses were driven in large part by increased pension costs to the fund. Further, nonoperating expenses outpaced revenues by \$3.1 million. However, capital contributions, including \$18.1 million from the Ukiah Valley Sanitation District as part of the bond refunding of the 2006 wastewater revenue bonds, bolstered the fund.

## Budgetary Comparison

A comparison of budget to actual for major governmental funds is presented in the fund financial statements. These statements and the notes are presented as additional information to show that appropriations are being spent as authorized by the City Council. Budgetary control for the City rests at the fund level.

### General Fund

The original budget estimated \$25.2 million in revenues. It was increased to \$25.4 in anticipation of grant revenues for capital projects. However, revenues in the General Fund were \$3.2 million lower than was budgeted primarily due to the majority of grant funded projects being deferred. Additionally, property taxes received were less than originally estimated due to the recognition of repayment amounts from the Redevelopment Property Tax Trust Fund (RPTTF) for a \$6 million loan between the City and the former Ukiah Redevelopment Agency. The full amount of that loan was accrued in fiscal year 2019 after the 2020 budget was adopted.

Expenditures were \$3 million less than budget appropriations primarily due to capital projects that were not complete by the close of the year. Expenditures related to recreation and culture (Museum) as well as economic development and redevelopment ended the year higher than anticipated, while public safety costs ended it lower chiefly due to salary and other operating cost savings in the Police Department.

Policy Resolution No. 39 (2013), passed the Ukiah City Council and incorporated in the City's financial management policies, established an unrestricted fund balance of at least 25 percent of annual operating expenditures in the General Fund. Its purpose is to serve as a strategic reserve, ensuring liquidity of the General Fund and to make certain adequate resources are available to manage economic uncertainties. The General Fund ended the year with a fund balance (consisting of nonspendable, committed, and unassigned amounts) of \$9.3 million, representing 48.4 percent of operating expenditures for the year.

**City of Ukiah  
General Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property tax	\$ 4,263,769	\$ 4,263,769	\$ 3,139,960	\$ (1,123,809)
Sales tax	12,571,212	12,571,212	13,313,206	741,994
Transient occupancy	1,450,000	1,450,000	1,365,477	(84,523)
Business license tax	390,000	390,000	389,829	(171)
Other taxes	249	249	888	639
Franchise fees	1,700,392	1,700,392	1,742,671	42,279
Charges for service	1,357,918	1,498,228	1,340,123	(158,105)
Licenses and permits	245,020	245,020	259,533	14,513
Grants contributions and donations	2,789,795	2,790,795	170,187	(2,620,608)
Intergovernmental	85,856	85,856	79,192	(6,664)
Fines penalties and forfeitures	68,222	68,222	29,716	(38,506)
Use of money and property	89,007	89,007	203,726	114,719
Miscellaneous	217,013	217,013	197,566	(19,447)
Total revenues	25,228,453	25,369,763	22,232,074	(3,137,689)
<b>EXPENDITURES</b>				
Current:				
General government	308,830	404,708	283,477	121,231
Public safety	12,205,662	12,549,053	12,188,198	360,855
Housing and community development	1,084,662	1,164,701	1,130,666	34,035
Public works	1,207,478	1,477,911	1,470,613	7,298
Recreation and culture	3,169,784	3,182,307	3,199,032	(16,725)
Economic development and redevelopment	99,920	111,903	203,508	(91,605)
Total current	18,076,336	18,890,583	18,475,494	415,089
Debt service:				
Interest	94,168	94,168	91,304	2,864
Principal	52,846	52,846	55,523	(2,677)
Capital lease principal	104,282	104,282	104,282	-
Capital lease interest	23,678	23,678	23,678	-
Total debt service	274,974	274,974	274,787	187
Capital outlay:				
Public safety	51,259	109,843	281,908	(172,065)
Public works	2,333,000	2,554,062	31,823	2,522,239
Recreation and culture	287,500	325,791	75,285	250,506
Total capital outlay	2,671,759	2,989,696	389,016	2,600,680
Total expenditures	21,023,069	22,155,253	19,139,297	3,015,956
Excess (deficiency) of revenues over expenditures	4,205,384	3,214,510	3,092,777	(121,733)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	429,000	429,000	375,712	(53,288)
Transfers out	(3,140,887)	(3,148,770)	(3,285,876)	(137,106)
Debt proceeds	-	-	227,607	227,607
Gain (loss) from sale of asset	-	-	57,078	57,078
Total other financing sources (uses)	(2,711,887)	(2,719,770)	(2,625,479)	94,291
Net change in fund balances	1,493,497	494,740	467,298	(27,442)
Fund balances - beginning	8,836,009	8,836,009	8,836,009	-
Fund balances - ending	\$ 10,329,506	\$ 9,330,749	\$ 9,303,307	\$ (27,442)

## Economic Outlook

Despite the onset of the COVID-19 pandemic in March of 2020, the City's financial position remained stable to end the fiscal year. A diverse economic base serving as a hub for the greater geographic region around the city and Mendocino County was largely responsible. City management took a very conservative approach to revenue estimation when preparing the City's 2021 budget and adjusted appropriations accordingly, particularly in the general fund.

The following economic factors currently affect the City of Ukiah and were considered in developing the 2020-21 fiscal year budget.

- Sales tax revenue and transient occupancy taxes were estimated to decrease 15 and 40 percent respectively from the prior year due to the economic recessionary effects of the COVID-19 pandemic. General fund appropriations were decreased proportionately.
- A 5 percent increase in sewer rates beginning October 1, 2020 was approved by the City Council and will go into effect for commercial and residential rate payers. This was in response to anticipated current and future expenditure increases in operating costs, capital outlays, and settlement payments to the Ukiah Valley Sanitation District.
- Rate revenue in water and electric enterprise funds was estimated to be lower by as much as 9 percent from the year prior, mostly from declines in commercial accounts resulting from business closures and operating limitations imposed due to the COVID-19 pandemic.
- A property tax rate increase of 2 percent to fund increases in recurring general fund obligations.
- Implementation of increased rates on the City of Ukiah's current fee schedule.
- Interest rates in municipal financial markets are expected to remain at record low levels throughout fiscal year 2020-21. The City intends to continue efforts to restructure its outstanding debt obligations to take advantage of the current municipal lending environment.
- On the expenditure side, increases are expected in health insurance premiums, as well as pension costs.
- Departmental budget reductions were implemented city-wide in recognition of the decline in revenues resulting from the current recession.
- Contract adjustments with all City of Ukiah's bargaining groups resulted in the deferment of the third year salary adjustments.

Maintaining and growing revenue streams to the City remains a high priority for staff. Existing sources – predominately sales and property taxes – are stable, and our estimates for the future will continue to be conservative. Expenses related to personnel (primarily in health premium and pension costs) are increasing at a substantial, though manageable, pace. We continue to look to find cost saving measures to help offset these expenses. The challenge remains providing the highest level and quality of service that the community needs, expects and deserves.

## Requests for Information

This Comprehensive Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. Questions regarding this report, or request for additional information, should be made to the Finance Department, City of Ukiah, CA, 95482.



## Government-Wide Financial Statements

The Statement of Net Position reports the difference between the City's total assets and the City's total liabilities, including all the City's capital assets and all its long-term debt. The Statement of Net Position summarizes the financial position of all City Governmental Activities in a single column, and the financial position of all the City's Business-Type Activities in a single column; these are followed by a total column which presents the financial position of the entire City.

The City's Governmental Activities include the activities of its General Fund, along with all its Special Revenue, Capital Projects and Debt Service Funds. The City's Business-Type Activities include all its Enterprise Fund activities.

The Statement of Activities reports increases and decreases in the City's net position. It presents the City's expenses first, listed by program, and follows these with the expenses of its business-type activities. Program revenues—that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each governmental and business-type program. The City's general revenues are then listed in the Governmental Activities or Business-type Activities column, as appropriate, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

Both these Statements include the financial activities of the City, the Ukiah Redevelopment Agency and the City of Ukiah Municipal Sewer District, which are legally separate but are component units of the City because they are controlled by the City, which is financially accountable for their activities.

City of Ukiah, California  
Statement of Net Position  
June 30, 2020

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS</b>			
Cash and investments	\$ 6,961,646	\$ 25,483,192	\$ 32,444,838
Restricted cash and investments	789,270	-	789,270
Investment in NCPA reserves	-	7,534,862	7,534,862
Accounts receivables (net allowance for uncollectables)	3,710,000	9,377,365	13,087,365
Inventories and prepaids	195,446	1,446,355	1,641,801
Land held for resale	2,435,114	-	2,435,114
Internal balances	475,440	(475,440)	-
Notes and loans receivable	9,032,104	12,000	9,044,104
Capital assets not being depreciated:			
Land	2,705,812	6,932,722	9,638,534
Intangible assets	-	90,000	90,000
Construction in progress	1,122,971	7,884,420	9,007,391
Capital assets, net of depreciation:			
Buildings and improvements	14,741,816	30,699,568	45,441,384
Machinery equipment and vehicles	3,761,682	6,015,535	9,777,217
Infrastructure and network	30,743,691	122,305,993	153,049,684
Total assets	<u>76,674,992</u>	<u>217,306,572</u>	<u>293,981,564</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflow of resources related to pension	6,786,028	2,572,408	9,358,436
Total deferred outflows of resources	<u>6,786,028</u>	<u>2,572,408</u>	<u>9,358,436</u>
Total assets and deferred outflows of resources	<u>83,461,020</u>	<u>219,878,980</u>	<u>303,340,000</u>
<b>LIABILITIES</b>			
Accounts payable	688,503	4,985,793	5,674,296
Accrued payroll liabilities	1,036,505	447,952	1,484,457
Interest payable	71,519	344,641	416,160
Deposits payable	-	5,724	5,724
Noncurrent liabilities:			
Due within one year	512,655	3,067,700	3,580,355
Due in more than one year	42,248,845	89,382,478	131,631,323
Total liabilities	<u>44,558,027</u>	<u>98,234,288</u>	<u>142,792,315</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflow of resources related to pension	814,656	265,550	1,080,206
Total deferred inflows of resources	<u>814,656</u>	<u>265,550</u>	<u>1,080,206</u>
Total liabilities and deferred inflows of resources	<u>45,372,683</u>	<u>98,499,838</u>	<u>143,872,521</u>
<b>NET POSITION</b>			
Net investment in capital assets	47,339,972	119,060,268	166,400,240
Restricted for:			
NCPA Projects	-	99,829	99,829
Housing and community development	8,944,558	-	8,944,558
Parks and recreation:			
Nonexpendable	137,576	-	137,576
Expendable	8,550	-	8,550
Public safety	1,104,890	-	1,104,890
Public works	348,845	-	348,845
Unrestricted	(19,796,054)	2,219,045	(17,577,009)
Total net position	<u>\$ 38,088,337</u>	<u>\$ 121,379,142</u>	<u>\$ 159,467,479</u>

The accompanying notes are an integral part of these financial statements.

City of Ukiah, California  
Statement of Activities  
Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 99,829	\$ 234,487	\$ 12,948	\$ -	\$ 147,606	\$ -	\$ 147,606
Public safety	12,812,411	301,503	529,259	-	(11,981,649)	-	(11,981,649)
Housing and community development	2,833,311	390,121	28,450	-	(2,414,740)	-	(2,414,740)
Public works	4,752,062	435,190	881,480	18,320	(3,417,072)	-	(3,417,072)
Parks, buildings, and grounds	248,989	17,728	2,822,383	58,578	2,649,700	-	2,649,700
Recreation and culture	3,724,424	770,959	157,164	-	(2,796,301)	-	(2,796,301)
Economic development and redevelopment	403,808	7,289	-	-	(396,519)	-	(396,519)
Interest on long-term debt	165,210	-	-	-	(165,210)	-	(165,210)
Total governmental activities	<u>25,040,044</u>	<u>2,157,277</u>	<u>4,431,684</u>	<u>76,898</u>	<u>(18,374,185)</u>	<u>-</u>	<u>(18,374,185)</u>
Business-type activities:							
Airport	1,528,285	1,234,045	196,960	3,566,425	-	3,469,145	3,469,145
Ambulance Services	11,089	14,441	25,000	-	-	28,352	28,352
Conference Center	503,445	274,794	-	-	-	(228,651)	(228,651)
Electric	18,854,227	15,581,664	165,441	-	-	(3,107,122)	(3,107,122)
Golf	251,078	40,000	-	-	-	(211,078)	(211,078)
Landfill	4,165,711	703,549	-	-	-	(3,462,162)	(3,462,162)
Parking District	171,705	114,068	-	-	-	(57,637)	(57,637)
Street Lighting	147,861	188,873	-	-	-	41,012	41,012
Wastewater	11,580,850	7,851,031	297,494	20,541,088	-	17,108,763	17,108,763
Water	6,196,274	6,909,764	2,145,727	769,454	-	3,628,671	3,628,671
Total business-type activities	<u>43,410,525</u>	<u>32,912,229</u>	<u>2,830,622</u>	<u>24,876,967</u>	<u>-</u>	<u>17,209,293</u>	<u>17,209,293</u>
Total primary government	<u>\$ 68,450,569</u>	<u>\$ 35,069,506</u>	<u>\$ 7,262,306</u>	<u>\$ 24,953,865</u>	<u>(18,374,185)</u>	<u>17,209,293</u>	<u>(1,164,892)</u>
General revenues:							
Property tax					3,139,960	16,815	3,156,775
Sales tax					13,313,206	-	13,313,206
Franchises					1,742,671	-	1,742,671
Transient occupancy					1,365,477	-	1,365,477
Business license					411,997	-	411,997
Other taxes					888	-	888
Use of money and property					696,930	950,715	1,647,645
Other revenue					189,241	-	189,241
Gain on sale of assets					57,078	-	57,078
Transfers					(510,543)	510,543	-
Total general revenues and transfers					<u>20,406,905</u>	<u>1,478,073</u>	<u>21,884,978</u>
Change in net position					<u>2,032,720</u>	<u>18,687,366</u>	<u>20,720,086</u>
Net position - beginning, restated					<u>36,055,617</u>	<u>102,691,776</u>	<u>138,747,393</u>
Net position - ending					<u>\$ 38,088,337</u>	<u>\$ 121,379,142</u>	<u>\$ 159,467,479</u>

The accompanying notes are an integral part of these financial statements.

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## Fund Financial Statements

Major funds are defined generally as having significant activities or balances in the current year. The funds described below were determined to be Major Governmental Funds by the City for fiscal 2020. Individual nonmajor funds may be found in the Supplemental section.

### Governmental Funds

#### General Fund

The General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds, and the related expenditures. The major revenue sources for this Fund are property taxes, sales taxes, franchise fees, business licenses, unrestricted revenues from the state, fines and forfeitures and interest income. Expenditures are made for community development, public safety, public works, and other services.

#### Streets Capital Improvement

This fund accounts for street and right-of-way capital projects supported primarily by Measure Y resources, committed by the City Council through resolution.

City of Ukiah, California  
Balance Sheet  
Governmental Funds  
June 30, 2020

	General Fund	Streets Capital Improvements	Total Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 1,176,360	\$ 2,955	\$ 5,175,879	\$ 6,355,194
Restricted cash and investments	780,302	-	8,968	789,270
Accounts receivable	260,277	-	172,529	432,806
Taxes receivable	2,641,624	-	-	2,641,624
Notes receivable	61	-	5,108,186	5,108,247
Interest receivable	2,856	573	8,871	12,300
Grants and subventions receivable	97,421	96,284	410,386	604,091
Inventories and prepaids	195,446	-	-	195,446
Due from other funds	1,291,737	-	-	1,291,737
Advances to other funds	1,262,811	-	908,523	2,171,334
Land held for resale	-	-	2,435,114	2,435,114
Advance to Successor Agency	3,923,857	-	-	3,923,857
Total assets	<u>\$ 11,632,752</u>	<u>\$ 99,812</u>	<u>\$ 14,228,456</u>	<u>\$ 25,961,020</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 476,943	\$ 30,488	\$ 121,277	\$ 628,708
Accrued payroll liabilities	841,918	5,264	14,786	861,968
Due to other funds	-	872,029	972,309	1,844,338
Advance from other funds	908,523	-	332,611	1,241,134
Total liabilities	<u>2,227,384</u>	<u>907,781</u>	<u>1,440,983</u>	<u>4,576,148</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - grants and subventions	102,061	96,284	1,321,872	1,520,217
Total deferred inflow of resources	<u>102,061</u>	<u>96,284</u>	<u>1,321,872</u>	<u>1,520,217</u>
Total liabilities and deferred inflows of resources	<u>2,329,445</u>	<u>1,004,065</u>	<u>2,762,855</u>	<u>6,096,365</u>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable:				
Interfund loans	2,554,548	-	-	2,554,548
Notes receivable	3,923,918	-	-	3,923,918
Prepaids and inventory	195,446	-	-	195,446
Riparian corridor management	-	-	137,576	137,576
Restricted:				
CDBG activities	-	-	502,243	502,243
Housing activities	-	-	8,442,315	8,442,315
Project reserve	-	-	14,321	14,321
Public safety	-	-	1,104,890	1,104,890
Riparian corridor management	-	-	8,550	8,550
Streets and rights-of-way	-	-	674,899	674,899
Committed:				
Economic development	194,655	-	-	194,655
Park development	-	-	30,567	30,567
Planning activities	-	-	239,580	239,580
Solid waste management	-	-	35,319	35,319
Assigned:				
Capital projects	-	-	37,308	37,308
Equipment reserve	-	-	380,824	380,824
Project reserve	-	-	908,523	908,523
Unassigned	2,434,740	(904,253)	(1,051,314)	479,173
Total fund balances (deficits)	<u>\$ 9,303,307</u>	<u>\$ (904,253)</u>	<u>\$ 11,465,601</u>	<u>\$ 19,864,655</u>
Total liabilities and fund balances (deficits)	<u>\$ 11,632,752</u>	<u>\$ 99,812</u>	<u>\$ 14,228,456</u>	<u>\$ 25,961,020</u>

The accompanying notes are an integral part of these financial statements.

City of Ukiah, California  
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position  
 June 30, 2020

Fund balances of governmental funds		\$19,864,655
<p>Amounts reported for governmental activities in the statement of net position are different because:</p> <p>Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds:</p>		
Capital assets	90,783,754	
Accumulated depreciation	<u>(39,247,682)</u>	
		51,536,072
<p>Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:</p>		
Compensated absences	(804,435)	
Net pension liability	(36,143,162)	
2017 fire engine lease	(869,798)	
2017 I-Bank financing lease	(3,837,218)	
2020 Fire brush truck	<u>(227,606)</u>	
		(41,882,219)
<p>Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability are not reported in the funds:</p>		
Deferred outflows - pension related items	6,786,028	
Deferred inflows - pension related items	<u>(814,656)</u>	
		5,971,372
<p>Internal service funds are used by management to charge the costs of certain activities, such as insurance and vehicle maintenance, to individual funds.</p> <p>The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.</p>		
	<u>1,146,652</u>	1,146,652
<p>Accrued interest on long-term debt is not due and payable in the current period and is not reported in the funds.</p>		
	<u>(68,412)</u>	(68,412)
<p>Long-term assets are not available for current use.          Amounts are unavailable under the modified accrual basis of accounting.</p>		
	<u>1,520,217</u>	1,520,217
Net position of governmental activities		<u><u>\$38,088,337</u></u>

The accompanying notes are an integral part of these financial statements.

City of Ukiah, California  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
Year Ended June 30, 2020

	General Fund	Streets Capital Improvements	Total Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>				
Taxes:				
Property tax	\$ 3,139,960	\$ -	\$ -	\$ 3,139,960
Sales tax	13,313,206	-	-	13,313,206
Transient occupancy	1,365,477	-	-	1,365,477
Business license tax	389,829	-	22,168	411,997
Other taxes	888	-	-	888
Franchise fees	1,742,671	-	-	1,742,671
Charges for service	1,340,123	-	-	1,340,123
Licenses and permits	259,533	-	-	259,533
Grants contributions and donations	170,187	-	2,993,867	3,164,054
Intergovernmental	79,192	-	2,606,821	2,686,013
Fines penalties and forfeitures	29,716	-	-	29,716
Use of money and property	203,726	3,592	865,487	1,072,805
Miscellaneous	197,566	-	191,063	388,629
Total revenues	<u>22,232,074</u>	<u>3,592</u>	<u>6,679,406</u>	<u>28,915,072</u>
<b>EXPENDITURES</b>				
Current:				
General government	283,477	-	933	284,410
Public safety	12,188,198	-	381,520	12,569,718
Housing and community development	1,130,666	-	254,735	1,385,401
Public works	1,470,613	172,212	63,691	1,706,516
Parks, buildings, and grounds	-	-	856	856
Recreation and culture	3,199,032	-	250,190	3,449,222
Economic development and redevelopment	203,508	-	200,300	403,808
Debt service:				
Interest	91,304	48,449	-	139,753
Principal	55,523	27,189	-	82,712
Capital lease principal	104,282	-	-	104,282
Capital lease interest	23,678	-	-	23,678
Capital outlay:				
Public safety	281,908	-	14,337	296,245
Housing and community development	-	-	1,447,910	1,447,910
Public works	31,823	2,786,043	3,846,712	6,664,578
Recreation and culture	75,285	-	76,327	151,612
Total expenditures	<u>19,139,297</u>	<u>3,033,893</u>	<u>6,537,511</u>	<u>28,710,701</u>
Excess (deficiency) of revenues over expenditures	<u>3,092,777</u>	<u>(3,030,301)</u>	<u>141,895</u>	<u>204,371</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	375,712	3,106,818	1,597,152	5,079,682
Transfers out	(3,285,876)	-	(2,334,165)	(5,620,041)
Debt proceeds	227,607	-	-	227,607
Gain (loss) from sale of asset	57,078	-	-	57,078
Total other financing sources (uses)	<u>(2,625,479)</u>	<u>3,106,818</u>	<u>(737,013)</u>	<u>(255,674)</u>
Net change in fund balances	467,298	76,517	(595,118)	(51,303)
Fund balances - beginning	8,836,009	(980,770)	12,060,719	19,915,958
Fund balances - ending	<u>\$ 9,303,307</u>	<u>\$ (904,253)</u>	<u>\$ 11,465,601</u>	<u>\$ 19,864,655</u>

The accompanying notes are an integral part of these financial statements.



City of Ukiah, California  
 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund  
 Balances to the Statement of Activities  
 Year Ended June 30, 2020

Net change in fund balances - total governmental funds (\$51,303)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay	8,042,104	
Depreciation expense	(2,129,224)	
Loss on disposal of assets	<u>(1,141,452)</u>	4,771,428

The amounts below included in the Statement of Activities do not provide (require) the use of current financial resources and, therefore, are not reported as revenues or expenditures in governmental funds (net change):

Change to net pension liability	(1,103,795)	
Compensated absence expense	<u>(65,678)</u>	(1,169,473)

Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability are not reported in the funds. This is the net change in deferred inflows and deferred outflows related to the net pension liability:

Changes to deferred outflows: pension-related items	(411,927)	
Changes to deferred inflows: pension-related items	<u>5,545</u>	(406,382)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, government funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The effect of these differences are as follows:

Principal paid on loans and capital leases	186,494	
Issuance of capital lease	<u>(227,607)</u>	(41,113)

Some revenues reported in the Statement of Activities are not considered available to finance current expenditures and, therefore, are not reported as revenues in the governmental funds.

(1,389,346)

Accrued interest for long-term debt. This is the net change in accrued interest for the current period.

(1,779)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and vehicle maintenance, to individual funds. The net revenue (expense) of the internal services funds is reported with governmental activities.

320,185

Change in net position of governmental activities

\$2,032,720

The accompanying notes are an integral part of these financial statements.

## Proprietary Funds

Proprietary funds account for City operations financed and operated in a manner like a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

The City maintains four primary enterprise funds: electric, water, sewer, and landfill.

### **Landfill**

This is the fund used to account for activities related to the closure, post-closure, and corrective action plan of the City of Ukiah landfill.

### **Electric Enterprise Fund**

The Electric Utility provides electrical services to the citizens of Ukiah, including 24-hour, 365-day response to emergency service calls for customer power problems, and outages. Additionally, the enterprise is responsible for making high voltage power lines safe for Fire & Police personnel at structure fires, automobile accidents and to make other situations where electric lines are near emergency crews.

### **Water Enterprise Fund**

Chapter 13.04 of the Ukiah Municipal Code provides the authority for City to operate water system. Revenues (fees and charges) are collected to pay for service (water) received.

### **Sewer Enterprise Fund**

Chapter 13.20 of the Ukiah Municipal Code provides the authority for the City to operate sewer system. Revenues (fees and charges) are collected to pay for availability of collection, transportation, treatment, and disposal system. In addition, grazing lease payments, LACOSAN payments for flows, tax revenues, FEMA storm damage reimbursement, OES storm damage reimbursement, and insurance rebates have been credited to this fund.

The City also employs the use of internal service funds.

### **Internal Service Funds**

Established to account for the costs of activities primarily serving multiple department and funds. Such funds may also provide services to external users, such as other governmental entities.

City of Ukiah, California  
Statement of Net Position  
Proprietary Funds  
June 30, 2020

	Business-type Activities					Governmental Activities	
	Landfill	Electric	Water	Wastewater	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
<b>ASSETS</b>							
Current assets:							
Cash and investments	\$ 9,230,982	\$ 3,844,451	\$ 5,430,192	\$ 6,119,195	\$ 423,657	\$ 25,048,477	\$ 1,041,167
Investment in NCPA Reserves	-	7,534,862	-	-	-	7,534,862	-
Accounts receivable	104,912	3,155,622	1,344,347	1,282,599	56,381	5,943,861	17,085
Interest receivable	14,579	8,969	9,248	12,388	535	45,719	3,781
Grants and subventions receivable	-	-	924,899	-	2,461,200	3,386,099	-
Inventories and prepaids	-	1,329,451	98,431	18,473	-	1,446,355	-
Due from other funds	-	-	-	-	-	-	1,187,931
Total current assets	<u>9,350,473</u>	<u>15,873,355</u>	<u>7,807,117</u>	<u>7,432,655</u>	<u>2,941,773</u>	<u>43,405,373</u>	<u>2,249,964</u>
Noncurrent assets:							
Notes receivable	-	-	-	-	12,000	12,000	-
Advances to other funds	-	186,270	-	-	690,704	876,974	745,000
Intangible assets	-	-	90,000	-	-	90,000	-
Land	699,654	1,963,436	1,805,339	670,431	1,793,862	6,932,722	762,562
Construction in progress	-	1,908,354	905,064	949,537	4,121,465	7,884,420	34,663
Infrastructure and network	-	21,717,165	45,329,367	87,712,780	2,504,299	157,263,611	-
Buildings and improvements	26,700	26,270,859	22,271,536	10,328,621	4,542,795	63,440,511	516,596
Machinery equipment and vehicles	535,586	5,875,760	3,245,023	4,201,697	837,089	14,695,155	1,040,788
Less accumulated depreciation	(432,871)	(30,623,102)	(13,806,222)	(26,852,912)	(4,663,074)	(76,378,181)	(814,709)
Total noncurrent assets	<u>829,069</u>	<u>27,298,742</u>	<u>59,840,107</u>	<u>77,010,154</u>	<u>9,839,140</u>	<u>174,817,212</u>	<u>2,284,900</u>
Total assets	<u>10,179,542</u>	<u>43,172,097</u>	<u>67,647,224</u>	<u>84,442,809</u>	<u>12,780,913</u>	<u>218,222,585</u>	<u>4,534,864</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Deferred outflow of resources related to pension	78,244	1,051,115	568,073	600,229	274,747	2,572,408	-
Total deferred outflows of resources	<u>78,244</u>	<u>1,051,115</u>	<u>568,073</u>	<u>600,229</u>	<u>274,747</u>	<u>2,572,408</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 10,257,786</u>	<u>\$ 44,223,212</u>	<u>\$ 68,215,297</u>	<u>\$ 85,043,038</u>	<u>\$ 13,055,660</u>	<u>\$ 220,794,993</u>	<u>\$ 4,534,864</u>
<b>LIABILITIES</b>							
Current liabilities:							
Accounts payable	23,827	953,251	530,403	625,711	2,829,291	4,962,483	83,105
Accrued payroll liabilities	8,209	150,428	89,201	102,331	33,025	383,194	239,295
Due to other funds	-	-	-	-	90,285	90,285	545,045
Deposits payable	-	-	-	-	5,724	5,724	-
Compensated absences - current	1,588	20,292	10,215	10,985	4,544	47,624	23,819
Long-term obligations - current	-	-	565,153	2,390,000	10,412	2,965,565	250,173
Interest payable	-	-	138,713	204,353	1,575	344,641	3,107
Total current liabilities	<u>33,624</u>	<u>1,123,971</u>	<u>1,333,685</u>	<u>3,333,380</u>	<u>2,974,856</u>	<u>8,799,516</u>	<u>1,144,544</u>
Noncurrent liabilities:							
Claims payable	-	-	-	-	-	-	529,624
Advance from other funds	-	-	1,435,704	-	1,116,470	2,552,174	-
Capital leases	-	-	-	-	-	-	59,314
Installment obligations	-	-	26,756,686	23,620,000	159,587	50,536,273	-
Settlement liability	-	-	-	2,000,000	-	2,000,000	-
Landfill closure/post-closure	19,063,628	-	-	-	-	19,063,628	-
Net pension liability	523,484	7,032,380	3,800,641	4,015,771	1,838,171	17,210,447	-
Compensated absences	14,288	182,628	91,938	98,868	40,893	428,615	214,377
Total noncurrent liabilities	<u>19,601,400</u>	<u>7,215,008</u>	<u>32,084,969</u>	<u>29,734,639</u>	<u>3,155,121</u>	<u>91,791,137</u>	<u>803,315</u>
Total liabilities	<u>19,635,024</u>	<u>8,338,979</u>	<u>33,418,654</u>	<u>33,068,019</u>	<u>6,129,977</u>	<u>100,590,653</u>	<u>1,947,859</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred inflow of resources related to pension	8,077	108,506	58,642	61,963	28,362	265,550	-
Total deferred inflows of resources	<u>8,077</u>	<u>108,506</u>	<u>58,642</u>	<u>61,963</u>	<u>28,362</u>	<u>265,550</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>19,643,101</u>	<u>8,447,485</u>	<u>33,477,296</u>	<u>33,129,982</u>	<u>6,158,339</u>	<u>100,856,203</u>	<u>1,947,859</u>
<b>NET POSITION</b>							
Net investment in capital assets	829,069	27,112,472	32,379,555	50,795,801	8,966,437	120,083,334	1,420,375
Restricted for:							
NCPA Projects	-	99,829	-	-	-	99,829	-
Unrestricted	(10,214,384)	8,563,426	2,358,446	1,117,255	(2,069,116)	(244,373)	1,166,630
Total net position	<u>\$ (9,385,315)</u>	<u>\$ 35,775,727</u>	<u>\$ 34,738,001</u>	<u>\$ 51,913,056</u>	<u>\$ 6,897,321</u>	<u>119,938,790</u>	<u>\$ 2,587,005</u>
Difference between business-type adjustments to assets and liabilities.						1,440,352	
Net position of business-type activities						<u>\$ 121,379,142</u>	

The accompanying notes are an integral part of these financial statements.

City of Ukiah, California  
Statement of Revenues, Expenses, and Changes in Net Position  
Proprietary Funds  
June 30, 2020

	Business-type Activities				Total Nonmajor Funds	Total Enterprise Funds	Governmental Activities
	Landfill	Electric	Water	Wastewater			Internal Service Funds
<b>OPERATING REVENUES</b>							
Charges for service	\$ 695,182	\$ 15,581,664	\$ 6,875,130	\$ 7,784,294	\$ 263,773	\$ 31,200,043	\$ 8,281,075
Licenses and permits	-	-	-	-	26,744	26,744	-
Intergovernmental	-	164,231	-	-	-	164,231	-
Fines penalties and forfeitures	-	-	-	-	51,845	51,845	-
Facility rental	8,367	-	-	-	684,383	692,750	-
Fuel sales	-	-	-	-	835,470	835,470	-
Connection fees	-	-	-	57,402	-	57,402	-
Miscellaneous	-	-	27,337	-	1,217	28,554	321
Total operating revenues	<u>703,549</u>	<u>15,745,895</u>	<u>6,902,467</u>	<u>7,841,696</u>	<u>1,863,432</u>	<u>33,057,039</u>	<u>8,281,396</u>
<b>OPERATING EXPENSES</b>							
General and administrative	138,644	2,289,143	861,817	977,312	255,258	4,522,174	894,159
Maintenance and operations	4,010,922	15,216,454	3,830,090	5,144,925	1,678,409	29,880,800	7,154,694
Fuel	-	-	-	-	504,036	504,036	-
Depreciation	13,271	1,288,338	1,107,602	2,136,192	163,216	4,708,619	98,626
Total operating expenses	<u>4,162,837</u>	<u>18,793,935</u>	<u>5,799,509</u>	<u>8,258,429</u>	<u>2,600,919</u>	<u>39,615,629</u>	<u>8,147,479</u>
Operating income (loss)	<u>(3,459,288)</u>	<u>(3,048,040)</u>	<u>1,102,958</u>	<u>(416,733)</u>	<u>(737,487)</u>	<u>(6,558,590)</u>	<u>133,917</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Property tax	-	-	-	-	16,815	16,815	-
Intergovernmental	-	-	103,206	53,767	-	156,973	-
Interest, rent, and concessions	229,363	274,557	133,470	178,071	101,333	916,794	44,765
Interest expense and fiscal charges	-	-	(378,160)	(3,295,931)	(4,199)	(3,678,290)	(4,922)
Sale of property	-	36,710	-	-	-	36,710	-
Miscellaneous	-	-	7,297	9,335	-	16,632	-
Total nonoperating revenues (expenses)	<u>229,363</u>	<u>311,267</u>	<u>(134,187)</u>	<u>(3,054,758)</u>	<u>113,949</u>	<u>(2,534,366)</u>	<u>39,843</u>
Income (loss) before contributions and transfers	<u>(3,229,925)</u>	<u>(2,736,773)</u>	<u>968,771</u>	<u>(3,471,491)</u>	<u>(623,538)</u>	<u>(9,092,956)</u>	<u>173,760</u>
Capital contributions	-	1,210	2,811,975	20,784,815	3,788,385	27,386,385	-
Transfers in	428,005	-	164,616	-	82,538	675,159	29,816
Transfers out	-	-	-	(164,616)	-	(164,616)	-
Change in net position	<u>(2,801,920)</u>	<u>(2,735,563)</u>	<u>3,945,362</u>	<u>17,148,708</u>	<u>3,247,385</u>	<u>18,803,972</u>	<u>203,576</u>
Total net position - beginning	<u>(6,583,395)</u>	<u>38,511,290</u>	<u>30,792,639</u>	<u>34,764,348</u>	<u>3,649,936</u>	<u>101,134,818</u>	<u>2,383,429</u>
Total net position - ending	<u>\$ (9,385,315)</u>	<u>\$ 35,775,727</u>	<u>\$ 34,738,001</u>	<u>\$ 51,913,056</u>	<u>\$ 6,897,321</u>	<u>\$ 119,938,790</u>	<u>\$ 2,587,005</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(116,606)	
Changes in net position of business-type activities						<u>\$ 18,687,366</u>	

The accompanying notes are an integral part of these financial statements.

City of Ukiah, California  
Statement of Cash Flows  
Proprietary Funds  
Year Ended June 30, 2020

	Business-type Activities - Enterprise Funds					Governmental Activities	
	Landfill	Electric	Water	Wastewater	Total Nonmajor Enterprises Funds	Total Enterprise Funds	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Cash receipts from customers	\$ 698,359	\$ 15,472,152	\$ 7,290,873	\$ 7,544,601	\$ 1,911,946	\$ 32,917,931	\$ 543,416
Receipts from interfund services provided	-	-	-	-	-	-	7,791,092
Payments to employees	(267,795)	(3,332,922)	(1,982,263)	(2,096,807)	(650,363)	(8,330,150)	(3,908,072)
Payments to suppliers	(393,626)	(10,098,043)	(988,322)	(2,215,354)	(1,267,263)	(14,962,608)	(3,414,020)
Payments for interfund services used	(138,644)	(2,289,143)	(861,817)	(977,312)	(255,258)	(4,522,174)	(894,159)
Receipts from other governmental agencies	-	164,231	-	-	-	164,231	-
Payments to other governmental agencies	-	(70,768)	-	-	-	(70,768)	-
Other operating cash receipts (payments)	-	915	-	-	-	915	(2,296)
Net cash provided (used) by operating activities	(101,706)	(153,578)	3,458,471	2,255,128	(260,938)	5,197,377	115,961
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Principal payments received on loans receivable	-	-	-	9,513,770	20,500	9,534,270	-
Cash received (paid) to other funds	2,635,109	10,666	76,108	(161,125)	355,622	2,916,380	(613,070)
Property taxes received	-	-	-	-	16,815	16,815	-
Lawsuit settlement payments	-	-	-	(1,000,000)	-	(1,000,000)	-
Net cash provided (used) by noncapital financing activities	2,635,109	10,666	76,108	8,352,645	392,937	11,467,465	(613,070)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Capital grants and contributions	-	1,210	4,392,175	2,770,551	1,357,338	8,521,274	-
Proceeds from capital loans	-	-	1,573,822	18,068,031	-	19,641,853	-
Interest paid	-	-	(403,313)	(3,971,799)	(4,199)	(4,379,311)	(4,922)
Principal paid on capital and related debt	-	-	(530,000)	(31,630,000)	(10,175)	(32,170,175)	(54,640)
Acquisition and construction of capital assets	(431,168)	(1,798,288)	(5,407,949)	(1,243,353)	(1,466,112)	(10,346,870)	(1,015,272)
Proceeds from sale of property	-	36,710	7,297	9,335	-	53,342	-
Net cash provided (used) by capital and related financing activities	(431,168)	(1,760,368)	(367,968)	(15,997,235)	(123,148)	(18,679,887)	(1,074,834)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest received	228,702	270,572	166,118	182,855	11,252	859,499	43,187
Net cash provided (used) by investing activities	228,702	270,572	166,118	182,855	11,252	859,499	43,187
Net increase (decrease) in cash and cash equivalents	2,330,937	(1,632,708)	3,332,729	(5,206,607)	20,103	(1,155,546)	(1,528,756)
Balances - beginning of year	6,900,045	13,012,021	2,097,463	11,325,802	403,554	33,738,885	2,569,923
Balances - end of the year	\$ 9,230,982	\$ 11,379,313	\$ 5,430,192	\$ 6,119,195	\$ 423,657	\$ 32,583,339	\$ 1,041,167
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>							
Operating Income	\$ (3,459,288)	\$ (3,048,040)	\$ 1,102,958	\$ (416,733)	\$ (737,487)	\$ (6,558,590)	\$ 133,917
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	13,271	1,288,338	1,107,602	2,136,192	163,216	4,708,619	98,626
Changes in assets and liabilities:							
Decrease (increase) in accounts receivable	(5,190)	(109,512)	402,310	(281,474)	49,083	55,217	50,816
Decrease (increase) in inventory	-	(54,403)	(9,023)	3,355	-	(60,071)	-
Decrease (increase) in deferred outflows	(5,804)	(77,936)	(42,121)	(11,426)	(20,270)	(157,557)	-
Increase (decrease) in accounts payable	22,948	698,319	278,312	357,970	(6,359)	1,351,190	(22,091)
Increase (decrease) in accrued salaries and benefits	(7,582)	45,881	20,700	37,169	2,156	98,324	9,338
Increase (decrease) in compensated absences	(1,006)	25,660	15,067	20,505	6,919	67,145	38,424
Increase (decrease) in deferred inflows	(3,003)	(40,345)	(21,804)	(28,098)	(10,546)	(103,796)	-
Increase (decrease) in net pension liability	83,257	1,118,460	604,470	437,668	292,350	2,536,205	-
Increase (decrease) in landfill liability	3,260,691	-	-	-	-	3,260,691	-
Increase (decrease) in claims payable	-	-	-	-	-	-	(193,069)
Net cash provided (used) by operating activities	\$ (101,706)	\$ (153,578)	\$ 3,458,471	\$ 2,255,128	\$ (260,938)	\$ 5,197,377	\$ 115,961
<b>Noncash investing, capital and financing activities</b>							
Amortization related to long-term debt	\$ -	\$ -	\$ 25,153	\$ -	\$ -	\$ 25,153	\$ -
Acquisition of capital assets on account	-	-	(20,634)	-	-	(20,634)	-
Total noncash investing, capital and financing activities	\$ -	\$ -	\$ 4,519	\$ -	\$ -	\$ 4,519	\$ -

The accompanying notes are an integral part of these financial statements.

## Fiduciary Funds

These funds account for assets held by the City as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the Government-wide financial statements but are presented in the separate Fiduciary Fund financial statements.

### PRIVATE PURPOSE TRUST FUND

#### **Redevelopment Non-Housing Housing Successor Private Purpose Trust Fund**

Resources held for the benefit of the state from the dissolution of the Ukiah Redevelopment Agency's non-housing functions.

### CUSTODIAL FUNDS

The City accounts for activities on behalf of external entities, including other governments.

City of Ukiah, California  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2020

	Private-Purpose Trust Funds	Custodial Funds
<b>ASSETS</b>		
Cash and investments	\$ 3,535,206	\$ 4,137,521
Restricted cash and investments	4,652,546	-
Accounts receivable	-	634,832
Interest receivable	6,076	7,590
Land held for resale	5,443	-
Total assets	<u>8,199,271</u>	<u>4,779,943</u>
<b>LIABILITIES</b>		
Accounts payable	\$ -	\$ 380,359
Accrued payroll liabilities	409	63,450
Deposits payable	-	861,628
Interest payable	11,021	-
Due to other agencies	-	563,060
Intergovernmental payable	-	66,740
Due to City of Ukiah	-	47,615
Advances from City of Ukiah	3,923,857	-
Due in more than one year	5,495,771	-
Total liabilities	<u>9,431,058</u>	<u>1,982,852</u>
<b>NET POSITION</b>		
Restricted for:		
Held for the benefit of the state	(1,231,787)	-
Individuals, Organizations and Other Governments	-	2,797,091
Total net position	<u>\$ (1,231,787)</u>	<u>\$ 2,797,091</u>

The accompanying notes are an integral part of these financial statements.

City of Ukiah, California  
Statement of Changes in Fiduciary Net Position  
Fiduciary Activities  
Year Ended June 30, 2020

	Private-Purpose Trust Funds	Custodial Funds
<b>ADDITIONS</b>		
Contributions:		
Property tax	\$ -	\$ -
Grants contributions and donations	-	578,836
Taxes and assessments collected for other governments	3,150,905	1,123,312
Service charges collected for other governments	-	6,576,020
Service charges collected for other agencies	-	1,240,582
Miscellaneous	-	28,845
Members	-	659,035
Total contributions	<u>3,150,905</u>	<u>10,206,630</u>
Investment earnings:		
Interest, rent, and concessions	156,078	122,927
Total additions	<u>3,306,983</u>	<u>10,329,557</u>
<b>DEDUCTIONS</b>		
General and administrative	-	338,005
Maintenance and operations	10,923	77,520
Interest expense and fiscal charges	817,452	74,823
Distributions to other governments	-	1,845,832
Payments to other agencies for service charges collected	-	535,874
Payments to City for services provided	-	8,500,599
Total deductions	<u>828,375</u>	<u>11,372,653</u>
Net increase (decrease) in fiduciary net position	2,478,608	(1,043,096)
Net Position -- beginning of the year (restated)	(3,710,395)	3,840,187
Net Position -- end of the year	<u>\$ (1,231,787)</u>	<u>\$ 2,797,091</u>

The accompanying notes are an integral part of these financial statements.



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## Notes to the Basic Financial Statements

City of Ukiah, California  
Notes to the Basic Financial Statements Index  
June 30, 2020

The notes to the financial statements include a summary of significant accounting policies and other notes considered essential to fully disclose and fairly present the transactions and financial position of the City as follows:

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## Note 1 - Summary of Significant Accounting Policies

The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applied to government agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below:

### A. Defining the reporting entity

The City of Ukiah was incorporated March 8, 1876 under the laws of the State of California. Ukiah operates under a Council-Manager form of government. The City Manager serves as the chief executive for day-to-day operations and long-term planning, including executing the policies and directives of the City Council. Department heads report directly to the City Manager and serve at his or her pleasure. The City provides a range of municipal services to its citizens including public safety (fire and police), public works; planning and building regulation; recreation and parks; airport, golf; and water, sewer, and electric utilities.

The Redevelopment Agency of the City of Ukiah (the Agency) was established by the City as a separate legal entity in accordance with state law. The purpose of the Agency was to encourage new investment and reinvestment within legally designated redevelopment areas in partnership with property owners. The Agency was dissolved on February 1, 2012 by the State Legislature and California Governor, Jerry Brown.

### B. Government-wide and Fund Financial Statement

The government-wide financial statements report information on all the non-fiduciary activities of the primary government. 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 is 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) grant and contributors that are restricted to meeting the operational or capital requirements of a function. Taxes, and other items not properly included among program revenues are reported instead as general revenues.

The accounts of the City are organized based on funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

In the fund financial statement in the report, the various funds are grouped into generic funds within three broad fund types. They are as follows:

## Note 1 - Summary of Significant Accounting Policies (Continued)

The City reports two 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 *Streets Capital Improvements Fund* accounts for resources and activities related to streets and rights-of-way improvements, funded primarily with resources derived from Measure Y, a half-cent district transaction and use tax.

The City reports the following major proprietary funds:

The *Electric Fund* accounts for the activities of the City's electric generation and distribution operations.

The *Water Fund* accounts for the activities of the City's water treatment and distribution operations.

The *Sewer Fund* accounts for the activities of the City's sewage collection and treatment operations.

The *Landfill Fund* accounts for the activities of the City's solid waste landfill operations.

Additionally, the City reports the following fund types:

*Internal Service Funds* - account for garage (vehicle maintenance), stores (purchasing), public safety dispatch, utility billing, workers' compensation and liability insurance services provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.

*Private-Purpose Trust Funds* - account for resources legally held in trust for use by other organizations. All resources of the fund, including any earnings on the invested resources, may be used to support the organization's or department's activities. There is no requirement that any portion of these resources be preserved as capital.

*Custodial Funds* - used by the City to report resources held by the City in a custodial capacity for the Ukiah Valley Sanitation District, Ukiah Waste Solutions, and Russian River Watershed. These funds are used to record receipt, temporary investment and remittance of fiduciary resources to individuals, private organizations or other governments.

## Note 1 - Summary of Significant Accounting Policies (Continued)

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's proprietary fund functions and various other functions of the City. 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. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues 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. Principal operating revenues of the City's electric, water, wastewater, golf and street lighting funds and the City's internal service funds are charges to customers for sales and services. Principal operating revenues of the City's airport, disposal site and conference center funds include charges to customers for sales and services and rental fees. The parking district fund's principal operating revenues include the sale of parking permits to customers and parking fines. The City also recognizes as operating revenue tap fees intended to recover the cost of connecting new customers to the City's utilities. Operating expenses for the enterprise funds and internal service funds include cost of power purchases, fuels and lubricants, operations, maintenance, utilities, insurance premiums and deductibles, general and administration, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type; and,
2. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

The City reports the following major funds:

- General Fund
- Streets Capital Projects
- Landfill
- Electric
- Water
- Sewer

### C. Basis of Accounting and Measurement focus

Basis of accounting refers to when revenue and expenditures (or expenses) are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement focus applied.

## Note 1 - Summary of Significant Accounting Policies (Continued)

Measurement focus is the determination of (1) which assets and which liabilities are included on a government's balance sheet and where they are reported, and (2) whether an operating statement presents information on the flow of financial resources (revenues and expenditures) or information on the flow of economic resources (revenues and expenses).

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

In the fund financial statements, all governmental funds are accounted for using the modified accrual basis of accounting. Revenue is recognized when they become both measurable and available to finance the expenditures of the current period (susceptible to accrual). For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current period. Major revenue sources susceptible to accrual include substantially all property taxes, taxpayer-assessed taxes (such as sales and use, utility users, business license, transient occupancy, franchise fees and gas taxes), interest, special assessments levied, state and federal grants and charges for current services. Revenue from licenses, permits, fines and forfeits are recorded as received. Expenditures are recorded when the related fund liability is incurred.

Fiduciary fund revenue and expenditures (as appropriate) are recognized on the basis consistent with the fund's accounting measurement objective.

All governmental funds are accounted for using a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

The government-wide financial statements, as well as the proprietary funds financial statements, are accounted for on a flow of economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund operating statements present increases (revenues) in net total assets.

### D. Use of Estimates

Financial statement preparation, in conformity with accounting principles generally accepted in the United States of America, requires the use of estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

## Note 1 - Summary of Significant Accounting Policies (Continued)

### E. Cash and Investments

For purposes of the statement of cash flows the City's cash and cash equivalents are cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City pools cash and investments from all funds for the purpose of increasing income through investment activities. Highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Market value is used as fair value for those securities for which market quotations are readily available.

### F. Receivable and Payables

Balances representing lending/borrowing transactions between funds outstanding at the end of the fiscal year are reported as either "due to/due from other funds" (amounts due within one year), "advances to/from other funds" (non-current portions of interfund lending/borrowing transactions), or "loans to/from other funds" (long-term lending/borrowing transactions as evidenced by loan agreements). Advances and loans to other funds are offset by a fund balance reserve in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

Property, sales, use, and utility user taxes related to the current fiscal year are accrued as revenue and accounts receivable and considered available if received within 60 days of year end. Federal and state grants are considered receivable and accrued as revenue when reimbursable costs are incurred under the accrual basis of accounting in the government-wide statement of net position. The amount recognized as revenue under the modified accrual basis of accounting is limited to the amount that is deemed measurable and available. The City considers these taxes available if they are received during the period when settlement of prior fiscal year accounts payable and payroll charges normally occurs.

Grants, entitlements or shared revenue is recorded as receivables and revenue in the general, special revenue and capital project funds when they are received or susceptible to accrual. Notes receivables represent individual loans, secured by property liens in favor of the City and the Redevelopment Successor Agency, made through various sources, including the Community Development Block Grant (CDBG) and federal HOME housing programs. When repaid, these amounts are designated for purposes allowed under the reuse guidelines.

### G. Allowance for Doubtful Accounts

Management has elected to record bad debts using the allowance method.

### H. Prepaid Items and Inventory

The City utilizes the consumption method for recoding inventories and prepaid items in governmental funds. All inventories are valued at cost using the first-in/first-out (FIFO) method. An annual charge is made to various City funds to assist in the financing of warehouse operations in addition to being billed as inventory is issued. 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.

## Note 1 - Summary of Significant Accounting Policies (Continued)

### I. Capital Assets

#### **Government-Wide Statements**

Public domain (infrastructure) capital assets include roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, and lighting systems. The accounting treatment of property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. Prior to July 1, 2003, governmental funds' infrastructure assets were not capitalized, since then these assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The City capitalizes assets with an original cost greater than \$10,000 and with a useful lifespan longer than two years. No depreciation is recorded in the year of acquisition or in the year of disposition.

The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	30 – 60 years
Roadway improvements	50 years
Sidewalks, curbs and gutters	50 years
Storm drain pipes/structures	50 years
Traffic signal devices	5 – 40 years
Landscaping	30 years
Signage	25 years
Leasehold improvements	5 years
Machinery and equipment	5 – 20 years
Vehicles	5 – 10 years

#### **Fund Financial Statements**

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

### J. Compensated Absences

Compensated absences represent the vested portion of accumulated vacation and sick leave. In governmental funds, the cost of vacation and sick leave benefits is recognized when payments are made to employees. Upon separation, 100 of accrued vacation and accrued comp time is paid and in proprietary funds, a long-term liability for such benefits has been recorded.

### K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City currently has one item that qualifies for reporting in this category, the result of the City's implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. See Note 11 – Public Employee Retirement Plan for more information.



## Note 1 - Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item, which arises only under the modified accrual basis of accounting, and another, which is a result of the City's implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, which qualify for reporting in this category. Under the modified accrual basis of accounting, the item, unavailable revenue, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, special assessments, grant receivables, and other miscellaneous receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

### L. Net Position Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the statement of net position, a flow assumption must be made about the order in which the resources are applied.

It is the City's policy to consider restricted net position to have been depleted before unrestricted net position.

### M. Long-term Liabilities

In both the governmental-wide financial statements and proprietary fund financial statements, long-term debt and other long-term liabilities are reported as liabilities in the applicable statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond.

In the fund financial statements, governmental fund types recognized 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.

### N. Equity Classification

#### **Government-Wide Statements**

Equity is classified as net position and is displayed in three components:

Net investment in capital assets – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – consists of net position with constraints placed on the use by external groups such as creditors, grantors, contributors, or by laws or regulations of other governments or law through constitutional provisions or enabling legislation.

Unrestricted net position – all other net position that do not meet the definition of “restricted” or “net investment in capital assets debt.”

## Note 1 - Summary of Significant Accounting Policies (Continued)

### ***Fund Financial Statements***

Governmental fund equity is classified as fund balance. Fund balance is classified as nonspendable, restricted, committed, assigned or unassigned. Proprietary fund equity is classified the same as in the government-wide statements. The classifications for governmental funds are defined as follows for the City:

#### *Nonspendable Fund Balance –*

- Assets that will never convert to cash (prepaid items, inventory).
- Assets that will not convert to cash soon enough to affect the current period (long-term notes or loans receivable). These are not in spendable form.
- Resources that must be maintained intact pursuant to legal or contractual requirements (the principal of an endowment).

#### *Restricted Fund Balance –*

- Resources that are subject to externally enforceable legal restrictions imposed by parties altogether outside the government (Creditors, Grantors, Contributors and Other Governments).
- Resources that are subject to limitations imposed by law through constitutional provisions or enabling legislation (Gas Tax).

#### *Committed Fund Balance –*

- Self-imposed limitations set in place prior to the end of the period. (Encumbrances, economic contingencies and uncertainties).
- Limitation at the highest level of decision-making (Council) that requires formal action at the same level to remove, done typically through resolution during the budget process.

#### *Assigned Fund Balance –*

- Amounts in excess of nonspendable, restricted, and committed fund balance in funds other than the General Fund are reported as assigned fund balance and are done so by the City Council.

#### *Unassigned Fund Balance –*

- Residual net resources
- Total fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance (surplus).
- Excess of nonspendable, restricted, and committed fund balance over total fund balance (deficit).

The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

## Note 1 - Summary of Significant Accounting Policies (Continued)

An additional safeguard to the City's fiscal sustainability lies in the General Fund's strategic reserve. The Council created this reserve in FY 2013 at 25 percent of operating expenditures for the year. The reserve is to be used to ensure adequate resources are available to manage cash flow and economic uncertainties, minimizing the impact to our employees and the Ukiah citizenry to the greatest extent possible.

### O. Property Taxes

Property taxes in the State of California are administered for all local agencies at the county level and consist of secured, unsecured and utility tax rolls. The following is a summary of major policies and practices relating to property taxes:

*Property Valuations* are established by the Mendocino County Assessor for the secured and unsecured property tax rolls; the utility property tax roll is valued by the State Board of Equalization. Under the provision of Article XIII-A of the State Constitution (Proposition 13, adopted by the voters on June 6, 1978), properties are assessed at 100 percent of full value. From this base assessment, subsequent annual increases in valuation are limited to a maximum of two percent. However, an increase to full value is allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal.

*Tax Levies* are limited to one percent of full assessed value which results in a tax rate of one percent assessed valuation under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

*Tax Levy Dates* are attached annually on January 1, preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at that time. Liens against real estate, as well as the tax on personal property are not relieved by subsequent renewal or change in ownership.

*Tax Collections* are the responsibility of the Mendocino County Treasurer-Tax Collector. Taxes and assessments on secured and utility rolls, which constitute a lien against the property, may be paid in two installments.

The First is due on November 1 of the fiscal year and is delinquent if not paid by December 10;  
The second is due on March 1 of the fiscal year and is delinquent if not paid by April 10.

Unsecured personal property taxes do not constitute a lien against property unless the taxes become delinquent. Payments must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the county for late payments. The City has elected to receive the City's portion of the property taxes from the county under the county Teeter Bill program. Under this program, the City receives 100 percent of the City's share of the levied property taxes in periodic payments with the county assuming the responsibility for the delinquencies.

*Property Tax Administration Fees* – the state of California FY 90-91 Budget Act authorized counties to collect an administrative fee for collection and distribution of property taxes.

## Note 1 - Summary of Significant Accounting Policies (Continued)

*Tax Levy Apportionments* – due to the nature of the City-wide maximum levy, it is not possible to identify general-purpose tax rates for specific entities. Under State legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by the county’s auditor-controller based primarily on the ratio that each agency represented of the total City-wide levy for the three fiscal years prior to fiscal year 1979.

### P. Interfund Transfers

Resources are reallocated between funds by reporting them as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

### Q. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Ukiah can be found in the following notes and with the City’s pension administrator, CalPERS. California Public Employees’ Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### R. New or Closed Funds

The City opened the following new funds in this reporting year:

- City-Wide Administrative Services
- Ambulance Services

The City closed the following funds and has consolidated their activities in the general fund:

- Museum
- Visit Ukiah
- Payroll Posting

### S. Restatements

The City reviewed and concluded that certain current capital assets reported in private purpose trust funds related to the Ukiah Redevelopment Successor Agency were no longer agency assets but contributions to projects completed years prior.

#### **Reconciliation of Net Position**

##### **Fiduciary**

Net position at June 30, 2019	\$	158,207
Adjustments:		
Reclassification of land held for resale as contributions in prior years		(3,868,602)
Total adjustments		(3,868,602)
Net position at June 30, 2019, as restated	\$	(3,710,395)

## Note 2 - Stewardship, Compliance, and Accountability

The following major and non-major funds had deficit fund balances as of June 30, 2020,

### Deficit Fund Equity

#### Major and Non-major Governmental Funds

Fund Name	Deficit Amount	Discussion/Explanation
Streets Capital Improvement Fund	\$ (904,253)	Deficit amount is the result of capital projected funded by a specific general revenue source (Measure Y) and will be eliminated with revenues received in 2021.
ARRC	(46,190)	Deficit amount is the result of prior capital projects and operational deficiencies. The deficit is being eliminated with future revenues generated by ARRC operations.
Downtown Business Improvement	(7,825)	Deficit amount is the result of an advanced payment to the Ukiah Main Street Program and will be eliminated with revenues in 2021.
Winter Special Events	(12,636)	Deficit amount is the result of increased operational costs that current revenues were insufficient to cover. The deficit will be eliminated with revenues in 2022.
Highway User Tax (Gas Tax)	(44,756)	Deficit amount is the result of capital projected funded by a specific revenue sources and will be eliminated when unavailable revenues are recognized as revenues in the future.
1998 STIP Augmentation	(24)	Deficit amount is the result of capital projected funded by a specific revenue sources and will be eliminated when unavailable revenues are recognized as revenues in the future.
Trans-Traffic Congestion Relief	(478,659)	Deficit amount is the result of capital projected funded by a specific revenue sources that were insufficient to cover all costs. The fund deficit will be eliminated with future resources from the general fund, notably Measure Y.
Museum		Deficit will be eliminated in 2020 by general fund resources.
Swimming Pool	(135,759)	Deficit amount is the result of capital projected funded by a specific revenue sources and will be eliminated with future revenues dedicated for pool activities.
Riverside Park	(4,736)	Deficit amount is the result of capital projected funded by a specific revenue sources and will be eliminated when unavailable revenues are recognized as revenues in the future.
Rail Trail	(485,960)	Deficit amount is the result of capital projected funded by a specific revenue sources and will be eliminated when unavailable revenues are recognized as revenues in the future.

## Note 3 - Cash and Investments

The City follows the practice of pooling cash and investments of all funds except for the restricted funds required to be held by outside custodians, fiscal agents or trustees under the provisions of bond indentures. Cash and investments as of June 30, 2020 are classified in the accompanying financial statements as follows:

### Cash and Investments

	Total
<b>Cash equivalents and investments</b>	
Pooled cash and investments, at fair value	
Cash in bank	<u>\$ 12,551,809</u>
Cash in investment portfolio, excluding LAIF	26,253,458
Cash with LAIF	<u>576,918</u>
Total pooled investment balances	26,830,375
Non pooled cash and investments, at fair value	
Petty cash	<u>5,160</u>
Total non pooled cash, at fair value	5,160
Cash with fiscal agent	<u>6,172,037</u>
Total non pooled investments, at fair value	6,172,037
<b>Total cash equivalents and investments</b>	<b><u>\$ 45,559,382</u></b>

### Investment Portfolio Analysis

PAR		% of Portfolio	Policy	In compliance Permitted by with investment policy	Maturities (in years)			
					<1	1 to 2	>2	
\$ 8,770,000	US treasury obligations	33.45%	100%	Yes	\$ -	\$ 3,793,710	\$ 5,236,916	\$ 9,030,626
	Federal agency:							
3,190,000	Government sponsored enterprise	12.17%	100%	Yes	-	1,298,689	1,926,424	3,225,113
1,310,119	Collateral mortgage obligation	5.00%	100%	Yes	-	382,200	959,414	1,341,614
440,000	Municipal obligations	1.68%	100%	Yes	432,935	-	15,507	448,442
100,000	Supra-National agency	0.38%	30%	Yes	-	-	100,588	100,588
5,465,000	Corporate notes	20.84%	30%	Yes	1,685,147	2,344,056	1,569,142	5,598,345
2,380,000	Negotiable certificates of deposit	9.08%	30%	Yes	1,150,944	507,341	774,793	2,433,078
3,961,498	Asset-backed securities	15.11%	20%	Yes	-	442,622	3,606,105	4,048,727
576,918	Local agency investment fund	2.20%	\$65M	Yes	576,918	-	-	576,918
26,924	Money market	0.10%	20%	Yes	26,924	-	-	26,924
\$26,220,459	Total pooled investments	<u>100.00%</u>			<u>\$ 3,872,868</u>	<u>\$ 8,768,618</u>	<u>\$14,188,889</u>	<u>\$ 26,830,375</u>
5,448,810	Money market	88.30%	20%	Yes	5,449,737	-	-	5,449,737
722,300	County of Mendocino treasury	11.70%	100%	Yes	722,300	-	-	722,300
	Total non-pooled investments	<u>100.00%</u>			<u>\$ 6,172,037</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,172,037</u>

## Note 3 - Cash and Investments (continued)

### Collateral and Categorization Requirements

At the fiscal year end, the City's carrying amount of demand deposits was \$12,551,809 and the bank account balance was \$13,990,383. The difference of \$1,438,574 represented outstanding checks and deposits in transit. All deposits not insured by Federal Depository Insurance Corporation (FDIC) would be covered by collateralized securities in accordance with California Government Code Section 53600-53609.

### Investment Policy

The table below identifies the investment types that are authorized under provisions of the City's investment policy adopted August 16, 2005 (subsequently updated July 5, 2017), and in accordance with Section 53601 of the California Government Code. The table also identifies certain provisions of the investment policy that address interest rate risk, credit risk, and concentration of credit risk. The City's investment policy also limits the weighted average of the City's investment portfolio to 2.5 years and except for obligations of the U.S. government and its agencies, no more than 10 percent of the portfolio may be invested in the securities of any single issuer.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
City of Ukiah Bonds	5 Years	None	10%
U.S. treasury obligations	5 Years	Unlimited	None
State of California obligations	5 Years	None	10%
Non-California state obligations	5 Years	None	10%
Local agency obligations	5 Years	None	10%
Federal agency or government sponsored enterprise obligations	5 Years	None	10%
Bankers' acceptances	180 Days	40%	5%
U.S. Commercial paper (highest rating)	270 Days	25%	5%
Negotiable certificates of deposit	5 Years	30%	5%
Repurchase agreements (1)	365 Days	None	10%
Reverse repurchase agreements (2)	92 Days	20%	10%
Medium-term notes-corporate or depository institutions (3)	5 Years	30%	5%
Money market funds (highest rating)	n/a	20%	10%
Local Agency Investment Fund (LAIF)	N/A	\$65m	\$65m
Time deposits	5 Years	25%	10%
Mortgage-backed and Asset-backed Securities (rated "AA" or better)	5 Years	20%	10%

- (1) Market value of collateral shall be valued at 102 percent and monitored daily.
- (2) Requires prior City Council approval.
- (3) Five years or less.

## Note 3 - Cash and Investments (continued)

### Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City of Ukiah manages its exposure to interest rate risk is by investing in the State of California's Local Agency Investment Fund (LAIF), whose underlying securities have staggered maturities and are generally due on demand, which provides cash flow and liquidity needed for operations.

### Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by nationally recognized statistical rating organization. The City's investment policy limits credit risk by requiring compliance with the California Government Code for investment of public funds, as described in detail above.

### Concentration of Credit Risk

Except for securities of the U.S. Government and its agencies, the investment policy of the City limits the amount that can be invested in any one issuer to no more than 10 percent of the total portfolio. As of June 30, 2020, holdings in any one issuer did not exceed 5 percent of the total portfolio.

### Custodial Credit Risk

The credit risk for deposits is the risk that, in the event of failure of a depository financial institution, a government will not be able recover its deposits or will not be able to recover collateral securities that are in the possession on an outside party. The California government code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits:

The California government code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must be equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits.

At June 30, 2020, the City had \$13,237,663 in financial institutions that were not covered by the FDIC but were covered by collateralized securities of the financial institutions where the deposits were maintained. The credit risk for *investments* is the risk that, in the event of the failure of counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of another party. The California government code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities using mutual funds or government investment pools (such as LAIF).



## Note 3 - Cash and Investments (continued)

### Credit Risk Schedule

Investment Type	Total Investment	Minimum Legal Rating	Rating as of Fiscal Year End			
			AAA	AA+ to A-	BBB+	Unrated
US Treasury obligations	\$ 9,030,626	N/A	\$ -	\$ 9,030,626	\$ -	\$ -
Federal agency/GSE	3,225,113	N/A	-	3,225,113	-	-
Federal agency/CMO	1,341,614	N/A	-	1,341,614	-	-
Municipal obligations	448,442	N/A	-	448,442	-	-
Supra-National agency	100,588	N/A	100,588	-	-	-
Corporate notes	5,598,345	N/A	-	4,207,833	1,265,592	124,920
Negotiable certificates of deposit	2,433,078	N/A	-	2,433,078	-	-
Asset-backed securities	4,048,727	N/A	3,229,986	-	-	818,742
LAIF	576,918	N/A	-	-	-	576,918
Money market	26,924	N/A	26,924	-	-	-
County of Mendocino treasury	722,300	N/A	-	-	-	722,300
Held by fiscal agent:						
Money market	5,449,737	N/A	5,449,737	-	-	-
<b>Total</b>	<b>\$ 33,002,412</b>		<b>\$ 8,807,235</b>	<b>\$ 20,686,706</b>	<b>\$ 1,265,592</b>	<b>\$ 2,242,880</b>

### Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are other than quoted process included in Level 1 and are valued using a matrix pricing model using either directly or indirectly observable inputs; Level 3 inputs are significant unobservable inputs.

### Fair Value Schedule

Investment Type	Total Investment	Investments Not Measured at Fair Value	Level	
			1	2
US Treasury obligations	\$ 9,030,626	\$ -	\$ -	\$ 9,030,626
Federal agency/GSE	3,225,113	-	-	3,225,113
Federal agency/CMO	1,341,614	-	-	1,341,614
Municipal obligations	448,442	-	-	448,442
Supra-National agency	100,588	-	-	100,588
Corporate notes	5,598,345	-	-	5,598,345
Negotiable certificates of deposit	2,433,078	-	-	2,433,078
Asset-backed securities	4,048,727	-	-	4,048,727
LAIF	576,918	576,918	-	-
Money market	26,924	26,924	-	-
County of Mendocino treasury	722,300	722,300	-	-
Held by fiscal agent:				
Money market	5,449,737	5,449,737	-	-
<b>Total</b>	<b>\$ 33,002,412</b>	<b>\$ 6,775,879</b>	<b>\$ -</b>	<b>\$ 26,226,533</b>

## Note 3 - Cash and Investments (continued)

### Participation in an External Investment Pool

The City is a voluntary participant in the California Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section under the oversight of the Local Investment Advisory Board (Board). The Board consists of five members as designated by state statute and is chaired by the State Treasurer who is responsible for the day to day administration of LAIF. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis, which is different from the fair value of the City's position in the LAIF pool. The State Treasurer determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available. As of June 30, 2020, the City's investment in LAIF was \$576,918. The total amount invested by all public agencies at that date was \$32.07 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2020 has a balance of \$100.9 billion. Financial Statements of LAIF and PMIA may be obtained from the California Treasurer's web site at [www.treasurer.ca.gov](http://www.treasurer.ca.gov).

## Note 4 - Accounts Receivable

Accounts receivable consisted of the following at June 30, 2020:

	Receivables	Allowance	Net
Governmental activities			
Interest	\$ 12,500	\$ -	\$ 12,500
Taxes	2,641,625	-	2,641,625
Grants and subventions	647,191	-	647,191
Accounts receivable:			
Customers	408,684	-	408,684
Total Governmental activities	<u>3,710,000</u>	<u>-</u>	<u>3,710,000</u>
Business-type activities			
Interest	49,471	-	49,471
Grants and subventions	3,386,099	-	3,386,099
Accounts receivable:			
Customers	6,051,731	109,936	5,941,795
Total Business-type activities	<u>9,487,301</u>	<u>109,936</u>	<u>9,377,365</u>
Total receivables	<u>\$ 13,197,301</u>	<u>\$ 109,936</u>	<u>\$ 13,087,365</u>

### Concentration of Receivables

Other governments	51.0%
Individuals/businesses	49.0%

Amounts do not indicate a significant concentration (greater than 25 percent of the total receivable balance) with any single individual, business or agency.

## Note 5 – Notes and Loans Receivable

Through the City's various housing rehabilitation funds, first-time homebuyer's funds, and business/economic development loan funds, the City has loaned funds to qualifying individuals and businesses. Interest rates vary depending on the terms of the loan. Interest accrues on the loans that bear interest.

Loans and notes receivable for the year ended June 30, 2020, consisted of the following:

### Loans and Notes Receivable

	Beginning 7/1/2019	Additions	Deletions	Ending 6/30/2020
Major governmental funds:				
General fund	\$ 6,000,216	\$ -	\$ 2,076,298	\$ 3,923,918
Nonmajor governmental funds:				
Special revenue funds:				
LMIHF Housing Asset Fund	1,469,892	7,291	1,000	1,476,183
CDBG Program Income	435,830	70,000	89,621	416,209
Home Program Income	3,142,547	214,855	141,608	3,215,794
Total governmental funds	11,048,485	292,146	2,308,527	9,032,104
Enterprise funds:				
Golf Fund	32,500		20,500	12,000
Capacity Project UVSD	9,513,770	-	9,513,770	-
Total enterprise funds	9,546,270	-	9,534,270	12,000
Total loans/notes receivable	\$ 20,594,755	\$ 292,146	\$ 11,842,797	\$ 9,044,104

In March 2006, the City entered into a financing agreement with the Ukiah Valley Sanitation District (the "District") related to the City's 2006 Wastewater Revenue Bonds. Under the agreement, the District received an intangible right to a portion of the increased capacity of the City's wastewater treatment plant and is required to pay 65 percent of the portion of the 2006 Wastewater Revenue Bonds related to the Capacity Project to the City in annual principal installments of \$67,188 to \$787,775 with interest rates of 4.00 percent to 4.75 percent and maturity on March 1, 2036. In February 2020, the City refunded the City's 2006 Wastewater Revenue Bonds, resulting in the repayment of Capacity Project UVSD receivable.

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## Note 6 - Capital Assets

Governmental capital asset activity for the year ended June 30, 2020, was as follows:

### Capital Assets - Governmental

	Balance July 1, 2019	Additions	Deletions	Transfers	Balance June 30, 2020
<b>Governmental activities:</b>					
<b>Nondepreciable assets:</b>					
Land	\$ 495,340	\$ 2,210,472	\$ -	\$ -	\$ 2,705,812
Construction in progress	2,093,214	614,689	(1,101,429)	(483,503)	1,122,971
<b>Total nondepreciable assets</b>	<b>2,588,554</b>	<b>2,825,161</b>	<b>(1,101,429)</b>	<b>(483,503)</b>	<b>3,828,783</b>
<b>Depreciable assets:</b>					
Buildings and improvements	21,649,648	211,072	-	-	21,860,720
Machinery, equipment, and vehicles	10,935,073	1,492,633	(785,175)	-	11,642,531
Infrastructure and network	50,590,698	4,528,514	-	483,503	55,602,715
<b>Total depreciable assets</b>	<b>83,175,419</b>	<b>6,232,219</b>	<b>(785,175)</b>	<b>483,503</b>	<b>89,105,966</b>
<b>Total</b>	<b>85,763,973</b>	<b>9,057,380</b>	<b>(1,886,604)</b>	<b>-</b>	<b>92,934,749</b>
<b>Accumulated depreciation:</b>					
Buildings and improvements	(6,395,442)	(723,462)	-	-	(7,118,904)
Machinery, equipment, and vehicles	(7,964,835)	(661,166)	745,152	-	(7,880,849)
Infrastructure and network	(24,016,839)	(842,185)	-	-	(24,859,024)
<b>Total accumulated depreciation</b>	<b>(38,377,116)</b>	<b>(2,226,813)</b>	<b>745,152</b>	<b>-</b>	<b>(39,858,777)</b>
<b>Net depreciable assets</b>	<b>44,798,303</b>	<b>4,005,406</b>	<b>(40,023)</b>	<b>483,503</b>	<b>49,247,189</b>
<b>Total governmental capital assets, net</b>	<b>\$ 47,386,857</b>	<b>\$ 6,830,567</b>	<b>\$ (1,141,452)</b>	<b>\$ -</b>	<b>\$ 53,075,972</b>

### Allocation of Depreciation Expense

#### Governmental Activities:

General government	\$ 200,663
Public works	1,300,356
Public safety	239,236
Recreation and culture	123,590
Parks, buildings, and grounds	362,968
<b>Total Depreciation Expense</b>	<b>\$ 2,226,813</b>

## Note 6 – Capital Assets (Continued)

Business-type capital asset activity for the year ended June 30, 2020, was as follows:

### Capital Assets - Business-type

	Balance				Balance
	July 1, 2019	Additions	Deletions	Transfers	June 30, 2020
<b>Business-type activities:</b>					
<b>Nondepreciable assets:</b>					
Land	\$ 6,831,470	\$ 101,252	\$ -	\$ -	\$ 6,932,722
Capacity rights	90,000	-	-	-	90,000
Construction in progress	27,793,600	7,242,271	(28,595)	(27,122,856)	7,884,420
<b>Total nondepreciable assets</b>	<b>34,715,070</b>	<b>7,343,523</b>	<b>(28,595)</b>	<b>(27,122,856)</b>	<b>14,907,142</b>
<b>Depreciable assets:</b>					
Buildings and improvements	63,440,511	-	-	-	63,440,511
Machinery, equipment, and vehicles	15,028,869	408,473	(742,187)	-	14,695,155
Infrastructure and network	128,464,737	1,676,018	-	27,122,856	157,263,611
<b>Total depreciable assets</b>	<b>206,934,117</b>	<b>2,084,491</b>	<b>(742,187)</b>	<b>27,122,856</b>	<b>235,399,277</b>
<b>Total</b>	<b>241,649,187</b>	<b>9,428,014</b>	<b>(770,782)</b>	<b>-</b>	<b>250,306,419</b>
<b>Accumulated depreciation:</b>					
Buildings and improvements	(31,358,902)	(1,382,041)	-	-	(32,740,943)
Machinery, equipment, and vehicles	(8,757,671)	(664,136)	742,187	-	(8,679,620)
Infrastructure and network	(32,294,134)	(2,663,484)	-	-	(34,957,618)
<b>Total accumulated depreciation</b>	<b>(72,410,707)</b>	<b>(4,709,661)</b>	<b>742,187</b>	<b>-</b>	<b>(76,378,181)</b>
<b>Net depreciable assets</b>	<b>\$ 134,523,410</b>	<b>\$ (2,625,170)</b>	<b>\$ -</b>	<b>\$ 27,122,856</b>	<b>\$ 159,021,096</b>
<b>Total business-type capital assets, net</b>	<b>\$ 169,238,480</b>	<b>\$ 4,718,353</b>	<b>\$ (28,595)</b>	<b>\$ -</b>	<b>\$ 173,928,238</b>

### Allocation of Depreciation Expense

#### Business-type Activities:

Water	\$ 1,107,602
Sewer	2,136,192
Electric, including allocated internal services	1,289,379
Landfill	13,271
Parking	2,424
Airport	109,724
Street lighting	2,943
Conference Center	45,889
Golf	2,236
<b>Total Depreciation Expense</b>	<b>\$ 4,709,661</b>

## Note 7 - Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2020.

### Long-term Obligations

	Beginning Balance			Ending Balance June 30, 2020	Due within One Year
	July 1, 2019	Additions	Reductions		
<b>Governmental Activities</b>					
2017 fire engine lease (direct borrowing)	\$ 974,079	\$ -	\$ 104,281	\$ 869,798	\$ 106,899
2017 computer equipment lease (direct borrowing)	171,058	-	54,640	116,418	57,104
2017 I-Bank financing lease (direct borrowing)	3,919,930	-	82,712	3,837,218	85,441
2020 fire brush truck equipment lease (direct borrowing)	-	227,606	-	227,606	20,390
Claims payable	717,430	-	143,486	573,944	143,486
Net pension liability	35,039,367	1,103,795	-	36,143,162	-
Compensated absences	901,145	92,209	-	993,354	99,335
Total	<u>\$ 41,723,009</u>	<u>\$ 1,423,610</u>	<u>\$ 385,119</u>	<u>\$ 42,761,500</u>	<u>\$ 512,655</u>
<b>Business-Type Activities</b>					
2017 CalTrans Aeronautics Loan - Airport (direct borrowing)	\$ 180,174	\$ -	\$ 10,175	\$ 169,999	\$ 10,412
2016 Water Revenue Refunding Bonds	9,690,000	-	530,000	9,160,000	540,000
2016 unamortized premium	1,408,581	-	25,153	1,383,428	25,153
2006 Wastewater Revenue Bonds	56,640,000	-	56,640,000	-	-
Lawsuit settlement liability	4,000,000	-	1,000,000	3,000,000	1,000,000
Landfill closure and post-closure	16,236,314	3,260,691	433,377	19,063,628	-
2017 SWRCB recycled water loan (direct borrowing)	15,204,589	1,573,822	-	16,778,411	-
Series 2020 Wastewater Refunding Bonds	-	25,010,000	-	25,010,000	1,390,000
Claims payable	198,332	-	49,583	148,749	49,583
Net pension liability	14,674,242	2,536,205	-	17,210,447	-
Compensated absences	445,725	79,791	-	525,516	52,552
Total	<u>\$ 118,677,957</u>	<u>\$ 32,460,509</u>	<u>\$ 58,688,288</u>	<u>\$ 92,450,178</u>	<u>\$ 3,067,700</u>

The general fund is primarily responsible for liquidating the net pension liability and compensated absences of governmental activities.

### Governmental Activities

#### 2017 Fire Engine Lease (direct borrowing)

In October 2017, the City entered a capital lease with Umpqua Bank for the purchase of two Type-1 fire engines totaling \$1,125,731. Principal and interest payments are due semi-annually on May 1 and November 1 of each year with an interest rate of 2.45 percent. Lease payments are made by the General Fund. The total combined amount of accumulated depreciation on both fire engines is \$168,861.

#### 2017 Computer Equipment Lease (direct borrowing)

In July 2017, the City entered into a capital lease with IBM Credit LLC for the purchase of computer equipment and software totaling \$285,663. Principal is paid annually on September 1 and interest payments are due monthly with interest rates ranging from 2.15 percent to 2.37 percent. Lease payments are made primarily by the Information Technology internal service fund. The total combined amount of accumulated depreciation on this computer equipment is \$114,104.

#### 2017 I-Bank Financing Lease (direct borrowing)

In August 2017, the City entered into an agreement for \$4,000,000 with the California Infrastructure and Economic Development Bank (I-Bank) to finance roadway and other right-of-way improvements related to the

## Note 7 – Long-Term Liabilities (Continued)

Redwood Business Park. Principal is paid annually commencing on August 1, 2018, and interest payments are made semi-annually on August 1 and February 1 at an interest rate of 3.30 percent. Lease payments are made primarily by the General Fund. The total combined amount of accumulated depreciation on the roadway improvements is \$160,000.

### 2020 Fire Brush Truck Lease (direct borrowing)

In February 2020, the City entered a capital lease with Umpqua Bank for the purchase of one Skeeter fire brush truck totaling \$227,606. Principal and interest payments are due semi-annually on March 1 and September 1 of each year with an interest rate of 2.8 percent. Lease payments are made by the General Fund.

The annual debt service of these obligations to maturity are as follows:

#### Debt Service Schedule Governmental

Year Ending June 30,	Governmental Activities					
	Capital Lease, Fire Engines (2017)		IBM Credit Capital Lease		I-Bank Financing Lease (2017)	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 106,899	\$ 21,057	\$ 57,104	\$ 2,576	\$ 85,441	\$ 136,730
2022	109,585	18,373	59,314	1,302	88,261	133,607
2023	112,337	15,621	-	-	91,173	130,383
2024	115,158	12,800	-	-	94,182	127,050
2025	118,050	9,908	-	-	97,290	123,609
2026-2030	307,769	11,633	-	-	536,781	562,307
2031-2035	-	-	-	-	631,394	457,530
2036-2040	-	-	-	-	742,680	334,291
2041-2045	-	-	-	-	873,582	189,329
2046-2050	-	-	-	-	596,434	33,567
Total	\$ 869,798	\$ 89,392	\$ 116,418	\$ 3,878	\$ 3,837,218	\$ 2,228,403
Due within one year	\$ 106,899	\$ 21,057	\$ 57,104	\$ 2,576	\$ 85,441	\$ 136,730
Due after one year	762,899	68,335	59,314	1,302	3,751,777	2,091,673
Total	\$ 869,798	\$ 89,392	\$ 116,418	\$ 3,878	\$ 3,837,218	\$ 2,228,403

Year Ending June 30,	Capital Lease, Fire Brush Truck (2020)		Total	
	Principal	Interest	Principal	Interest
	2021	\$ 20,390	\$ 5,354	\$ 269,834
2022	20,884	4,860	\$ 278,044	\$ 158,142
2023	21,389	4,355	\$ 224,899	\$ 150,359
2024	21,907	3,837	\$ 231,247	\$ 143,687
2025	22,437	3,307	\$ 237,777	\$ 136,824
2026-2030	120,599	8,122	\$ 965,149	\$ 582,062
2031-2035	-	-	\$ 631,394	\$ 457,530
2036-2040	-	-	\$ 742,680	\$ 334,291
2041-2045	-	-	\$ 873,582	\$ 189,329
2046-2050	-	-	\$ 596,434	\$ 33,567
Total	\$ 227,606	\$ 29,835	\$ 5,051,040	\$ 2,351,508
Due within one year	\$ 20,390	\$ 5,354	\$ 269,834	\$ 165,717
Due after one year	207,216	24,481	\$ 4,781,206	\$ 2,185,791
Total	\$ 227,606	\$ 29,835	\$ 5,051,040	\$ 2,351,508

## Note 7 – Long-Term Liabilities (Continued)

### Business-Type Activities

#### 2020 Caltrans Aeronautics Loan – Airport (direct borrowing)

Loan issued to the City for the design, purchase, and installation of a 12,000-gallon service aviation gas fuel tank at the Ukiah Municipal Airport. Annual principal and interest payments are made at an annual interest rate of 2.33 percent, are due February each year. Revenues generated by airport operations secure payments.

#### 2016 Water Revenue Refunding Bonds

Dated March 1, 2016 the original amount of the obligation was \$11,155,000 and is secured with a pledge of net revenues from the City's Water system. The obligation principal is payable in annual installments beginning September 1, 2016 ranging from \$475,000 to \$740,000 through September 1, 2035. Interest payments commence September 1, 2016 and are payable semiannually on September 1st and March 1st and pay interest ranging from 2.00 percent to 3.125 percent. The bonds contain a provision that, in an event of default, outstanding amounts may become immediately due. The 2016 Water Revenue Refunding Bonds were issued to refund the 2005 ABAG Bonds (Water Treatment Plant Installment Loan) and the SWRCB Water Treatment Loan. The two debt obligations were used to acquire and construct capital improvements to the City's water treatment plant.

#### Series 2020 Wastewater Revenue Refunding Obligations (2020 Wastewater Refunding Project)

Dated February 24, 2020 the original amount of the obligation was \$25,010,000 and is secured with a pledge of net revenues from the City's wastewater system. Proceeds were used to refund the ABAG 2006 Water & Wastewater Revenue Bonds, Series A. The obligation principal and interest payments at an annual interest rate of 2.42% are payable in annual installments beginning March 1, 2021 ranging from \$1,998,772 to \$1,999,719 through March 1, 2035. The bonds contain a provision that, in an event of default, outstanding amounts may become immediately due.

#### Lawsuit Settlement Liability

In October 2018 the City entered into a settlement agreement as part of the ongoing lawsuit with the Ukiah Valley Sanitation District. As part of the settlement agreement, the City agreed to pay \$4,984,310 to the District over a 5-year period. The first payment of \$984,310 was made in October 2018, with annual installments of \$1,000,000 to be made each year for year four years beginning in October 2020.

#### 2017 SWRCB Recycled Water Loan (direct borrowing)

In July 2017, the City entered into an agreement with the California State Water Resource Control Board (SWRCB) to finance the development and construction of a recycled water system. Construction was completed in September 2019. The loan balance as of June 30, 2020 was \$16,778,411. Subsequent to fiscal year end June 30, 2020, the last drawdown was made in September 2020. The final total amount funded by the loan, including accrued interest, is \$18,224,756. Annual principal and interest payments will be made for a thirty-year term beginning in July 2021 at an interest rate of 1.00 percent. The loan will be repaid with revenues from the Water Enterprise Fund.



## Note 7 – Long-Term Liabilities (Continued)

The annual debt service of these obligations to maturity are as follows:

### Debt Service Schedule

#### Business-type

Year Ending June 30,	Business-type Activities					
	2017 CalTrans Aeronautics Loan - Airport		2016 Water Revenue Refunding Bonds		Lawsuit settlement liability	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 10,412	\$ 3,962	\$ 540,000	\$ 377,319	\$ 1,000,000	\$ 90,000
2022	10,655	3,719	565,000	355,219	1,000,000	60,000
2023	10,903	3,471	415,000	335,618	1,000,000	30,000
2024	11,157	3,217	435,000	316,444	-	-
2025	11,417	2,957	460,000	294,069	-	-
2026-2030	61,203	10,669	2,660,000	1,093,593	-	-
2031-2035	54,252	3,201	3,345,000	403,522	-	-
2036-2040	-	-	740,000	11,563	-	-
2041-2045	-	-	-	-	-	-
2046-2050	-	-	-	-	-	-
2051-2055	-	-	-	-	-	-
Total	\$ 169,999	\$ 31,196	\$ 9,160,000	\$ 3,187,347	\$ 3,000,000	\$ 180,000
Due within one year	\$ 10,412	\$ 3,962	\$ 540,000	\$ 377,319	\$ 1,000,000	\$ 90,000
Due after one year	159,587	27,234	8,620,000	2,810,028	2,000,000	90,000
Total	\$ 169,999	\$ 31,196	\$ 9,160,000	\$ 3,187,347	\$ 3,000,000	\$ 180,000

Year Ending June 30,	2017 SWRCB Recycled Water Loan		Series 2020 Wastewater Refunding Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ -	\$ -	\$ 1,390,000	\$ 608,722	\$ 2,940,412	\$ 1,080,003
2022	525,156	180,970	1,436,000	562,965	3,536,811	1,162,873
2023	529,130	176,996	1,471,000	528,008	3,426,033	1,074,093
2024	534,421	171,705	1,507,000	492,192	2,487,578	983,558
2025	539,765	166,360	1,543,000	455,505	2,554,182	918,891
2026-2030	2,780,879	749,750	8,301,000	1,695,210	13,803,082	3,549,222
2031-2035	2,922,732	607,897	9,362,000	634,318	15,683,984	1,648,938
2036-2040	3,071,821	458,868	-	-	3,811,821	470,431
2041-2045	3,228,515	302,115	-	-	3,228,515	302,115
2046-2050	3,393,201	137,428	-	-	3,393,201	137,428
2051-2055	699,135	6,991	-	-	699,135	6,991
Total	\$ 18,224,756	\$ 2,959,080	\$ 25,010,000	\$ 4,976,920	\$ 55,564,755	\$ 11,334,543
Due within one year	\$ -	\$ -	\$ 1,390,000	\$ 608,722	\$ 2,940,412	\$ 1,080,003
Due after one year	18,224,756	2,959,080	23,620,000	4,368,198	52,624,343	10,254,540
Total	\$ 18,224,756	\$ 2,959,080	\$ 25,010,000	\$ 4,976,920	\$ 55,564,755	\$ 11,334,543

## Note 8 – Landfill Closure and Post Closure Costs

State and federal laws and regulations require that the City place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post closure care costs that will be incurred near or after the landfill no longer accepts waste. The recognition of these landfill closure and post closure care costs is based on the amount of landfill used during the year. The estimated liability for landfill closure and post closure care costs has a balance of \$19,063,628 (including \$989,983 for corrective action liability) as of June 30, 2020, which is based on 100.0 percent usage (filled) of the landfill.

This estimated total current cost of the landfill closure and post closure care is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2020, as determined by the last engineering study performed. However, the actual cost of closure and post closure care may change due to inflation, changes in technology, or changes in landfill laws and regulations.

The City is required by state and federal laws and regulations to make annual contributions to finance closure and post closure care. The City follows these requirements, and at June 30, 2020, held \$9,350,473 in cash and receivables designated for these purposes, \$9,230,982 of which within its pooled investments. The City has made a pledge of future service revenues for anticipated remaining expected costs, future inflation costs, and any additional costs that might arise from changes in post closure requirements (due to changes in technology or more rigorous environmental regulations, for example).

## Note 9 - Interfund Transactions and Interfund Borrowing

With City Council approval through the budget process, resources may be transferred from one City fund to another. One of the primary purposes of transfers is to provide a subsidy from one fund to another. Transfers may also be used to provide resources from one fund to another for significant capital projects or to accumulate resources for debt service. Transfers between funds during the fiscal year 2020 were as follows:

Transfers Out	Transfers In							Total
	General Fund	Streets Capital Improvement	Non-major Governmental Funds	Non-major Enterprise Funds	Landfill	Water	Internal Service Funds	
General fund	\$ -	\$ 3,106,818	\$ 149,242	\$ -	\$ -	\$ -	\$ 29,816	\$ 3,285,876
Streets Capital Improvement	-	-	-	-	-	-	-	-
Non-major governmental funds	375,712	-	1,447,910	82,538	428,005	-	-	2,334,165
Sewer enterprise fund	-	-	-	-	-	164,616	-	164,616
Total	\$ 375,712	\$ 3,106,818	\$ 1,597,152	\$ 82,538	\$ 428,005	\$ 164,616	\$ 29,816	\$ 5,784,657

Significant transfers included \$3 million from the general fund to the Streets Capital Improvement fund representing Measure Y proceeds committed by the City Council dedicated to specific capital projects and \$428 thousand from the Transfer Station Fund to the Landfill Fund for capital improvements. The remaining transfer of funds represent one-time transfers related to special projects. Pursuant to the City's debt management policy, interfund loans are recorded for the purposes of financing operations, grant activities, or capital projects on a temporary basis.

## Note 9 - Interfund Transactions and Interfund Borrowing (Continued)

Amounts recorded as due to/from are for the purposes of providing temporary cash flow to funds, most notably between operating periods. Examples of this include cash provided by the General Fund to a grant fund to financing expenditure driven grant activities. When the grantor reimburses the City for those activities, the interfund borrowing is reversed, i.e. the General Fund is paid back. This type of transaction is approved and executed by the Finance Director when needed per the City's debt management policy.

Amounts recorded as advances from/to are longer-term interfund borrowing for the purposes of providing cash flow for activities with operational conditions requiring a longer repayment period. Such borrowing is approved by the City Council per policy.

### Interfund Borrowing and Internal Balances

<u>Borrowing Fund (Due To)</u>		<u>Lending Fund (Due From)</u>	
<u>Fund Name</u>	<u>Amount</u>	<u>Fund Name</u>	<u>Amount</u>
Rail Trail Fund	\$ 174,068	General Fund	\$ 174,068
Streets Capital Improvements	872,029	General Fund	872,029
Trans-Traffic Congest Relief Fund	642,886	Worker's Comp Fund	642,886
Building & Maintenance Fund	545,045	Billing and Collection Fund	545,045
2106 Gas Tax Fund	92,506	General Fund	92,506
Conference Center Fund	56,595	General Fund	56,595
Transfer Station Fund	39,637	General Fund	39,637
Parking District # 1 Fund	33,690	General Fund	33,690
Winter Special Events Fund	12,657	General Fund	12,657
Downtown Business Improvement Fund	5,524	General Fund	5,524
Riverside Park Fund	4,806	General Fund	4,806
1998 STIP Augmentation Fund	225	General Fund	225
	<u>2,479,668</u>		<u>2,479,668</u>

<u>Borrowing Fund (Advances From)</u>		<u>Lending Fund (Advances To)</u>	
<u>Fund Name</u>	<u>Amount</u>	<u>Fund Name</u>	<u>Amount</u>
Golf Fund	930,200	General Fund	930,200
General Fund	908,523	Special Projects Reserve Fund	908,523
Water Fund	745,000	Liability Fund	745,000
Water Fund	690,704	Golf Fund	690,704
Street Lighting Fund	186,270	Electric Fund	186,270
Rail Trail Fund	146,661	General Fund	146,661
Swimming Pool Fund	136,349	General Fund	136,349
ARRC Fund	49,602	General Fund	49,602
	<u>3,793,308</u>		<u>3,793,308</u>
	<u>\$ 6,272,976</u>		<u>\$ 6,272,976</u>

## Note 10 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City participates. The City is a member of the Redwood Empire Municipal Insurance Fund (REMIF), a public entity pool comprised of fifteen northern California charter and associate member cities. REMIF is organized under a Joint Powers Agreement pursuant to the California Government Code. The purpose of REMIF is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage. The City pays an annual premium to REMIF for its workers' compensation, general liability and property coverage.

The City of Ukiah participates in the following three REMIF programs:

### **General Liability Insurance**

Annual premiums are paid by the member cities and are adjusted retrospectively to cover costs. The City of Ukiah self-insures for the first \$25,000 of each loss and pays 100 percent of all losses incurred under \$25,000. The City does not share or pay for losses of other cities under \$5,000, depending on the entity's deductible amount. Participating cities then share in the next \$5,000 to \$750,000 per loss occurrence. Specific coverage includes comprehensive and general automotive liability, personal injury, contractual liability, professional liability, and certain other coverage. REMIF is a member of the California Joint Powers Risk Management Authority, which provides REMIF with an additional \$39,250,000 liability insurance coverage over and above REMIF retention level of \$750,000.

### **Worker's Compensation**

Periodic deposits are paid by member cities and are adjusted retrospectively to cover costs. The City of Ukiah is self-insured for the first \$10,000 of each loss and pays 100 percent of all losses incurred under \$10,000. The City does not share or pay for losses of other cities under \$5,000.

### **Property Insurance**

The City participates in REMIF's property insurance program. The annual deposits paid by participating member cities are based upon deductibility levels and are not subject to retroactive adjustments. The City of Ukiah has a deductible level of \$500,000 for high risk flood zones and \$100,000 for all wildfire and property related claims, and a coverage limit of \$400,000,000 declared value.

Separate internal service funds are maintained by the City for the City's deductibles and allocated share of pooled costs noted above. The total cash and investments held in these funds at June 30, 2020, was \$383,075.

On March 22, 2018, the REMIF Board approved assessment for the following programs to be collected beginning in the 2018/2019 fiscal year:

- Workers' Compensation - \$6 million to be collected over 6 years.
- Liability program - \$2.5 million to be collected over 5 years.

Of those amounts the City of Ukiah was liable for \$860,916 and \$247,915 to be paid over 6 and 5 years, for the Workers' Compensation and Liability program, respectively for a total of \$1,108,831.

## Note 10 - Risk Management (Continued)

Changes in the Internal Service Funds claims liabilities amounts in fiscal year 2020 and 2019 were as follows:

	2020	2019
Balance, beginning of the fiscal year	\$ 915,762	\$ 1,108,831
Claims and adjustments	-	-
Claims payments	(193,069)	(193,069)
Balance, end of the fiscal year	<u>\$ 722,693</u>	<u>\$ 915,762</u>

The remaining balance of \$722,693 as of June 30, 2020 is detailed in Note 7.

In accordance with the REMIF governing documents, REMIF Board has the authority to levy a cash assessment for any pooled coverage program on the Participating member. Due to unfavorable claims development and underfunding, REMIF's overall audited equity balance was \$1.4 million as of June 30, 2019.

### Risks Management Coverage

Amount	Coverage Provider	Payment Source
General Liability Claims:		
\$0-25,000	Self-insured Retention	City funds
25,001-40,000,000	California Joint Powers Risk Management Authority	Shared risk pool
Workers Compensation Claims:		
\$0-10,000	Self-insured Retention	City funds
10,001-750,000 (Non-Safety)	Commercial Re-insurance	Shared risk pool
1,000,000 (Safety)		
1,000,001-20,000,000	Commercial Reinsurance	Shared risk pool
Property Liability Claims:		
Claims other than High Risk Flood Claims:		
\$0-100,000	Deductible	City funds
100,001-100,000,000	REMIF Coverage of Declared Value	Shared risk pool
1,000,000-400,000,000	California Joint Powers Risk Management Authority	Shared risk pool
High Risk Flood Claims:		
\$0-500,000	Deductible	City funds
500,001-100,000,000	California Joint Powers Risk Management Authority	Shared risk pool

## Note 10 - Risk Management (Continued)

The following is a summary of the most recent financial statements of REMIF as of and for the fiscal year ended June 30, 2019:

<u>REMIF Equity</u>	
Total assets	\$ 31,189,650
Total deferred outflows of resources	659,765
Total liabilities	30,229,545
To deferred inflow of resources	<u>216,372</u>
Members' equity	<u>\$ 1,403,498</u>
Net operating revenues	\$ 26,012,592
Total operating expenses	<u>25,661,506</u>
Operating income (loss)	<u>\$ 351,086</u>

REMIF issues a separate comprehensive annual financial report. REMIF's annual financial report for June 30, 2020, as not available at the time of publication of the City's comprehensive annual report. Copies of that report may be obtained from REMIF at Post Office Box 885, Sonoma, California 95476.

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## Note 11 - Public Employee Retirement Plan

### Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan), administered by the California Public Employees' Retirement System (CalPERS). The Plan's benefit provisions are established by statute. The Plan is included as a pension trust fund in the CalPERS Comprehensive Annual Financial Report, which is available online at [www.calpers.ca.gov](http://www.calpers.ca.gov).

The Plan consists of a miscellaneous pool and a safety pool (referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively, including those of the City of Ukiah. The City of Ukiah does not have any rate plans in the miscellaneous risk pool. The City of Ukiah's employer rate plans in the safety risk pool include the Safety Fire plan (Fire), the Safety Police plan (Police), the PEPRA Safety Fire plan (PEPRA Safety Fire) and the PEPRA Safety Police plan (PEPRA Police).

### Benefits Provided

The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Classic members and PEPRA Safety members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRA Miscellaneous members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is the Basic Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

### General Information about the Pension Plans - Safety

The Plans' provisions and benefits in effect at June 30, 2020, are summarized as follows:

#### Employer Rate Plans in the Safety Risk Pool

Employer rate plan	<b>Fire</b> Prior to January 01, 2013	<b>Police</b> On or after January 01, 1900	<b>PEPRA Fire</b> On or after January 01, 2013	<b>PEPRA Police</b> On or after January 01, 2013
Hire Date	3.0% @ 55	3.0% @ 50	2.7% @ 57	2.7% @ 57
Benefit formula	5 years of service	5 years of service	5 years of service	5 years of service
Benefit vesting schedule	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Benefit payments	50	50	50	50
Retirement age	2.4% to 3.0%	3.0%	2.0% to 2.7%	2.0% to 2.7%
Monthly benefits, as of % of eligible compensation	8.986%	8.989%	12.75%	12.75%
Required employee contribution rates	21.748%	23.654%	13.786%	13.786%
Required employer contribution rates				

## Note 11 – Public Employee Retirement Plan (Continued)

### Contributions

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the CalPERS actuary and shall be effective on the July 1 following notice of a change in the rate. Contribution rates for the employer rate plans are determined through the CalPERS’ annual actuarial valuation process. Each employer rate plan’s actuarially determined rate is based on the estimated amount necessary to pay the employer rate plan’s allocated share of the cost of benefits earned by employees during the year, and any unfunded accrued liability. The City of Ukiah is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The City of Ukiah’s contributions to the risk pools in the Plan for the year ended June 30, 2020, were as follows:

	<b>Contributions</b>
Miscellaneous Risk Pool	\$ -
Safety Risk Pool	<u>2,177,282</u>
Total contributions	<u>\$2,177,282</u>

### Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2020, City of Ukiah reported net pension liabilities for its proportionate shares of the net pension liability of each risk pool as follows:

	<b>Proportionate Share of Net Pension Liability</b>
Miscellaneous Risk Pool	\$ -
Safety Risk Pool	<u>18,158,244</u>
Total net pension liability	<u>\$18,158,244</u>

\* The proportionate share of the total NPL to each of the enterprise and internal service funds is not being allocated because it is deemed to have an immaterial effect on the financial statements.



## Note 11 – Public Employee Retirement Plan (Continued)

The City of Ukiah’s net pension liability for each risk pool is measured as the proportionate share of each risk pool’s net pension liability. GASB 68 indicates that to the extent different contribution rates are assessed based on separate relationships that constitute the collective net pension liability, the determination of the employer’s proportionate share of the collective net pension liability should be made in a manner that reflects those relationships. The allocation method used by CalPERS to determine each employer’s proportionate share reflects those relationships through the employer rate plans they sponsor within the respective risk pools. An actuarial measurement of the employer’s rate plan liability and asset-related information are used where available, and proportional allocations of individual employer rate plan amounts as of the valuation date are used where not available.

The City of Ukiah’s proportionate share percentage of the net pension liability for each risk pool as of June 30, 2019, measurement date, was calculated as follows:

Each risk pool’s total pension liability was computed at the measurement date, June 30, 2019, by applying standard actuarial roll-forward methods to the total pension liability amounts as of the valuation date. The fiduciary net position for each risk pool at the measurement date was determined by CalPERS’ Financial Office. The net pension liability for each risk pool at June 30, 2019, was computed by subtracting the respective risk pool’s fiduciary net position from its total pension liability.

The individual employer risk pool’s proportionate share percentage of the total pension liability and fiduciary net position as of June 30, 2019, was calculated by applying City of Ukiah’s proportionate share percentage as of the valuation date (described above) to the respective risk pool’s total pension liability and fiduciary net position as of June 30, 2019, to obtain the total pension liability and fiduciary net position as of June 30, 2019. The fiduciary net position was then subtracted from total pension liability to obtain the net pension liability as of the measurement date.

The City of Ukiah’s proportionate share percentage of the net pension liability for each risk pool as of June 30, 2018, and June 30, 2019, was as follows:

	<b>Safety Risk Pool</b>
Proportion at measurement date – June 30, 2018	0.291444%
Proportion at measurement date – June 30, 2019	0.290879%
	<hr/>
	(0.00565)%
	<hr/> <hr/>

## Note 11 – Public Employee Retirement Plan (Continued)

For the year ended June 30, 2020, the City of Ukiah recognized pension expense of \$3,551,524. At June 30, 2020, the City of Ukiah reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$1,139,156	\$-
Changes of Assumptions	650,627	(139,726)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	(173,099)
Adjustment due to Differences in Proportions	95,571	(44,811)
Differences between Actual and Required Contributions	35,224	(179,521)
Contributions after Measurement Date	2,177,282	-
<b>Total</b>	<b>\$4,097,860</b>	<b>(\$537,157)</b>

Amounts other than contributions subsequent to the measurement date reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<b>Measurement Date June 30:</b>	<b>Deferred Outflows/(Inflows) of Resources</b>
2020	\$1,237,413
2021	(66,684)
2022	165,784
2023	46,908
2024	-
<b>Total</b>	<b>\$1,383,421</b>

## Note 11 – Public Employee Retirement Plan (Continued)

### Actuarial Assumptions

The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

	<b>Safety</b>
Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase <sup>(1)</sup>	Varies by Age & Length of Service
Investment Rate of Return <sup>(2)</sup>	7.00%
Mortality Rate Table <sup>(3)</sup>	Derived Using CalPERS' Membership Data for all Funds

(1) Depending on age, service and type of employment

(2) Net of Pension Plan Investment and Administrative Expenses; includes Inflation

(3) The mortality table used was developed based on CalPERS-specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the April 2014 experience study report (based on CalPERS demographic data from 1997 to 2011) available online at <https://www.calpers.ca.gov/docs/forms-publications/calpers-experience-study-2014.pdf>.

### Discount Rate

The discount rate used to measure the total pension liability was 7.15%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested employer rate plans within the Plan that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested employer rate plans run out of assets. Therefore, the current 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The stress test results are presented in a detailed report, GASB Statements 67 and 68 Crossover Testing Report for Measurement Date June 30, 2019 based on June 30, 2018 Valuations, that can be obtained from the CalPERS website.

According to Paragraph 30 of GASB 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. For the CalPERS Plan, the 7.00% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.15%. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

## Note 11 – Public Employee Retirement Plan (Continued)

In the December 2016 and April 2017 meetings, the Board voted to lower the funding discount rates used for the PERF. In making its decision, the Board reviewed recommendations from CalPERS team members, external pension and investment consultants, and input from employer and employee stakeholder groups. A lowered funding discount rate for the PERF will be phased in over a three-year period beginning July 1, 2018 for public agencies and school districts.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS considered both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the Plan's asset classes, expected compound (geometric) returns were calculated over the short-term (first 11 years) and the long-term (60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for the Plan. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

<b>Asset Class</b>	<b>New Strategic Allocation</b>	<b>Real Return Years 1-10<sup>(a)</sup></b>	<b>Real Return Years 11+<sup>(b)</sup></b>
Global Equity	50.0%	4.8%	5.98%
Fixed Income	28.0	1.0	2.62
Inflation Assets	0.0	0.77	1.81
Private Equity	8.0	6.3	7.23
Real Assets	13.0	3.75	4.93
Liquidity	1.0	0.0	(0.92)

(a) An expected inflation of 2.0% used for this period.

(b) An expected inflation of 2.92% used for this period.

## Note 11 – Public Employee Retirement Plan (Continued)

### Sensitivity of the City of Ukiah’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City of Ukiah’s proportionate share of the net pension liability of each risk pool as of the measurement date, calculated using the discount rate, as well as what the City of Ukiah’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	<b>Discount Rate -1% (6.15%)</b>	<b>Current Discount Rate (7.15%)</b>	<b>Discount Rate +1% (8.15%)</b>
City of Ukiah’s proportionate share of the Safety Risk Pool’s net pension liability	\$27,264,058	\$18,158,244	\$10,692,902

### General Information about the Pension Plans - Miscellaneous

**Plan Descriptions** – All qualified permanent and probationary employees are eligible to participate in the City’s separate Miscellaneous Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** – The Plan is an agent multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding purposes but not accounting purposes), and membership information are listed in the plan’s June 30, 2018 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS’ website under Forms and Publications.

The Plan’s provisions and benefits in effect at June 30, 2020, are summarized as follows:

## Note 11 – Public Employee Retirement Plan (Continued)

Employees Covered – At June 30, 2020, the following employees were covered by the benefit terms for the Plan:

Benefits Provided	Miscellaneous	
	Prior to January 31, 2013	On or after January 1, 2013
Hire Date		
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years service	
Retirement age	55	62
Monthly benefits as a % of eligible compensation	Depending on years of service	
Retired employee contribution rates	8.00%	7.00%
Required employer contribution rates	12.859%	6.750%

### Employees Covered by Plan

Inactive employees of beneficiaries currently receiving benefits	183
Inactive employees entitled to but not yet receiving benefits	135
Active employees	144

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer-Paid Member Contributions or situations where members are paying a portion of the employer contribution.

### Net Pension Liability

The City’s net pension liability for the Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

## Note 11 – Public Employee Retirement Plan (Continued)

### Actuarial Assumptions

	Miscellaneous
Valuation date	6/30/2018
Measurement	6/30/2019
Actuarial cost method	Entry-age normal
Discount rate	7.15%
Inflation	2.50%
Projected salary increase	Varies by age and length of service
Mortality (1)	Derived from CalPERS membership data for all funds

(1) The mortality table used was developed based on CalPERS specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report form December 2017 that can be found on the CalPERS website.

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

**Discount Rate** – The discount rate used to measure the total pension liability is 7.15 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Long Term Expected Rate of Return** – The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

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## Note 11 – Public Employee Retirement Plan (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as followed:

<b>Asset Class <sup>(1)</sup></b>	<b>Assumed Asset Allocation</b>	<b>Real Return Years 1-10<sup>(2)</sup></b>	<b>Real Return Years 11+<sup>(3)</sup></b>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0	1.00	2.62
Inflation Assets	-	0.77	1.81
Private Equity	8.0	6.30	7.23
Real Assets	13.0	3.75	4.93
Liquidity	1.0	-	(0.92)

(1) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(2) An expected inflation of 2.0% used for this period.

(3) An expected inflation of 2.92% used for this period.

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## Note 11 – Public Employee Retirement Plan (Continued)

### Changes in Net Pension Liability

The changes in the Net Pension Liability for the Miscellaneous Plan recognized over the measurement period.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a)-(b)
Balance at June 30, 2018	\$ 89,397,004	\$ 56,784,006	\$ 32,612,998
Beginning of Year Adjustment	-	-	-
Adjusted Balance at June 30, 2018	\$ 89,397,004	\$ 56,784,006	\$ 32,612,998
Changes Recognized for the Measurement Period:			
Service Cost	1,842,840		1,842,840
Interest on Total Pension Liability	6,435,947		6,435,947
Changes of Benefit Terms	-		-
Changes of Assumptions	-		-
Differences Between Expected and Actual Experience	2,023,144		2,023,144
Net Plan to Plan Resource Movement	-	-	-
Contribution - Employer	-	3,241,493	(3,241,493)
Contribution - Employees	-	774,314	(774,314)
Net Investment Income	-	3,744,146	(3,744,146)
Benefits Payments, Including Refunds of Employee Contributions	(4,656,678)	(4,656,678)	-
Administrative Expense	-	(40,522)	40,522
Other Miscellaneous Income (Expense)	-	132	(132)
Net Changes During 2018-19	5,645,253	3,062,885	2,582,368
Balance at June 30, 2019	\$ 95,042,257	\$ 59,846,891	\$ 35,195,366

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate -1%	Discount Rate	Discount Rate +1%
	6.15%	7.15%	8.15%
Plan's Net Pension Liability/(Asset)	\$ 47,460,278	\$ 35,195,366	\$ 25,020,255

**Pension Plan Fiduciary Net Position** – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

## Note 11 – Public Employee Retirement Plan (Continued)

### Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the City recognized pension expense for the Miscellaneous Plan of \$5,998,427. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources for the Miscellaneous Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 3,590,128	\$ -
Changes of assumptions	-	(193,131)
Difference between actual and expected experience	1,670,449	
Net differences between projected and actual earnings on plan investments		(349,917)
<b>Total</b>	<b>\$ 5,260,577</b>	<b>\$ (543,048)</b>

\$3,560,703 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Periods Ended June 30:	Deferred Outflows/(Inflows) of Resources
2020	\$ 945,150
2021	162,977
2022	(35,913)
2023	55,187
2024	-
Therefore	-

### Payable to the Pension Plan

At June 30, 2020, the City reported a payable of \$ -0- for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2020.

## Note 12 – Related Organizations

The City is a member of various joint powers authorities that provide goods or services to the City and other authority members. Under the criteria established by GASB-14, the City does not have enough authority, influence or accountability over these entities to incorporate them in this annual report. Additionally, the City has determined that it has no ongoing financial interest or responsibility for any of these organizations as defined by GASB-14. The names and general functions of these joint powers are as follows:

### **Northern California Power Agency (NCPA)**

NCPA has 14 members including municipal electric utilities, a port authority, an irrigation district, a public utility district, a transportation district; and one associate member entity. The NCPA is generally empowered to purchase, generate, transmit, distribute, and sell electrical energy. Members participate in the projects of the Agency on an elective basis. A Commission comprised of one representative for each member governs the NCPA.

The City is currently involved in several hydroelectric, geothermal and other energy related projects as a member of this agreement. The NCPA is financed by contributions from member cities, government grants and debt. The City is committed to provide substantial additional financial support for its portion of the actions and projects of the NCPA. During the year ended June 30, 2020, the City paid \$8,663,171 to the NCPA for power supplied by the agency.

The NCPA holds certain funds under a separate member custodial agreement - the general operating reserve. The purpose of the reserve is to allow members to fund all, or a portion, of the contingent liabilities that the NCPA faces at any given time, while providing the individual member with the flexibility to draw upon their part of the reserve, as each member individually deems appropriate. At June 30, 2020, the City's balance held in the reserve was \$7,534,862, of which \$99,829 is restricted for NCPA OPS/Security accounts. Due to the nature of the reserve held by NCPA, the reserve is recorded as an asset in the Electric Fund as Investment in NCPA reserve.

### **Mendocino Transit Authority**

This Agency consists of four Mendocino County cities and the County of Mendocino. The Agency was created to apply for and receive Transportation Development Act, Urban Mass Transportation Act, and other funds as a public transportation operator and to provide public transportation services within Mendocino County. Its activities are primarily financed from fare box revenue and federal and state government grants. A Board of Directors comprised of one member from each city and three members that are appointed by the Mendocino County Board of Supervisors governs the Authority.

### **Redwood Empire Financing Authority (REFA)**

This is an agreement between seven Northern California cities. The Authority is authorized to acquire, through lease purchase, installment sale agreements, or otherwise such property necessary or convenient for the operation of the member cities. A Commission comprised of one member appointed by each member city administers the Authority. As explained previously, the City has entered into various financing arrangements with REFA.

## Note 12 – Related Organizations (continued)

### Redwood Empire Municipal Insurance Fund (REMIF)

A group of Northern California cities participate in this agreement to provide themselves with various levels of liability, property and worker's compensation insurance. A Commission comprised of one member appointed by each member city administers the Authority. As explained previously, the City provides for its general and workers' compensation insurance needs through REMIF. Annual premiums paid to the Authority were \$2,053,722. During the year, the City received no distribution from REMIF's liability insurance program.

### Transmission Agency of Northern California (TANC)

Members include ten cities, one electric co-op, two irrigation districts, and two public utility districts. The Agency was created to provide electric transmission or other facilities, including real property and rights of way, for the use of its members. A Commission comprised of one representative appointed by each member governs the Agency. The City has authorized its participation in the project up to one percent (1 percent) of the total.

### Mendocino Solid Waste Management Authority (MSWMA)

This Authority consists of three Mendocino County cities and the County of Mendocino. The Agency was created for the purpose of: (a) siting, licensing, developing, constructing, maintaining, and operating disposal sites and sanitary landfills and (b) preparing and implementing a solid waste management plan. A Commission comprised of one member from each city and two members that are appointed by the Mendocino County Board of Supervisors governs the Authority.

## Note 13 - Commitments and Contingencies

### Grants and Allocations

The City receives funding from several federal, state and local grant programs, principally Community Development Block Grants (CDBG). These programs are subject to financial and compliance review by grantors. Expenditures, if any, which may be disallowed by the granting agencies, cannot be determined at this time. The City does not expect the undeterminable amounts of disallowed expenditures, if any, to materially affect the financial statements. Receipt of these federal, state and local grant revenues is not assured in the future.

*Construction commitments.* The government has active construction projects as of June 30, 2020. The projects include street reconstruction and rehabilitation, airport and utility infrastructure improvements. At year end the government's significant commitments with contractors were as follows:

#### Construction Commitments

Project	Spent to Date	Remaining Commitment
Downtown Streetscape & Road Diet	\$ -	\$ 7,093,037
Downtown Streetscape & Road Diet - Utilities	1,194,705	3,133,640
Golf Course Storm Drain Replacement	-	126,138
Airport Runway 15-33 Pavement Rehabilitation	3,327,858	97,766
Thomas Plaza Electric Improvement Project	-	60,000
Bush & Low Gap Electric Improvement Project	-	84,595
Todd Grove Park Electric Service Upgrade	-	69,165
Gobbi Street Underground Project	1,144,762	1,013,197

## Note 13 – Commitments and Contingencies (continued)

Encumbrances and related appropriation lapse at the end of the year but are re-appropriated and become part of the subsequent year's budget because performance under the executory contract is expected in the next year.

*Encumbrances.* Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the number of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

<b>Encumbrances</b>		
<b>Fund(s)</b>	<b>Encumbrances</b>	
General fund	\$	2,880,788
Streets Capital Improvements		2,865,586
Nonmajor governmental funds *		7,304,949
Internal service funds		149,509
Landfill		180,823
Electric		2,453,623
Water		2,274,347
Wastewater		1,822,338
Nonmajor enterprise funds		597,270
Total	\$	20,529,233

\*Please note, that \$5 million of the encumbrance in Nonmajor governmental funds is for the State of California of Housing and Community Development (HCD) HOME Award, Standard Agreement #18-HOME-12560, for the Ukiah Senior Apartments project.

## Note 14 – Successor Agency Trust, Former Ukiah Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Ukiah that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 9, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 2012-04

## Note 14 – Successor Agency Trust, Former Ukiah Redevelopment Agency (continued)

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

### Enforceable Obligations - Bonds

The following is a summary of changes in long-term liabilities for the year ended June 30, 2020:

#### Redevelopment Successor Private Purpose Trust Debt Service Activity

	Balance June 30, 2019	Transfers/ Additions	Retirements	Balance June 30, 2020	Due Within One Year
<b>Trust Activities:</b>					
Series 2007 Tax Allocation Bonds	\$ 2,050,000	\$ -	\$ 2,050,000	\$ -	\$ -
Series 2011A Tax Allocation Bonds	2,370,000	-	2,370,000	-	-
Series 2011B Tax Allocation Bonds	2,380,000	-	2,380,000	-	-
Series 2019A Tax Allocation Bonds	-	1,259,154	-	1,259,154	304,585
Series 2019B Taxable Tax Allocation Bonds	-	4,236,617	-	4,236,617	327,718
<b>Total trust fund debt</b>	<b>\$ 6,800,000</b>	<b>\$ 5,495,771</b>	<b>\$ 6,800,000</b>	<b>\$ 5,495,771</b>	<b>\$ 632,303</b>

#### Series 2019A Tax Allocation Bonds

On December 12, 2019, the Successor Agency issued \$1,259,154 in tax allocation bonds to refund the outstanding Series 2007 Tax Allocation Bonds. The bond series is comprised of \$1,259,154 in serial bonds maturing December 1, 2023. The serial bonds require annual principal payments ranging from \$304,584 to \$326,621. The interest rate is 2.160%.

#### Series 2019B Taxable Tax Allocation Bonds

On December 12, 2019, the Successor Agency issued \$4,236,617 in taxable tax allocation bonds to refund the outstanding Series 2011A and 2011B Tax Allocation Bonds. The bond series is comprised of \$4,236,617 in serial bonds maturing on December 1, 2028. The serial bonds require annual principal payments ranging from \$327,718 to \$748,446. The interest rate is 2.960%.

Note 14 – Successor Agency Trust, Former Ukiah Redevelopment Agency  
(continued)

Future debt service for Fiduciary Activities at June 30, 2020, is as follows:

**Debt Service Schedule**  
**Redevelopment Successor Agency**

Year Ending June 30,	Series 2019A Tax Allocation Bonds		Series 2019B Taxable Tax Allocation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	304,584	23,907	327,718	120,552	632,302	144,459
2022	308,386	17,287	345,535	110,588	653,921	127,875
2023	319,563	10,506	354,103	100,234	673,666	110,740
2024	326,621	3,529	374,509	89,451	701,130	92,980
2025	-	-	717,252	73,293	717,252	73,293
2026-2030	-	-	2,117,500	107,905	2,117,500	107,905
Total	\$ 1,259,154	\$ 55,229	\$ 4,236,617	\$ 602,023	\$ 5,495,771	\$ 657,252
Due within one year	\$ 304,584	\$ 23,907	\$ 327,718	\$ 120,552	\$ 632,302	\$ 144,459
Due after one year	954,570	31,322	3,908,899	481,471	4,863,469	512,793
Total	\$ 1,259,154	\$ 55,229	\$ 4,236,617	\$ 602,023	\$ 5,495,771	\$ 657,252

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## Note 15 – New Pronouncements

The Governmental Accounting Standards Board has issued the following Statements, which may affect the City's financial reporting requirements in the future:

*GASB 86, Certain Debt Extinguishment Issues:* This Statement establishes reporting requirements for when a government places cash and other monetary assets acquired with only existing resources in an irrevocable trust to extinguish debt. In financial statements using the economic resources measurement focus, governments should recognize any difference between the reacquisition price (the amount required to be placed in the trust) and the net carrying amount of the debt defeased in substance using only existing resources as a separately identified gain or loss in the period of the defeasance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2020.

*GASB 87 – Leases:* This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

*GASB 91 – Conduit Debt Obligations:* The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

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## Note 16 – Service Contracts

The City has entered into several agreements to provide services to the citizens of the City and surrounding areas. The general purpose and description of these contract agreements are as follows:

### Joint Venture for Valley-Wide Fire Protection Services

The City has entered into an agreement with the Ukiah Valley Fire District (“UVFD”) to provide firefighting, emergency medical response and hazardous material response services within the corporate limits of the City. For the year ended June 30, 2020, the City paid \$474,672 under the terms of the agreement.

Under the terms of the agreement, entered July 1, 2018, the City provides fulltime and temporary fire personnel and use of City fire engines, rolling stock and related equipment to the UVFD, as well as making City facilities available to the UVFD. Fire personnel will remain employees of the City, and the City will continue to own all the equipment and facilities affected by the agreement. The City will be responsible for day-to-day management and administration. The City will share in the cost for the employment of the Fire Chief, as well as certain fixed and reimbursable costs.

### Golf Course Maintenance and Operations

The City has entered into a leasing agreement with Tayman Park Golf Group, Inc. (“Lessee”) to operate, manage, repair and maintain the City’s municipal golf course. The lease includes the 18-hole golf course, clubhouse, and shared usage of City equipment. The Lessee is responsible to provide all services, maintenance, and administration –including setting user fees – for the normal operation of the course. The initial term of the agreement is ten years commencing July 1, 2012, with an option for two (2) additional five (5) year extensions, and cancellable by either party in the event of default. The Lessee must pay to the City rent based on a percentage of gross revenues from course operations and concessions and reimburse the City for personnel and equipment provided by the City. In addition, the Lessee annually must contribute \$40,000 to a Capital Improvement Project for the benefit of the golf course.

For the year ended June 30, 2020, the City received \$40,000 in rents. The City reports activities of the golf course as a nonmajor enterprise fund. The cost and carrying amount of assets lease under this agreement were as follows:

#### Service Agreement - Tayman Park Golf Group, Inc. Schedule of Asset Carrying Costs

Asset	Cost	Accumulated Depreciation	Carrying Value
Land	\$ 965,284	\$ -	\$ 965,284
Land improvements	308,753	305,753	3,000
Infrastructure	178,259	178,259	-
Buildings	105,992	91,360	14,632
Rolling equipment	28,006	28,006	-
Machinery and equipment	30,390	30,390	-
<b>Total trust fund debt</b>	<b>\$ 1,616,684</b>	<b>\$ 633,768</b>	<b>\$ 982,916</b>

## Note 16 – Service Contracts (continued)

### Solid Waste Collection and Ukiah Transfer Station Agreement

The City has granted Ukiah Waste Solutions a franchise for mandatory residential and optional commercial garbage collection and disposal. The City has also contracted with Ukiah Waste Solutions to provide a citywide recycling program. The City acts as billing and collecting agent for the residential accounts of Ukiah Waste Solutions. Amounts held by the City on behalf of the corporation are accounted for in the Custodial funds.

### Participation Agreement with Ukiah Valley Sanitation District

The City has contracted with the Ukiah Valley Sanitation District to provide processing of the District's wastewater. In addition, the City provides other direct maintenance services for the District. District assets held by the City are accounted for in the Custodial funds.

## Note 17 – Subsequent Events

As of the date of this report, the City has entered the following long-term obligations. Debt service schedules for each are as follows:

### Lease Revenue Bonds, Series 2020A and 2020B

In December 2020, the City of Ukiah through its JPA with the Ukiah Industrial Development Authority, the Ukiah Public Financing Authority, issued Taxable and Tax exempt lease revenue bonds for the early payoff of a portion of the City's unfunded accrued liability (UAL) with CalPERS and to finance certain capital acquisitions and improvements to City facilities. The former (Series 2020B) was part of a strategy by the City to reduce the overall cost of its UAL and provide greater fiscal flexibility in how it addresses that obligation. Future debt service of these bonds is as follows:

#### Debt Service Schedule Lease Revenue Bonds

Year Ending June 30,	Series 2020A		Series 2020B		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2021	\$ 150,000	\$ 28,008	\$ -	\$ -	\$ 150,000
2022	90,000	92,450	705,000	2,337,011	795,000	2,429,461
2023	90,000	89,750	1,220,000	1,803,540	1,310,000	1,893,290
2024	95,000	87,050	1,295,000	1,784,374	1,390,000	1,871,424
2025	95,000	84,200	1,330,000	1,761,038	1,425,000	1,845,238
2026-2030	550,000	360,000	7,370,000	8,296,143	7,920,000	8,656,143
2031-2035	655,000	242,000	9,025,000	7,055,668	9,680,000	7,297,668
2036-2040	805,000	99,000	11,300,000	5,176,277	12,105,000	5,275,277
2041-2045	-	-	12,705,000	2,606,556	12,705,000	2,606,556
2046-2050	-	-	4,925,000	424,808	4,925,000	424,808
2051-2055	-	-	-	-	-	-
Total	\$ 2,530,000	\$ 1,082,458	\$ 49,875,000	\$ 31,245,415	\$ 52,405,000	\$ 32,327,873
Due within one year	\$ 150,000	\$ 28,008	\$ -	\$ -	\$ 150,000	\$ 28,008
Due after one year	2,380,000	1,054,450	49,875,000	31,245,415	52,255,000	32,299,865
Total	\$ 2,530,000	\$ 1,082,458	\$ 49,875,000	\$ 31,245,415	\$ 52,405,000	\$ 32,327,873

## Note 17 – Subsequent Events (continued)

### Capital Lease, Fire SCBA System

In November 2020, the City of Ukiah acquired a self-contained breathing apparatus system for the Fire Authority financed by a lease-purchase agreement with Umpqua Bank. Future debt service of these bonds is as follows:

#### Debt Service Schedule Capital Lease

Year Ending June 30,	Capital Lease - Umpqua Bank Fire Authority SCBA	
	Principal	Interest
2021	\$ 15,306	\$ 4,135
2022	31,167	7,715
2023	31,921	6,961
2024	32,694	6,188
2025	33,485	5,397
2026-2030	179,980	14,431
2031-2035	19,210	231
Total	<u>\$ 343,763</u>	<u>\$ 45,058</u>
Due within one year	\$ 15,306	\$ 4,135
Due after one year	328,457	40,923
Total	<u>\$ 343,763</u>	<u>\$ 45,058</u>

# Required Supplementary Information (RSI)

City of Ukiah, California

Schedules of Contributions and Proportionate Share of Net Pension Liability, Agent Multiple Employer (Miscellaneous), Last Ten Years

## Schedule of Changes in Net Pension Liability for the Measurement Periods Ended June 30,

Measurement Period	2019	2018	2017	2016	2015	2014
<b>TOTAL PENSION LIABILITY:</b>						
Service Cost	\$1,842,840	\$1,808,418	\$1,823,230	\$1,572,047	\$1,612,003	\$1,788,902
Interest on Total Pension Liability	6,435,947	6,053,276	5,794,263	5,696,580	5,564,428	5,416,497
Changes of Benefit Terms	0	0	0	56,535	0	0
Changes of Assumptions	0	(544,277)	4,693,759	0	(1,318,850)	0
Difference Between Expected and Actual Experience	2,023,144	845,262	(1,456,928)	(1,392,062)	(1,280,133)	0
Benefit Payments, Including Refunds of Employee Contributions	(4,656,678)	(4,443,388)	(4,133,617)	(3,981,386)	(4,205,497)	(3,795,124)
<b>Net Change in Total Pension Liability</b>	<b>\$5,645,253</b>	<b>\$3,719,291</b>	<b>\$6,720,707</b>	<b>\$1,951,714</b>	<b>\$371,951</b>	<b>\$3,410,275</b>
Total Pension Liability – Beginning	89,397,004	85,677,713	78,957,006	77,005,292	76,633,341	73,223,066
<b>Total Pension Liability – Ending (a)</b>	<b>\$95,042,257</b>	<b>\$89,397,004</b>	<b>\$85,677,713</b>	<b>\$78,957,006</b>	<b>\$77,005,292</b>	<b>\$76,633,341</b>
<b>PLAN FIDUCIARY NET POSITION</b>						
Contributions – Employer	\$3,241,493	\$2,941,163	\$2,652,462	\$2,391,847	\$2,156,759	\$2,193,059
Contributions – Employee	774,314	727,232	659,895	648,121	634,373	779,732
Net Investment Income	3,744,146	4,534,314	5,421,492	246,475	1,106,699	7,445,055
Benefit Payments, Including Refunds of Employee Contributions	(4,656,678)	(4,443,388)	(4,133,617)	(3,981,386)	(4,205,497)	(3,795,124)
Net Plan to Plan Resource Movement	0	(132)	0	0	0	0
Administrative Expense	(40,522)	(83,002)	(71,957)	(30,145)	(55,697)	0
Other Miscellaneous Income/(Expense) <sup>1</sup>	132	(157,623)	0	0	0	0
<b>Net Change in Fiduciary Net Position</b>	<b>\$3,062,885</b>	<b>\$3,518,564</b>	<b>\$4,528,275</b>	<b>\$(725,088)</b>	<b>\$(363,363)</b>	<b>\$6,622,722</b>
Plan Fiduciary Net Position – Beginning <sup>2</sup>	\$56,784,006	\$53,265,442	\$48,737,167	\$49,462,255	\$49,825,618	\$43,202,896
Plan Fiduciary Net Position – Ending (b)	59,846,891	56,784,006	53,265,442	48,737,167	49,462,255	49,825,618
<b>Plan Net Pension Liability/(Asset) – (a)-(b)</b>	<b>\$35,195,366</b>	<b>\$32,612,998</b>	<b>\$32,412,271</b>	<b>\$30,219,839</b>	<b>\$27,543,037</b>	<b>\$26,807,723</b>
<b>Plan Net Pension Liability/(Asset) as a Percentage of the Total Pension Liability</b>	<b>62.97%</b>	<b>63.52%</b>	<b>62.17%</b>	<b>61.73%</b>	<b>64.23%</b>	<b>65.02%</b>
Covered Payroll <sup>3</sup>	\$9,257,248	\$8,821,982	\$8,412,838	\$7,949,673	\$8,008,361	\$8,340,257
<b>Plan Net Pension Liability/(Asset) as a Percentage of Covered-Employee Payroll</b>	<b>380.19%</b>	<b>369.68%</b>	<b>385.27%</b>	<b>380.14%</b>	<b>343.93%</b>	<b>321.43%</b>

<sup>1</sup> During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

<sup>2</sup> Includes any beginning of year adjustment.

<sup>3</sup> Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

## Schedule of Plan Contributions for the fiscal years ended June 30<sup>1</sup>,

Employer Fiscal Year End	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 3,590,128	\$ 3,241,493	\$ 2,941,163	\$ 2,652,462	\$ 2,391,847	\$ 2,156,759	\$ 2,193,059
Contributions in Relation to the Actuarially Determined Contribution <sup>2</sup>	(3,590,128)	(3,241,493)	(2,941,163)	(2,652,462)	(2,391,847)	(2,156,759)	(2,193,059)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll <sup>3</sup>	\$ 9,347,897	\$ 9,257,248	\$ 8,821,982	\$ 8,412,838	\$ 7,949,673	\$ 8,008,361	\$ 8,340,257
Contributions as Percentage of Covered Payroll	38.41%	35.02%	33.34%	31.53%	30.09%	26.93%	26.29%

<sup>1</sup> As prescribed in GASB 68, paragraph 46, the information presented in the Schedule of Plan Contributions should also be presented as of the employer's most recent fiscal year-end. The employer is responsible for determining this information as prescribed by the standard as this data is not available to CalPERS.

<sup>2</sup> Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

<sup>3</sup> Includes one year's payroll growth using 2.75 percent payroll assumption for fiscal year ended June 30, 2018; 3.00 percent payroll assumption for fiscal years ended June 30, 2014-17. Covered payroll for 2020 derived from actuarial valuation report for required contributions for FY 2021, valuation dated 6/30/18.

<sup>4</sup> Fiscal Year 2015 was the first year of implementation, therefore only 6 years are shown.

City of Ukiah, California

Schedules of Contributions and Proportionate Share of Net Pension Liability, Cost Sharing Plan (Safety), Last Ten Years

Schedule of Changes in Net Pension Liability and Related Ratios for the Measurement Periods Ended June 30,

<b>Safety Plan</b>	Measurement Date June 30, 2014	Measurement Date June 30, 2015	Measurement Date June 30, 2016	Measurement Date June 30, 2017	Measurement Date June 30, 2018	Measurement Date June 30, 2019
Plan's Proportion of the PERF C Net Pension Liability/(Asset)	0.185181%	0.180597%	0.176726%	0.173294%	0.177461%	0.177205%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$11,522,849	\$12,396,052	\$15,292,260	\$17,185,970	\$17,100,610	\$18,158,244
Plan's Covered Payroll	\$3,330,571	\$3,844,242	\$3,434,144	\$3,366,699	\$3,928,981	\$4,038,688
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	345.97%	322.46%	445.30%	510.47%	435.24%	449.61%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	79.27%	75.31%	71.08%	70.49%	72.29%	72.67%

Notes to Schedule:

1. Changes of benefit terms – There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified time period (a.k.a. Golden Handshakes).
2. Changes in assumptions – The assumptions for individual salary increases and overall payroll growth are reduced from 3.00 percent to 2.75 percent.
3. Fiscal Year 2015 was the first year of implementation, therefore only 6 years are shown.

City of Ukiah, California

Schedules of Contributions and Proportionate Share of Net Pension Liability, Cost Sharing Plan (Safety), Last Ten Years (cont)

**Schedule of Plan Contributions for the fiscal years ended June 30,**

<b>Safety Plan</b>	CalPERS Fiscal Year 2014-15	CalPERS Fiscal Year 2015-16	CalPERS Fiscal Year 2016-17	CalPERS Fiscal Year 2017-18	CalPERS Fiscal Year 2018-19	CalPERS Fiscal Year 2019-20
Actuarially Determined Contributions	\$1,309,930	\$1,520,825	\$1,575,086	\$1,763,563	\$1,950,142	\$2,177,282
Actual Contributions During the Measurement Period	(\$1,309,930)	(\$1,520,825)	(\$1,575,086)	(\$1,763,563)	(\$1,950,142)	(\$2,177,282)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0
Covered Payroll	\$3,844,242	\$3,434,144	\$4,135,089	\$4,088,030	\$3,928,981	\$4,163,203
Contributions as a Percentage of Covered Payroll	34.08%	44.29%	38.09%	43.14%	49.63%	52.30%

Notes to Schedule:

Contribution Valuation Date:

June 30, 2012   June 30, 2013   June 30, 2014   June 30, 2015   June 30, 2016

\* Fiscal Year 2015 was the first year of implementation, therefore only 6 years are shown.

City of Ukiah, California  
 General Fund Budgetary Comparison Schedule  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property tax	\$ 4,263,769	\$ 4,263,769	\$ 3,139,960	\$ (1,123,809)
Sales tax	12,571,212	12,571,212	13,313,206	741,994
Transient occupancy	1,450,000	1,450,000	1,365,477	(84,523)
Business license tax	390,000	390,000	389,829	(171)
Other taxes	249	249	888	639
Franchise fees	1,700,392	1,700,392	1,742,671	42,279
Charges for service	1,357,918	1,498,228	1,340,123	(158,105)
Licenses and permits	245,020	245,020	259,533	14,513
Grants contributions and donations	2,789,795	2,790,795	170,187	(2,620,608)
Intergovernmental	85,856	85,856	79,192	(6,664)
Fines penalties and forfeitures	68,222	68,222	29,716	(38,506)
Use of money and property	89,007	89,007	203,726	114,719
Miscellaneous	217,013	217,013	197,566	(19,447)
Total revenues	<u>25,228,453</u>	<u>25,369,763</u>	<u>22,232,074</u>	<u>(3,137,689)</u>
<b>EXPENDITURES</b>				
Current:				
General government	308,830	404,708	283,477	121,231
Public safety	12,205,662	12,549,053	12,188,198	360,855
Housing and community development	1,084,662	1,164,701	1,130,666	34,035
Public works	1,207,478	1,477,911	1,470,613	7,298
Recreation and culture	3,169,784	3,182,307	3,199,032	(16,725)
Economic development and redevelopment	99,920	111,903	203,508	(91,605)
Total current	<u>18,076,336</u>	<u>18,890,583</u>	<u>18,475,494</u>	<u>415,089</u>
Debt service:				
Interest	94,168	94,168	91,304	2,864
Principal	52,846	52,846	55,523	(2,677)
Capital lease principal	104,282	104,282	104,282	-
Capital lease interest	23,678	23,678	23,678	-
Total debt service	<u>274,974</u>	<u>274,974</u>	<u>274,787</u>	<u>187</u>
Capital outlay:				
Public safety	51,259	109,843	281,908	(172,065)
Public works	2,333,000	2,554,062	31,823	2,522,239
Recreation and culture	287,500	325,791	75,285	250,506
Total capital outlay	<u>2,671,759</u>	<u>2,989,696</u>	<u>389,016</u>	<u>2,600,680</u>
Total expenditures	<u>21,023,069</u>	<u>22,155,253</u>	<u>19,139,297</u>	<u>3,015,956</u>
Excess (deficiency) of revenues over expenditures	<u>4,205,384</u>	<u>3,214,510</u>	<u>3,092,777</u>	<u>(121,733)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	429,000	429,000	375,712	(53,288)
Transfers out	(3,140,887)	(3,148,770)	(3,285,876)	(137,106)
Debt proceeds	-	-	227,607	227,607
Gain (loss) from sale of asset	-	-	57,078	57,078
Total other financing sources (uses)	<u>(2,711,887)</u>	<u>(2,719,770)</u>	<u>(2,625,479)</u>	<u>94,291</u>
Net change in fund balances	1,493,497	494,740	467,298	(27,442)
Fund balances - beginning	8,836,009	8,836,009	8,836,009	-
Fund balances - ending	<u>\$ 10,329,506</u>	<u>\$ 9,330,749</u>	<u>\$ 9,303,307</u>	<u>\$ (27,442)</u>

## **Budgetary Data**

### General Budget Policies

The City Council approves the annual budget submitted by the City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by Council. Supplemental appropriations, where required during the period, are also approved by the Council. There were several supplemental appropriations required during the year. At fiscal year-end, all operating budget appropriations lapse.

Expenditures are monitored at the fund level for all funds with a legally adopted budget. These levels are considered the legal level of control.

Department heads are authorized to transfer budgeted amounts within their departments, within the same fund, with the approval of the City Manager. Transfers of appropriations between departments may be made only by authority of the City Manager. Transfers of appropriations between funds may be made only by authority of the City Council. Formal budgetary integration is employed as a management control device during the fiscal year for all governmental funds.

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds except for certain special revenue and capital projects funds, which adopt project-length budgets.

### Encumbrances

Encumbrances are estimations of costs related to unperformed contracts for goods and services. These commitments are recorded for budgetary control purposes in the General, Special Revenue and similar governmental funds. Encumbrances outstanding at year-end are reported as a committed fund balance. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts in process at year-end are completed. They do not constitute expenditures or estimated liabilities.



## Supplementary Information

Combining and Individual Fund Financial Statements and Schedules

City of Ukiah, California  
Streets Capital Improvement Budgetary Comparison Schedule  
Schedule of Revenues, Expenditures, and Changes in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Grants contributions and donations	\$ -	\$ 77,022	\$ -	\$ (77,022)
Use of money and property	-	-	3,592	3,592
Total revenues	-	77,022	3,592	(73,430)
<b>EXPENDITURES</b>				
Current:				
Public works	199,541	206,916	172,212	34,704
Total current	199,541	206,916	172,212	34,704
Capital outlay:				
Public works	3,245,000	5,668,474	2,786,043	2,882,431
Total capital outlay	3,245,000	5,668,474	2,786,043	2,882,431
Total expenditures	3,444,541	5,875,390	2,958,255	2,917,135
Excess (deficiency) of revenues over expenditures	(3,444,541)	(5,798,368)	(2,954,663)	2,843,705
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,995,887	2,995,887	3,106,818	110,931
Total other financing sources (uses)	2,995,887	2,995,887	3,106,818	110,931
Net change in fund balances	(448,654)	(2,802,481)	152,155	2,954,636
Fund balances - beginning	(980,770)	(980,770)	(980,770)	-
Fund balances - ending	\$ (1,429,424)	\$ (3,783,251)	\$ (828,615)	\$ 2,954,636

## Nonmajor Governmental Funds

### SPECIAL REVENUE FUNDS

City Housing Bond Proceeds	The City Housing Bond Proceeds Fund is used to account for the unspent bond proceeds of the former Redevelopment Agency.
Special Revenue Fund	The Special Revenue Fund is used to account for reserve amounts being accumulated for special programs, projects and activities.
City Prop 172	Used to account for revenues received from allocation of Prop 172 monies for public safety.
Museum Grant Fund	The Museum Grant Fund is used to account for resources received for the Grace Hudson Museum provided by grantors or other third-party entities.
ARRC General Operating Fund	The ARRC General Operating Fund is used to account for resources and operating expenditures in support of the Alex Rorabaugh Center.
Downtown Business Improvement	The Downtown Business Improvement Fund is used to account for resources accumulated for improvements to the downtown business district, funded by business license fees and transferred to the Ukiah Main Street Program as the administrative agency.
LMIHF Housing Asset Fund	The Low- and Moderate-Income Housing Asset Fund is used to account for resources associated with program income received from low- and moderate-income housing assets. It contains restricted monies that are the proceeds of properties purchased by the Ukiah Redevelopment Agency (Agency) with affordable housing set-aside funds and were transferred to the City of Ukiah, as the Housing Successor to the former Agency, pursuant to Health and Safety Code Section 34176(a).
Winter Special Events	The Winter Special Events Fund is used to account for resources and expenditures associated with winter events, such as the ice rink.
Advanced Planning	Fund to account for special or highly technical planning activities, such as updates or revisions to the general plan or any of its elements.
Gas Tax Fund	The Gas Tax (HUTA) Fund is used to account for resources received from highway user taxes (HUTA) and special street funding from the state.

Signalization Fund	The Signalization Fund is used to account for resources and activities associated with traffic signalization in the City of Ukiah pursuant to Government Code Section 66000 et. seq.
1998 STIP Augmentation	Fund to account for street and right-of-way improvements with special conditions.
SB 325 Reimbursement Fund	The SB 325 Reimbursement Fund is used to account for resources accumulated for improvements to streets and rights-of-way.
S.T.P.	The Surface Transportation Program Fund is used to account for resources accumulated for street and traffic safety improvements, funded by the Mendocino Council of Governments.
Trans-Traffic Congest Relief	The Trans-Traffic Congest Relief fund is used to account for resources accumulated for improvements to address traffic congestion in the City of Ukiah.
CDBG Program Income	The Community Development Block Grant (CDBG) Fund is used to account for resources accumulated and held resulting from current and prior Community Development Block Grant activities.
HOME Program Income	The HOME Program Income Fund is used to account for resources accumulated and held resulting from current and prior HOME program Grant activities.
Asset Seizure Fund	The Asset Seizure fund is used to account for resources accumulated from adjudicated asset seizures in which the City participated.
Sup.Law Enforce.Svc.Fd(SLESF)	The Supplemental Law Enforcement Services Fund (SLESF) Fund is used to account for special resources for police, provided by funding through a State of California COPS Grant program.
Community-Based Transitional Housing Program (CBTHP)	Fund to account for activities funded by resources from the Community-Based Transitional Housing Program.
Asset Forfeiture 11470.2 H&S	The Asset Forfeiture 11470.2 H&S Fund is used to account for resources accumulated from adjudicated asset seizures in which the City participated.
Special Revenue Police	The AB 109 Special Revenue Police Fund is used to account for resources available for police activities derived from state subventions.
Museum Fund	The Museum Fund is used to account for the operating activities of the City's Grace Hudson Museum.

Transfer Station Fund	The Transfer Station Fund is used to account for resources accumulated from the activities of the City's solid waste transfer station.
Visit Ukiah Fund	The Visit Ukiah Fund is used to account for activities related to the City's Visit Ukiah program, with all funds derived from dedicated transient occupancy tax (TOT).

**CAPITAL PROJECT FUNDS**

Equipment Reserve Fund	The Equipment Reserve Fund is used to account for resources accumulated for significant governmental capital acquisitions related to vehicles and equipment.
Special Projects Reserve	The Special Projects Reserve Fund is used to account for resources accumulated for governmental special projects.
Park Development Fees Fund	The Park Development Fees Fund is used to account for resources being collected for the development or enhancement of parklands in the City of Ukiah.
Anton Stadium Fund	The Anton Stadium Fund is used to account for resources accumulated for improvements to the stadium.
Observatory Park Fund	The Observatory Park Fund is used to account for resources accumulated for improvements to the park.
Playground & Park Amenities	The Playground & Park Amenities Fund is used to account for resources accumulated for improvements to City playgrounds and other similar park amenities.
Swimming Pool Fund	The Swimming Pool Fund is used to account for resources accumulated for improvements to the City-owned pool.
Riverside Park Fund	The Riverside Park Fund is used to account for resources accumulated for improvements to the park.
Skate Park Fund	The Skate Park Fund is used to account for resources accumulated for improvements to the park.
Softball Complex Fund	The Softball Complex Fund is used to account for resources accumulated for improvements to the complex.
Rail Trail Fund	To account for activities related to and resources supporting the City's Rail Trail project.

## **PERMANENT FUNDS**

Riparian Corridor Enhancement

Permanent funds are those in which the principal resources accounted for in the fund cannot be spent; rather, the proceeds of earnings on those principal amounts may be used to support activities and programs of the City. This fund accounts for resources and activities related to mitigating development impacts to riparian areas near the Redwood Business Park.

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City of Ukiah, California  
 Combining Balance Sheet – Special Revenue  
 Nonmajor Governmental Funds  
 June 30, 2020

**Special Revenue Funds**

	City Housing Bond Proceeds	Special Revenue	Prop 172	Museum Grant	ARRC	Downtown Business Improvement
<b>ASSETS</b>						
Cash and investments	\$ -	\$ 14,464	\$ 54,030	\$ 20	\$ 17,866	\$ -
Restricted cash and investments	-	-	-	-	-	-
Accounts receivable	-	-	16,612	-	-	-
Notes receivable	-	-	-	-	-	-
Interest receivable	-	26	80	-	34	-
Grants and subventions receivable	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 14,490</u>	<u>\$ 70,722</u>	<u>\$ 20</u>	<u>\$ 17,900</u>	<u>\$ -</u>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ 189	\$ 153	\$ -	\$ 13,785	\$ 2,301
Accrued payroll liabilities	-	-	-	-	704	-
Due to other funds	-	-	-	-	-	5,524
Advance from other funds	-	-	-	-	49,601	-
Total liabilities	<u>-</u>	<u>189</u>	<u>153</u>	<u>-</u>	<u>64,090</u>	<u>7,825</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenues - grants and subventions	-	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>189</u>	<u>153</u>	<u>-</u>	<u>64,090</u>	<u>7,825</u>
<b>FUND BALANCES (DEFICITS)</b>						
Restricted:						
CDBG activities	-	-	-	-	-	-
Housing activities	-	-	-	-	-	-
Project reserve	-	14,301	-	20	-	-
Public safety	-	-	70,569	-	-	-
Streets and rights-of-way	-	-	-	-	-	-
Committed:						
Planning activities	-	-	-	-	-	-
Solid waste management	-	-	-	-	-	-
Unassigned	-	-	-	20	(46,190)	(7,825)
Total fund balances (deficits)	<u>\$ -</u>	<u>\$ 14,301</u>	<u>\$ 70,569</u>	<u>\$ 40</u>	<u>\$ (46,190)</u>	<u>\$ (7,825)</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ 14,490</u>	<u>\$ 70,722</u>	<u>\$ 40</u>	<u>\$ 17,900</u>	<u>\$ -</u>



**Special Revenue Funds**

LMIH Housing Asset	Winter Special Events	Advanced Planning	Highway User Tax (Gas Tax)	Signalization	1998 STIP Augmentation	SB325 Reimbursement	S.T.P.
\$ 1,823,020	\$ 21	\$ 270,795	\$ 5,305	\$ 378,715	\$ -	\$ 80,252	\$ 247,716
8,968	-	-	-	-	-	-	-
-	-	-	43,100	-	201	-	-
1,476,183	-	-	-	-	-	-	-
3,282	-	606	-	585	-	165	229
-	-	37,084	-	-	28,284	35,000	-
2,435,114	-	-	-	-	-	-	-
<u>\$ 5,746,567</u>	<u>\$ 21</u>	<u>\$ 308,485</u>	<u>\$ 48,405</u>	<u>\$ 379,300</u>	<u>\$ 28,485</u>	<u>\$ 115,417</u>	<u>\$ 247,945</u>
\$ -	\$ -	\$ 30,934	\$ 655	\$ -	\$ -	\$ 1,674	\$ 31,089
-	-	887	-	-	-	-	-
-	12,657	-	92,506	-	225	-	-
-	-	-	-	-	-	-	-
-	<u>12,657</u>	<u>31,821</u>	<u>93,161</u>	<u>-</u>	<u>225</u>	<u>1,674</u>	<u>31,089</u>
76,391	-	37,084	-	-	28,284	35,000	-
<u>76,391</u>	<u>-</u>	<u>37,084</u>	<u>-</u>	<u>-</u>	<u>28,284</u>	<u>35,000</u>	<u>-</u>
76,391	12,657	68,905	93,161	-	28,509	36,674	31,089
-	-	-	-	-	-	-	-
5,670,176	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	379,300	-	78,743	216,856
-	-	239,580	-	-	-	-	-
-	-	-	-	-	-	-	-
-	(12,636)	-	(44,756)	-	(24)	-	-
<u>\$ 5,670,176</u>	<u>\$ (12,636)</u>	<u>\$ 239,580</u>	<u>\$ (44,756)</u>	<u>\$ 379,300</u>	<u>\$ (24)</u>	<u>\$ 78,743</u>	<u>\$ 216,856</u>
\$ 5,746,567	\$ 21	\$ 308,485	\$ 48,405	\$ 379,300	\$ 28,485	\$ 115,417	\$ 247,945

City of Ukiah, California  
 Combining Balance Sheet – Special Revenue (cont)  
 Nonmajor Governmental Funds  
 June 30, 2020

**Special Revenue Funds**

	Trans-Traffic Congest Relief	CDBG Program Income	Home Program Income	Asset Seizure	Sup.Law Enforce.Svc.Fd (SLESF)	Community-Based Transitional Housing
<b>ASSETS</b>						
Cash and investments	\$ 164,227	\$ 88,541	\$ 390,767	\$ 98,701	\$ 146,698	\$ 692,555
Restricted cash and investments	-	-	-	-	-	-
Accounts receivable	-	-	-	-	37,680	-
Notes receivable	-	416,209	3,215,794	-	-	-
Interest receivable	-	143	673	166	1,577	28
Grants and subventions receivable	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-
Total assets	<u>\$ 164,227</u>	<u>\$ 504,893</u>	<u>\$ 3,607,234</u>	<u>\$ 98,867</u>	<u>\$ 185,955</u>	<u>\$ 692,583</u>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ 2,650	\$ -	\$ 350	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-	5,000	8,195
Due to other funds	-	-	-	-	-	-
Advance from other funds	642,886	-	-	-	-	-
Total liabilities	<u>642,886</u>	<u>2,650</u>	<u>-</u>	<u>350</u>	<u>5,000</u>	<u>8,195</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenues - grants and subventions	-	-	835,095	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>835,095</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>642,886</u>	<u>2,650</u>	<u>835,095</u>	<u>350</u>	<u>5,000</u>	<u>8,195</u>
<b>FUND BALANCES (DEFICITS)</b>						
Restricted:						
CDBG activities	-	502,243	-	-	-	-
Housing activities	-	-	2,772,139	-	-	-
Project reserve	-	-	-	-	-	-
Public safety	-	-	-	98,517	180,955	684,388
Streets and rights-of-way	-	-	-	-	-	-
Committed:						
Planning activities	-	-	-	-	-	-
Solid waste management	-	-	-	-	-	-
Unassigned	(478,659)	-	-	-	-	-
Total fund balances (deficits)	<u>\$ (478,659)</u>	<u>\$ 502,243</u>	<u>\$ 2,772,139</u>	<u>\$ 98,517</u>	<u>\$ 180,955</u>	<u>\$ 684,388</u>
Total liabilities and fund balances (deficits)	<u>\$ 164,227</u>	<u>\$ 504,893</u>	<u>\$ 3,607,234</u>	<u>\$ 98,867</u>	<u>\$ 185,955</u>	<u>\$ 692,583</u>

**Special Revenue Funds**

Asset Forfeiture 11470.2 H&S F	Special Revenue - Police	Museum	Transfer Station	Visit Ukiah	Total Nonmajor Special revenue funds
\$ 67,771	\$ 2,937	\$ -	\$ 20	\$ 37,137	\$ 4,581,558
-	-	-	-	-	8,968
-	-	-	74,936	-	172,529
-	-	-	-	-	5,108,186
107	6	-	-	-	7,707
-	-	-	-	-	100,368
-	-	-	-	-	2,435,114
<u>\$ 67,878</u>	<u>\$ 2,943</u>	<u>\$ -</u>	<u>\$ 74,956</u>	<u>\$ 37,137</u>	<u>\$ 12,414,430</u>
\$ 360	\$ -	\$ -	\$ -	\$ 37,137	\$ 121,277
-	-	-	-	-	14,786
-	-	-	39,637	-	150,549
-	-	-	-	-	692,487
<u>360</u>	<u>-</u>	<u>-</u>	<u>39,637</u>	<u>37,137</u>	<u>979,099</u>
-	-	-	-	-	1,011,854
-	-	-	-	-	1,011,854
360	-	-	39,637	37,137	1,990,953
-	-	-	-	-	502,243
-	-	-	-	-	8,442,315
-	-	-	-	-	14,321
67,518	2,943	-	-	-	1,104,890
-	-	-	-	-	674,899
-	-	-	-	-	239,580
-	-	-	35,319	-	35,319
-	-	-	-	-	(590,090)
<u>\$ 67,518</u>	<u>\$ 2,943</u>	<u>\$ -</u>	<u>\$ 35,319</u>	<u>\$ -</u>	<u>\$ 10,423,477</u>
<u>\$ 67,878</u>	<u>\$ 2,943</u>	<u>\$ -</u>	<u>\$ 74,956</u>	<u>\$ 37,137</u>	<u>\$ 12,414,430</u>

City of Ukiah, California  
 Combining Balance Sheet – Capital Project  
 Nonmajor Governmental Funds  
 June 30, 2020

**CAPITAL PROJECT FUNDS**

	Equipment Reserve	Special Projects Reserve	Park Development Fees	Anton Stadium	Observatory Park	Playground & Park Amenities
<b>ASSETS</b>						
Cash and investments	\$ 380,069	\$ -	\$ 30,513	\$ 13,482	\$ 2,455	\$ 2,668
Interest receivable	755	-	54	42	5	5
Grants and subventions receivable	-	-	-	-	-	-
Advances to other funds	-	908,523	-	-	-	-
Total assets	<u>\$ 380,824</u>	<u>\$ 908,523</u>	<u>\$ 30,567</u>	<u>\$ 13,524</u>	<u>\$ 2,460</u>	<u>\$ 2,673</u>
<b>LIABILITIES</b>						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advance from other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenues - grants and subventions	-	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS)</b>						
Committed:						
Park development	-	-	30,567	-	-	-
Assigned:						
Capital projects	-	-	-	13,524	2,460	2,673
Equipment reserve	380,824	-	-	-	-	-
Project reserve	-	908,523	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	<u>\$ 380,824</u>	<u>\$ 908,523</u>	<u>\$ 30,567</u>	<u>\$ 13,524</u>	<u>\$ 2,460</u>	<u>\$ 2,673</u>
Total liabilities and fund balances (deficits)	<u>\$ 380,824</u>	<u>\$ 908,523</u>	<u>\$ 30,567</u>	<u>\$ 13,524</u>	<u>\$ 2,460</u>	<u>\$ 2,673</u>

**CAPITAL PROJECT FUNDS**

Swimming Pool	Riverside Park	Skate Park	Softball Complex	Rail Trail	Total Nonmajor Capital projects funds
\$ 589	\$ 61	\$ 11,821	\$ 6,797	\$ -	\$ 448,455
1	9	21	12	-	904
-	25,270	-	-	284,748	310,018
-	-	-	-	-	908,523
<u>\$ 590</u>	<u>\$ 25,340</u>	<u>\$ 11,842</u>	<u>\$ 6,809</u>	<u>\$ 284,748</u>	<u>\$ 1,667,900</u>
\$ -	\$ 4,806	\$ -	\$ -	\$ 174,068	\$ 178,874
136,349	-	-	-	146,661	283,010
<u>136,349</u>	<u>4,806</u>	<u>-</u>	<u>-</u>	<u>320,729</u>	<u>461,884</u>
-	25,270	-	-	284,748	310,018
-	<u>25,270</u>	-	-	<u>284,748</u>	<u>310,018</u>
136,349	30,076	-	-	605,477	771,902
-	-	-	-	-	30,567
-	-	11,842	6,809	-	37,308
-	-	-	-	-	380,824
-	-	-	-	-	908,523
(135,759)	(4,736)	-	-	(320,729)	(461,224)
<u>\$ (135,759)</u>	<u>\$ (4,736)</u>	<u>\$ 11,842</u>	<u>\$ 6,809</u>	<u>\$ (320,729)</u>	<u>\$ 895,998</u>
<u>\$ 590</u>	<u>\$ 25,340</u>	<u>\$ 11,842</u>	<u>\$ 6,809</u>	<u>\$ 284,748</u>	<u>\$ 1,667,900</u>

City of Ukiah, California  
 Combining Balance Sheet – Permanent  
 Nonmajor Governmental Funds  
 June 30, 2020

	<b>Permanent Funds</b>
	Riparian Corridor Enhancement
<b>ASSETS</b>	
Cash and investments	\$ 145,866
Interest receivable	260
Total assets	<u>\$ 146,126</u>
<b>LIABILITIES</b>	
Total liabilities	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Total deferred inflow of resources	<u>-</u>
Total liabilities and deferred inflows of resources	<u>-</u>
<b>FUND BALANCES (DEFICITS)</b>	
Nonspendable:	
Riparian corridor management	137,576
Restricted:	
Riparian corridor management	8,550
Committed:	
Assigned:	
Total fund balances (deficits)	<u>\$ 146,126</u>
Total liabilities and fund balances (deficits)	<u>\$ 146,126</u>

City of Ukiah, California  
Combining Balance Sheet – Summary  
Nonmajor Governmental Funds  
June 30, 2020

	Special revenue funds	Capital projects funds	Permanent funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 4,581,558	\$ 448,455	\$ 145,866	\$ 5,175,879
Restricted cash and investments	8,968	-	-	8,968
Accounts receivable	172,529	-	-	172,529
Notes receivable	5,108,186	-	-	5,108,186
Interest receivable	7,707	904	260	8,871
Grants and subventions receivable	100,368	310,018	-	410,386
Advances to other funds	-	908,523	-	908,523
Land held for resale	2,435,114	-	-	2,435,114
Total assets	<u>\$ 12,414,430</u>	<u>\$ 1,667,900</u>	<u>\$ 146,126</u>	<u>\$ 14,228,456</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 121,277	\$ -	\$ -	\$ 121,277
Accrued payroll liabilities	14,786	-	-	14,786
Due to other funds	793,435	178,874	-	972,309
Advance from other funds	49,601	283,010	-	332,611
Total liabilities	<u>979,099</u>	<u>461,884</u>	<u>-</u>	<u>1,440,983</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - grants and subventions	1,011,854	310,018	-	1,321,872
Total deferred inflow of resources	<u>1,011,854</u>	<u>310,018</u>	<u>-</u>	<u>1,321,872</u>
Total liabilities and deferred inflows of resources	<u>1,990,953</u>	<u>771,902</u>	<u>-</u>	<u>2,762,855</u>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable:				
Riparian corridor management	-	-	137,576	137,576
Restricted:				
CDBG activities	502,243	-	-	502,243
Housing activities	8,442,315	-	-	8,442,315
Project reserve	14,321	-	-	14,321
Public safety	1,104,890	-	-	1,104,890
Riparian corridor management	-	-	8,550	8,550
Streets and rights-of-way	674,899	-	-	674,899
Committed:				
Park development	-	30,567	-	30,567
Planning activities	239,580	-	-	239,580
Solid waste management	35,319	-	-	35,319
Assigned:				
Capital projects	-	37,308	-	37,308
Equipment reserve	-	380,824	-	380,824
Project reserve	-	908,523	-	908,523
Unassigned	(590,090)	(461,224)	-	(1,051,314)
Total fund balances (deficits)	<u>\$ 10,423,477</u>	<u>\$ 895,998</u>	<u>\$ 146,126</u>	<u>\$ 11,465,601</u>
Total liabilities and fund balances (deficits)	<u>\$ 12,414,430</u>	<u>\$ 1,667,900</u>	<u>\$ 146,126</u>	<u>\$ 14,228,456</u>

City of Ukiah, California  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Special Revenue  
 Nonmajor Governmental Funds  
 Year Ended June 30, 2020

**SPECIAL REVENUE FUNDS**

	City Housing Bond Proceeds	Special Revenue	Prop 172	Museum Grant	ARRC	Downtown Business Improvement
<b>REVENUES</b>						
Property tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business license tax	-	-	-	-	-	22,168
Grants contributions and donations	-	-	-	-	-	-
Intergovernmental	-	-	96,264	95,495	-	-
Use of money and property	-	389	1,455	2,113	67,241	55
Miscellaneous	-	-	-	-	20,004	-
Total revenues	-	389	97,719	97,608	87,245	22,223
<b>EXPENDITURES</b>						
Current:						
General government	-	119	-	-	-	-
Public safety	-	-	29,204	-	-	-
Housing and community development	-	-	-	-	-	-
Public works	-	1,026	-	-	-	-
Recreation and culture	-	-	-	-	88,968	-
Economic development and redevelopment	-	-	-	-	-	25,392
Capital outlay:						
Public safety	-	-	14,337	-	-	-
Housing and community development	1,447,910	-	-	-	-	-
Public works	-	-	-	-	-	-
Total expenditures	1,447,910	1,145	43,541	-	88,968	25,392
Excess (deficiency) of revenues over expenditures	(1,447,910)	(756)	54,178	97,608	(1,723)	(3,169)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	1,447,910	-	-	-	-	-
Transfers out	-	-	-	(83,307)	-	-
Total other financing sources (uses)	1,447,910	-	-	(83,307)	-	-
Net change in fund balances	-	(756)	54,178	14,301	(1,723)	(3,169)
Fund balances - beginning	-	15,057	16,391	(14,281)	(44,467)	(4,656)
Fund balances - ending	\$ -	\$ 14,301	\$ 70,569	\$ 20	\$ (46,190)	\$ (7,825)



**SPECIAL REVENUE FUNDS**

LMIHF Housing Asset	Winter Special Events	Advanced Planning	Highway User Tax (Gas Tax)	Signalization	1998 STIP Augmentation	SB325 Reimbursement	S.T.P.
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	201	-	-
134,995	-	7,802	664,350	-	112,000	221,828	1,047,044
-	131,346	-	5	9,289	-	2,671	5,377
-	-	-	-	16,208	-	-	-
<u>134,995</u>	<u>131,346</u>	<u>7,802</u>	<u>664,355</u>	<u>25,497</u>	<u>112,201</u>	<u>224,499</u>	<u>1,052,421</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,046	-	134,909	-	-	-	-	-
-	147,842	-	9,828	366	225	30,284	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	790,942	-	-	-	31,764
<u>1,046</u>	<u>147,842</u>	<u>134,909</u>	<u>800,770</u>	<u>366</u>	<u>225</u>	<u>30,284</u>	<u>31,764</u>
<u>133,949</u>	<u>(16,496)</u>	<u>(127,107)</u>	<u>(136,415)</u>	<u>25,131</u>	<u>111,976</u>	<u>194,215</u>	<u>1,020,657</u>
-	-	-	-	-	-	-	-
(1,447,910)	-	-	(4,000)	-	-	-	-
<u>(1,447,910)</u>	<u>-</u>	<u>-</u>	<u>(4,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(1,313,961)	(16,496)	(127,107)	(140,415)	25,131	111,976	194,215	1,020,657
6,984,137	3,860	366,687	95,659	354,169	(112,000)	(115,472)	(803,801)
<u>\$ 5,670,176</u>	<u>\$ (12,636)</u>	<u>\$ 239,580</u>	<u>\$ (44,756)</u>	<u>\$ 379,300</u>	<u>\$ (24)</u>	<u>\$ 78,743</u>	<u>\$ 216,856</u>

Continued

City of Ukiah, California  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Special Revenue (cont)  
 Nonmajor Governmental Funds (cont)  
 Year Ended June 30, 2020

**SPECIAL REVENUE FUNDS**

	Trans-Traffic Congest Relief	CDBG Program Income	Home Program Income	Asset Seizure	Sup.Law Enforce.Svc.Fd(Slesf)	Community-Based Transitional Housing
<b>REVENUES</b>						
Property tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business license tax	-	-	-	-	-	-
Grants contributions and donations	-	113,126	-	-	-	-
Intergovernmental	-	-	-	50,792	193,627	-
Use of money and property	-	42,686	152,573	2,430	4,534	17,888
Miscellaneous	-	23,505	-	-	-	-
Total revenues	-	179,317	152,573	53,222	198,161	17,888
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	45,615	101,801	188,879
Housing and community development	-	118,752	28	-	-	-
Public works	20	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-
Economic development and redevelopment	-	11,500	-	-	-	-
Capital outlay:						
Public safety	-	-	-	-	-	-
Housing and community development	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Total expenditures	20	130,252	28	45,615	101,801	188,879
Excess (deficiency) of revenues over expenditures	(20)	49,065	152,545	7,607	96,360	(170,991)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	(20)	49,065	152,545	7,607	96,360	(170,991)
Fund balances - beginning	(478,639)	453,178	2,619,594	90,910	84,595	855,379
Fund balances - ending	\$ (478,659)	\$ 502,243	\$ 2,772,139	\$ 98,517	\$ 180,955	\$ 684,388

**SPECIAL REVENUE FUNDS**

Asset Forfeiture 11470.2 H&S F	Special Revenue - Police	Museum	Transfer Station	Visit Ukiah	Total Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	22,168
-	-	-	-	-	113,327
31,250	93,750	-	-	-	2,606,400
1,764	584	-	392,618	1,272	847,741
-	-	-	-	-	191,063
<u>33,014</u>	<u>94,334</u>	<u>-</u>	<u>392,618</u>	<u>1,272</u>	<u>3,780,699</u>
-	-	-	-	-	119
16,021	-	-	-	-	381,520
-	-	-	-	-	254,735
-	-	-	2,215	-	43,964
-	-	-	-	-	236,810
-	-	-	-	163,408	200,300
-	-	-	-	-	14,337
-	-	-	-	-	1,447,910
-	-	-	-	-	822,706
<u>16,021</u>	<u>-</u>	<u>-</u>	<u>2,215</u>	<u>163,408</u>	<u>3,402,401</u>
<u>16,993</u>	<u>94,334</u>	<u>-</u>	<u>390,403</u>	<u>(162,136)</u>	<u>378,298</u>
-	-	5,117	-	144,125	1,597,152
-	(93,750)	-	(428,005)	(194,655)	(2,251,627)
-	(93,750)	5,117	(428,005)	(50,530)	(654,475)
16,993	584	5,117	(37,602)	(212,666)	(276,177)
50,525	2,359	(5,117)	72,921	212,666	10,699,654
<u>\$ 67,518</u>	<u>\$ 2,943</u>	<u>\$ -</u>	<u>\$ 35,319</u>	<u>\$ -</u>	<u>\$ 10,423,477</u>

City of Ukiah, California  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Capital Project  
 Nonmajor Governmental Funds  
 Year Ended June 30, 2020

	<b>CAPITAL PROJECT FUNDS</b>					
	Equipment Reserve	Special Projects Reserve	Park Development Fees	Anton Stadium	Observatory Park	Playground & Park Amenities
<b>REVENUES</b>						
Property tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants contributions and donations	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Use of money and property	12,030	(1)	792	439	67	70
Total revenues	<u>12,030</u>	<u>(1)</u>	<u>792</u>	<u>439</u>	<u>67</u>	<u>70</u>
<b>EXPENDITURES</b>						
Current:						
General government	266	548	-	-	-	-
Public works	-	-	-	-	-	-
Parks, buildings, and grounds	-	-	24	26	9	2
Recreation and culture	-	12,530	-	-	850	-
Capital outlay:						
Public works	-	-	-	-	-	-
Recreation and culture	-	-	-	20,075	-	-
Total expenditures	<u>266</u>	<u>13,078</u>	<u>24</u>	<u>20,101</u>	<u>859</u>	<u>2</u>
Excess (deficiency) of revenues over expenditures	<u>11,764</u>	<u>(13,079)</u>	<u>768</u>	<u>(19,662)</u>	<u>(792)</u>	<u>68</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers out	(82,538)	-	-	-	-	-
Total other financing sources (uses)	<u>(82,538)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(70,774)	(13,079)	768	(19,662)	(792)	68
Fund balances - beginning	451,598	921,602	29,799	33,186	3,252	2,605
Fund balances - ending	<u>\$ 380,824</u>	<u>\$ 908,523</u>	<u>\$ 30,567</u>	<u>\$ 13,524</u>	<u>\$ 2,460</u>	<u>\$ 2,673</u>

**CAPITAL PROJECT FUNDS**

Swimming Pool	Riverside Park	Skate Park	Softball Complex	Rail Trail	Total Capital Projects Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	58,578	-	-	2,821,962	2,880,540
421	-	-	-	-	421
14	58	306	177	-	13,952
<u>435</u>	<u>58,636</u>	<u>306</u>	<u>177</u>	<u>2,821,962</u>	<u>2,894,913</u>
-	-	-	-	-	814
-	-	-	-	19,727	19,727
7	34	9	6	-	117
-	-	-	-	-	13,380
-	-	-	-	3,024,006	3,024,006
-	56,252	-	-	-	76,327
<u>7</u>	<u>56,286</u>	<u>9</u>	<u>6</u>	<u>3,043,733</u>	<u>3,134,371</u>
<u>428</u>	<u>2,350</u>	<u>297</u>	<u>171</u>	<u>(221,771)</u>	<u>(239,458)</u>
-	-	-	-	-	(82,538)
-	-	-	-	-	(82,538)
428	2,350	297	171	(221,771)	(321,996)
(136,187)	(7,086)	11,545	6,638	(98,958)	1,217,994
<u>\$ (135,759)</u>	<u>\$ (4,736)</u>	<u>\$ 11,842</u>	<u>\$ 6,809</u>	<u>\$ (320,729)</u>	<u>\$ 895,998</u>

City of Ukiah, California  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Permanent  
 Nonmajor Governmental Funds  
 Year Ended June 30, 2020

	<u>Permanent Funds</u>
	Riparian Corridor Enhancement
<b>REVENUES</b>	
Use of money and property	\$ 3,794
Total revenues	<u>3,794</u>
<b>EXPENDITURES</b>	
Current:	
Parks, buildings, and grounds	<u>739</u>
Total expenditures	<u>739</u>
Excess (deficiency) of revenues over expenditures	<u>3,055</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Total other financing sources (uses)	<u>-</u>
Net change in fund balances	3,055
Fund balances - beginning	143,071
Fund balances - ending	<u>\$ 146,126</u>

City of Ukiah, California  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Summary  
Nonmajor Governmental Funds (cont)  
Year Ended June 30, 2020

	Special revenue funds	Capital projects funds	Permanent funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Business license tax	\$ 22,168	\$ -	\$ -	\$ 22,168
Grants contributions and donations	113,327	2,880,540	-	2,993,867
Intergovernmental	2,606,400	421	-	2,606,821
Use of money and property	847,741	13,952	3,794	865,487
Miscellaneous	191,063	-	-	191,063
Total revenues	<u>3,780,699</u>	<u>2,894,913</u>	<u>3,794</u>	<u>6,679,406</u>
<b>EXPENDITURES</b>				
Current:				
General government	119	814	-	933
Public safety	381,520	-	-	381,520
Housing and community development	254,735	-	-	254,735
Public works	43,964	19,727	-	63,691
Parks, buildings, and grounds	-	117	739	856
Recreation and culture	236,810	13,380	-	250,190
Economic development and redevelopment	200,300	-	-	200,300
Debt service:				
Capital outlay:				
Public safety	14,337	-	-	14,337
Housing and community development	1,447,910	-	-	1,447,910
Public works	822,706	3,024,006	-	3,846,712
Recreation and culture	-	76,327	-	76,327
Total expenditures	<u>3,402,401</u>	<u>3,134,371</u>	<u>739</u>	<u>6,537,511</u>
Excess (deficiency) of revenues over expenditures	<u>378,298</u>	<u>(239,458)</u>	<u>3,055</u>	<u>141,895</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,597,152	-	-	1,597,152
Transfers out	(2,251,627)	(82,538)	-	(2,334,165)
Total other financing sources (uses)	<u>(654,475)</u>	<u>(82,538)</u>	<u>-</u>	<u>(737,013)</u>
Net change in fund balances	(276,177)	(321,996)	3,055	(595,118)
Fund balances - beginning	10,699,654	1,217,994	143,071	12,060,719
Fund balances - ending	<u>\$ 10,423,477</u>	<u>\$ 895,998</u>	<u>\$ 146,126</u>	<u>\$ 11,465,601</u>

# Governmental Fund Budget Comparisons

City of Ukiah, California  
 City Housing Bond Proceeds  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
Housing and community development	500,000	500,000	-	500,000
Total current	500,000	500,000	-	500,000
Capital outlay:				
Housing and community development	-	-	1,447,910	(1,447,910)
Total capital outlay	-	-	1,447,910	(1,447,910)
Total expenditures	500,000	500,000	1,447,910	(947,910)
Excess (deficiency) of revenues over expenditures	(500,000)	(500,000)	(1,447,910)	(947,910)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	1,447,910	1,447,910
Total other financing sources (uses)	-	-	1,447,910	1,447,910
Net change in fund balances	(500,000)	(500,000)	-	500,000
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ (500,000)	\$ (500,000)	\$ -	\$ 500,000



City of Ukiah, California  
Special Revenue Fund  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 389	\$ 389	\$ 389	\$ -
Miscellaneous	-	-	-	-
Total revenues	<u>389</u>	<u>389</u>	<u>389</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
General government	99	99	119	(20)
Public works	-	-	1,026	(1,026)
Total current	<u>99</u>	<u>99</u>	<u>1,145</u>	<u>(1,046)</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>99</u>	<u>99</u>	<u>1,145</u>	<u>(1,046)</u>
Excess (deficiency) of revenues over expenditures	<u>290</u>	<u>290</u>	<u>(756)</u>	<u>(1,046)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	290	290	(756)	(1,046)
Fund balances - beginning	15,057	15,057	15,057	-
Fund balances - ending	<u>\$ 15,347</u>	<u>\$ 15,347</u>	<u>\$ 14,301</u>	<u>\$ (1,046)</u>

City of Ukiah, California  
 Prop 172  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 63,100	\$ 63,100	\$ 96,264	\$ 33,164
Use of money and property	120	120	1,455	1,335
Miscellaneous	-	-	-	-
Total revenues	63,220	63,220	97,719	34,499
<b>EXPENDITURES</b>				
Current:				
Public safety	89,731	436,697	29,204	407,493
Total current	89,731	436,697	29,204	407,493
Capital outlay:				
Public safety	15,000	15,000	14,337	663
Total capital outlay	15,000	15,000	14,337	663
Total expenditures	104,731	451,697	43,541	408,156
Excess (deficiency) of revenues over expenditures	(41,511)	(388,477)	54,178	442,655
<b>OTHER FINANCING SOURCES (USES)</b>				
Debt proceeds	-	346,966	-	(346,966)
Total other financing sources (uses)	-	346,966	-	(346,966)
Net change in fund balances	(41,511)	(41,511)	54,178	95,689
Fund balances - beginning	16,391	16,391	16,391	-
Fund balances - ending	\$ (25,120)	\$ (25,120)	\$ 70,569	\$ 95,689

City of Ukiah, California  
Museum Grant Fund  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 95,495	\$ 95,495
Use of money and property	1	1	2,113	2,112
Miscellaneous	-	-	-	-
Total revenues	<u>1</u>	<u>1</u>	<u>97,608</u>	<u>97,607</u>
<b>EXPENDITURES</b>				
Current:				
Total current	-	-	-	-
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	<u>1</u>	<u>1</u>	<u>97,608</u>	<u>97,607</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	(83,307)	(83,307)
Total other financing sources (uses)	-	-	(83,307)	(83,307)
Net change in fund balances	1	1	14,301	14,300
Fund balances - beginning	(14,281)	(14,281)	(14,281)	-
Fund balances - ending	<u>\$ (14,280)</u>	<u>\$ (14,280)</u>	<u>\$ 20</u>	<u>\$ 14,300</u>

City of Ukiah, California  
ARRC  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 85,075	\$ 85,075	\$ 67,241	\$ (17,834)
Miscellaneous	20,000	20,000	20,004	4
Total revenues	<u>105,075</u>	<u>105,075</u>	<u>87,245</u>	<u>(17,830)</u>
<b>EXPENDITURES</b>				
Current:				
Recreation and culture	106,417	106,417	88,968	17,449
Total current	<u>106,417</u>	<u>106,417</u>	<u>88,968</u>	<u>17,449</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>106,417</u>	<u>106,417</u>	<u>88,968</u>	<u>17,449</u>
Excess (deficiency) of revenues over expenditures	<u>(1,342)</u>	<u>(1,342)</u>	<u>(1,723)</u>	<u>(381)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,342)	(1,342)	(1,723)	(381)
Fund balances - beginning	(44,467)	(44,467)	(44,467)	-
Fund balances - ending	<u>\$ (45,809)</u>	<u>\$ (45,809)</u>	<u>\$ (46,190)</u>	<u>\$ (381)</u>

City of Ukiah, California  
Downtown Business Improvement  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Business license tax	\$ 20,562	\$ 20,562	\$ 22,168	\$ 1,606
Use of money and property	39	39	55	16
Miscellaneous	-	-	-	-
Total revenues	<u>20,601</u>	<u>20,601</u>	<u>22,223</u>	<u>1,622</u>
<b>EXPENDITURES</b>				
Current:				
Economic development and redevelopment	20,601	20,601	25,392	(4,791)
Total current	<u>20,601</u>	<u>20,601</u>	<u>25,392</u>	<u>(4,791)</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>20,601</u>	<u>20,601</u>	<u>25,392</u>	<u>(4,791)</u>
Excess (deficiency) of revenues over expenditures	-	-	(3,169)	(3,169)
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	(3,169)	(3,169)
Fund balances - beginning	(4,656)	(4,656)	(4,656)	-
Fund balances - ending	<u>\$ (4,656)</u>	<u>\$ (4,656)</u>	<u>\$ (7,825)</u>	<u>\$ (3,169)</u>

City of Ukiah, California  
 Low-Mod Income Housing Fund (LMIHF)  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 42,756	\$ 42,756	\$ 134,995	\$ 92,239
Miscellaneous	-	-	-	-
Total revenues	<u>42,756</u>	<u>42,756</u>	<u>134,995</u>	<u>92,239</u>
<b>EXPENDITURES</b>				
Current:				
Housing and community development	531,935	531,935	1,046	530,889
Total current	<u>531,935</u>	<u>531,935</u>	<u>1,046</u>	<u>530,889</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>531,935</u>	<u>531,935</u>	<u>1,046</u>	<u>530,889</u>
Excess (deficiency) of revenues over expenditures	<u>(489,179)</u>	<u>(489,179)</u>	<u>133,949</u>	<u>623,128</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	(1,447,910)	(1,447,910)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,447,910)</u>	<u>(1,447,910)</u>
Net change in fund balances	(489,179)	(489,179)	(1,313,961)	(824,782)
Fund balances - beginning	6,984,137	6,984,137	6,984,137	-
Fund balances - ending	<u>\$ 6,494,958</u>	<u>\$ 6,494,958</u>	<u>\$ 5,670,176</u>	<u>\$ (824,782)</u>

City of Ukiah, California  
 Winter Special Events  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 70	\$ 70	\$ -	\$ (70)
Miscellaneous	146,000	146,000	131,346	(14,654)
Total revenues	146,070	146,070	131,346	(14,724)
<b>EXPENDITURES</b>				
Current:				
Recreation and culture	144,960	144,960	147,842	(2,882)
Total current	144,960	144,960	147,842	(2,882)
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	144,960	144,960	147,842	(2,882)
Excess (deficiency) of revenues over expenditures	1,110	1,110	(16,496)	(17,606)
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	1,110	1,110	(16,496)	(17,606)
Fund balances - beginning	3,860	3,860	3,860	-
Fund balances - ending	\$ 4,970	\$ 4,970	\$ (12,636)	\$ (17,606)

City of Ukiah, California  
 Advanced Planning  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 160,000	\$ -	\$ (160,000)
Use of money and property	250	250	7,802	7,552
Miscellaneous	-	-	-	-
Total revenues	250	160,250	7,802	(152,448)
<b>EXPENDITURES</b>				
Current:				
Housing and community development	64	551,250	134,909	416,341
Total current	64	551,250	134,909	416,341
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	64	551,250	134,909	416,341
Excess (deficiency) of revenues over expenditures	186	(391,000)	(127,107)	263,893
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	186	(391,000)	(127,107)	263,893
Fund balances - beginning	366,687	366,687	366,687	-
Fund balances - ending	\$ 366,873	\$ (24,313)	\$ 239,580	\$ 263,893



City of Ukiah, California  
Highway User Tax (Gas Tax)  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 702,846	\$ 702,846	\$ 664,350	\$ (38,496)
Use of money and property	815	815	5	(810)
Miscellaneous	-	-	-	-
Total revenues	<u>703,661</u>	<u>703,661</u>	<u>664,355</u>	<u>(39,306)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	64,267	8,395	9,828	(1,433)
Total current	<u>64,267</u>	<u>8,395</u>	<u>9,828</u>	<u>(1,433)</u>
Capital outlay:				
Public works	300,000	2,243,083	790,942	1,452,141
Total capital outlay	<u>300,000</u>	<u>2,243,083</u>	<u>790,942</u>	<u>1,452,141</u>
Total expenditures	<u>364,267</u>	<u>2,251,478</u>	<u>800,770</u>	<u>1,450,708</u>
Excess (deficiency) of revenues over expenditures	<u>339,394</u>	<u>(1,547,817)</u>	<u>(136,415)</u>	<u>1,411,402</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(304,000)	(304,000)	(4,000)	300,000
Total other financing sources (uses)	<u>(304,000)</u>	<u>(304,000)</u>	<u>(4,000)</u>	<u>300,000</u>
Net change in fund balances	35,394	(1,851,817)	(140,415)	1,711,402
Fund balances - beginning	95,659	95,659	95,659	-
Fund balances - ending	<u>\$ 131,053</u>	<u>\$ (1,756,158)</u>	<u>\$ (44,756)</u>	<u>\$ 1,711,402</u>

City of Ukiah, California  
Signalization  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 1,197	\$ 1,197	\$ 9,289	\$ 8,092
Miscellaneous	-	-	16,208	16,208
Total revenues	<u>1,197</u>	<u>1,197</u>	<u>25,497</u>	<u>24,300</u>
<b>EXPENDITURES</b>				
Current:				
Public works	3,599	3,599	366	3,233
Total current	<u>3,599</u>	<u>3,599</u>	<u>366</u>	<u>3,233</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>3,599</u>	<u>3,599</u>	<u>366</u>	<u>3,233</u>
Excess (deficiency) of revenues over expenditures	<u>(2,402)</u>	<u>(2,402)</u>	<u>25,131</u>	<u>27,533</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(2,402)	(2,402)	25,131	27,533
Fund balances - beginning	354,169	354,169	354,169	-
Fund balances - ending	<u>\$ 351,767</u>	<u>\$ 351,767</u>	<u>\$ 379,300</u>	<u>\$ 27,533</u>

City of Ukiah, California  
1998 STIP Augmentation  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Grants contributions and donations	\$ -	\$ -	\$ 201	\$ 201
Intergovernmental	532,000	532,000	112,000	(420,000)
Miscellaneous	-	-	-	-
Total revenues	532,000	532,000	112,201	(419,799)
<b>EXPENDITURES</b>				
Current:				
Public works	-	-	225	(225)
Total current	-	-	225	(225)
Capital outlay:				
Public works	532,000	532,000	-	532,000
Total capital outlay	532,000	532,000	-	532,000
Total expenditures	532,000	532,000	225	531,775
Excess (deficiency) of revenues over expenditures	-	-	111,976	111,976
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	111,976	111,976
Fund balances - beginning	(112,000)	(112,000)	(112,000)	-
Fund balances - ending	\$ (112,000)	\$ (112,000)	\$ (24)	\$ 111,976

City of Ukiah, California  
 SB 325 Reimbursement  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 35,000	\$ 221,828	\$ 186,828
Use of money and property	87	87	2,671	2,584
Miscellaneous	-	-	-	-
Total revenues	<u>87</u>	<u>35,087</u>	<u>224,499</u>	<u>189,412</u>
<b>EXPENDITURES</b>				
Current:				
Public works	22	35,022	30,284	4,738
Total current	<u>22</u>	<u>35,022</u>	<u>30,284</u>	<u>4,738</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>22</u>	<u>35,022</u>	<u>30,284</u>	<u>4,738</u>
Excess (deficiency) of revenues over expenditures	<u>65</u>	<u>65</u>	<u>194,215</u>	<u>194,150</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	65	65	194,215	194,150
Fund balances - beginning	(115,472)	(115,472)	(115,472)	-
Fund balances - ending	<u>\$ (115,407)</u>	<u>\$ (115,407)</u>	<u>\$ 78,743</u>	<u>\$ 194,150</u>

City of Ukiah, California  
S.T.P.  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 72,000	\$ 72,000	\$ 1,047,044	\$ 975,044
Use of money and property	-	-	5,377	5,377
Miscellaneous	-	-	-	-
Total revenues	72,000	72,000	1,052,421	980,421
<b>EXPENDITURES</b>				
Current:				
Total current	-	-	-	-
Capital outlay:				
Public works	72,000	148,741	31,764	116,977
Total capital outlay	72,000	148,741	31,764	116,977
Total expenditures	72,000	148,741	31,764	116,977
Excess (deficiency) of revenues over expenditures	-	(76,741)	1,020,657	1,097,398
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(76,741)	1,020,657	1,097,398
Fund balances - beginning	(803,801)	(803,801)	(803,801)	-
Fund balances - ending	\$ (803,801)	\$ (880,542)	\$ 216,856	\$ 1,097,398

City of Ukiah, California  
 Trans-Traffic Congestion Relief  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 67	\$ 67	\$ -	\$ (67)
Miscellaneous	-	-	-	-
Total revenues	<u>67</u>	<u>67</u>	<u>-</u>	<u>(67)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	17	17	20	(3)
Total current	<u>17</u>	<u>17</u>	<u>20</u>	<u>(3)</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>17</u>	<u>17</u>	<u>20</u>	<u>(3)</u>
Excess (deficiency) of revenues over expenditures	50	50	(20)	(70)
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	50	50	(20)	(70)
Fund balances - beginning	(478,639)	(478,639)	(478,639)	-
Fund balances - ending	<u>\$ (478,589)</u>	<u>\$ (478,589)</u>	<u>\$ (478,659)</u>	<u>\$ (70)</u>

City of Ukiah, California  
 CDBG Program Income  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Grants contributions and donations	\$ 175,000	\$ 175,000	\$ 113,126	\$ (61,874)
Use of money and property	63,175	63,175	42,686	(20,489)
Miscellaneous	-	-	23,505	23,505
Total revenues	238,175	238,175	179,317	(58,858)
<b>EXPENDITURES</b>				
Current:				
Housing and community development	153,211	294,458	118,752	175,706
Economic development and redevelopment	-	25,000	11,500	13,500
Total current	153,211	319,458	130,252	189,206
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	153,211	319,458	130,252	189,206
Excess (deficiency) of revenues over expenditures	84,964	(81,283)	49,065	130,348
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	84,964	(81,283)	49,065	130,348
Fund balances - beginning	453,178	453,178	453,178	-
Fund balances - ending	\$ 538,142	\$ 371,895	\$ 502,243	\$ 130,348

City of Ukiah, California  
HOME Program Income  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Grants contributions and donations	\$ 487,500	\$ 487,500	\$ -	\$ (487,500)
Intergovernmental	-	5,100,000	-	(5,100,000)
Use of money and property	118,048	118,048	152,573	34,525
Miscellaneous	-	-	-	-
Total revenues	<u>605,548</u>	<u>5,705,548</u>	<u>152,573</u>	<u>(5,552,975)</u>
<b>EXPENDITURES</b>				
Current:				
Housing and community development	604,642	5,704,642	28	5,704,614
Total current	<u>604,642</u>	<u>5,704,642</u>	<u>28</u>	<u>5,704,614</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>604,642</u>	<u>5,704,642</u>	<u>28</u>	<u>5,704,614</u>
Excess (deficiency) of revenues over expenditures	<u>906</u>	<u>906</u>	<u>152,545</u>	<u>151,639</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	906	906	152,545	151,639
Fund balances - beginning	2,619,594	2,619,594	2,619,594	-
Fund balances - ending	<u>\$ 2,620,500</u>	<u>\$ 2,620,500</u>	<u>\$ 2,772,139</u>	<u>\$ 151,639</u>



City of Ukiah, California  
 Asset Seizure  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 45,000	\$ 45,000	\$ 50,792	\$ 5,792
Use of money and property	163	163	2,430	2,267
Miscellaneous	-	-	-	-
Total revenues	45,163	45,163	53,222	8,059
<b>EXPENDITURES</b>				
Current:				
Public safety	45,042	61,494	45,615	15,879
Total current	45,042	61,494	45,615	15,879
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	45,042	61,494	45,615	15,879
Excess (deficiency) of revenues over expenditures	121	(16,331)	7,607	23,938
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	121	(16,331)	7,607	23,938
Fund balances - beginning	90,910	90,910	90,910	-
Fund balances - ending	\$ 91,031	\$ 74,579	\$ 98,517	\$ 23,938

City of Ukiah, California  
 Sup. Law Enforcement Svc. (SLESF)  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 125,000	\$ 125,000	\$ 193,627	\$ 68,627
Use of money and property	53	53	4,534	4,481
Miscellaneous	-	-	-	-
Total revenues	125,053	125,053	198,161	73,108
<b>EXPENDITURES</b>				
Current:				
Public safety	113,049	113,049	101,801	11,248
Total current	113,049	113,049	101,801	11,248
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	113,049	113,049	101,801	11,248
Excess (deficiency) of revenues over expenditures	12,004	12,004	96,360	84,356
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	12,004	12,004	96,360	84,356
Fund balances - beginning	84,595	84,595	84,595	-
Fund balances - ending	\$ 96,599	\$ 96,599	\$ 180,955	\$ 84,356

City of Ukiah, California  
 Community-Based Transitional Housing  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 4,010	\$ 4,010	\$ 17,888	\$ 13,878
Miscellaneous	-	-	-	-
Total revenues	<u>4,010</u>	<u>4,010</u>	<u>17,888</u>	<u>13,878</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	204,350	204,350	188,879	15,471
Total current	<u>204,350</u>	<u>204,350</u>	<u>188,879</u>	<u>15,471</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>204,350</u>	<u>204,350</u>	<u>188,879</u>	<u>15,471</u>
Excess (deficiency) of revenues over expenditures	<u>(200,340)</u>	<u>(200,340)</u>	<u>(170,991)</u>	<u>29,349</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(200,340)	(200,340)	(170,991)	29,349
Fund balances - beginning	855,379	855,379	855,379	-
Fund balances - ending	<u>\$ 655,039</u>	<u>\$ 655,039</u>	<u>\$ 684,388</u>	<u>\$ 29,349</u>

City of Ukiah, California  
 Asset Forfeiture 11470.2 H&S  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 31,250	\$ 31,250
Use of money and property	162	162	1,764	1,602
Miscellaneous	-	-	-	-
Total revenues	162	162	33,014	32,852
<b>EXPENDITURES</b>				
Current:				
Public safety	25,041	25,041	16,021	9,020
Total current	25,041	25,041	16,021	9,020
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	25,041	25,041	16,021	9,020
Excess (deficiency) of revenues over expenditures	(24,879)	(24,879)	16,993	41,872
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(24,879)	(24,879)	16,993	41,872
Fund balances - beginning	50,525	50,525	50,525	-
Fund balances - ending	\$ 25,646	\$ 25,646	\$ 67,518	\$ 41,872

City of Ukiah, California  
Special Revenue - Police  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 125,000	\$ 125,000	\$ 93,750	\$ (31,250)
Use of money and property	-	-	584	584
Miscellaneous	-	-	-	-
Total revenues	125,000	125,000	94,334	(30,666)
<b>EXPENDITURES</b>				
Current:				
Public safety	8	8	-	8
Total current	8	8	-	8
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	8	8	-	8
Excess (deficiency) of revenues over expenditures	124,992	124,992	94,334	(30,658)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(125,000)	(125,000)	(93,750)	31,250
Total other financing sources (uses)	(125,000)	(125,000)	(93,750)	31,250
Net change in fund balances	(8)	(8)	584	592
Fund balances - beginning	2,359	2,359	2,359	-
Fund balances - ending	\$ 2,351	\$ 2,351	\$ 2,943	\$ 592

City of Ukiah, California  
Museum  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
Total current	-	-	-	-
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	5,117	5,117
Total other financing sources (uses)	-	-	5,117	5,117
Net change in fund balances	-	-	5,117	5,117
Fund balances - beginning	(5,117)	(5,117)	(5,117)	-
Fund balances - ending	\$ (5,117)	\$ (5,117)	\$ -	\$ 5,117

City of Ukiah, California  
 Transfer Station  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 405,567	\$ 405,567	\$ 392,618	\$ (12,949)
Miscellaneous	-	-	-	-
Total revenues	<u>405,567</u>	<u>405,567</u>	<u>392,618</u>	<u>(12,949)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	24	2,509	2,215	294
Total current	<u>24</u>	<u>2,509</u>	<u>2,215</u>	<u>294</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>24</u>	<u>2,509</u>	<u>2,215</u>	<u>294</u>
Excess (deficiency) of revenues over expenditures	<u>405,543</u>	<u>403,058</u>	<u>390,403</u>	<u>(12,655)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(405,473)	(405,473)	(428,005)	(22,532)
Total other financing sources (uses)	<u>(405,473)</u>	<u>(405,473)</u>	<u>(428,005)</u>	<u>(22,532)</u>
Net change in fund balances	70	(2,415)	(37,602)	(35,187)
Fund balances - beginning	72,921	72,921	72,921	-
Fund balances - ending	<u>\$ 72,991</u>	<u>\$ 70,506</u>	<u>\$ 35,319</u>	<u>\$ (35,187)</u>

City of Ukiah, California  
 Visit Ukiah  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 1,272	\$ 1,272
Miscellaneous	-	-	-	-
Total revenues	-	-	1,272	1,272
<b>EXPENDITURES</b>				
Current:				
Economic development and redevelopment	151,548	151,548	163,408	(11,860)
Total current	151,548	151,548	163,408	(11,860)
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	151,548	151,548	163,408	(11,860)
Excess (deficiency) of revenues over expenditures	(151,548)	(151,548)	(162,136)	(10,588)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	145,000	145,000	144,125	(875)
Transfers out	-	-	(194,655)	(194,655)
Total other financing sources (uses)	145,000	145,000	(50,530)	(195,530)
Net change in fund balances	(6,548)	(6,548)	(212,666)	(206,118)
Fund balances - beginning	212,666	212,666	212,666	-
Fund balances - ending	\$ 206,118	\$ 206,118	\$ -	\$ (206,118)



City of Ukiah, California  
 Equipment Reserve  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 870	\$ 870	\$ 12,030	\$ 11,160
Miscellaneous	-	-	-	-
Total revenues	<u>870</u>	<u>870</u>	<u>12,030</u>	<u>11,160</u>
<b>EXPENDITURES</b>				
Current:				
General government	221	221	266	(45)
Total current	<u>221</u>	<u>221</u>	<u>266</u>	<u>(45)</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>221</u>	<u>221</u>	<u>266</u>	<u>(45)</u>
Excess (deficiency) of revenues over expenditures	<u>649</u>	<u>649</u>	<u>11,764</u>	<u>11,115</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	(82,538)	(82,538)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(82,538)</u>	<u>(82,538)</u>
Net change in fund balances	649	649	(70,774)	(71,423)
Fund balances - beginning	451,598	451,598	451,598	-
Fund balances - ending	<u>\$ 452,247</u>	<u>\$ 452,247</u>	<u>\$ 380,824</u>	<u>\$ (71,423)</u>

City of Ukiah, California  
Special Projects Reserve  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 1,793	\$ 1,793	\$ (1)	\$ (1,794)
Miscellaneous	-	-	-	-
Total revenues	<u>1,793</u>	<u>1,793</u>	<u>(1)</u>	<u>(1,794)</u>
<b>EXPENDITURES</b>				
Current:				
General government	456	456	548	(92)
Recreation and culture	-	40,120	12,530	27,590
Total current	<u>456</u>	<u>40,576</u>	<u>13,078</u>	<u>27,498</u>
Capital outlay:				
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>456</u>	<u>40,576</u>	<u>13,078</u>	<u>27,498</u>
Excess (deficiency) of revenues over expenditures	<u>1,337</u>	<u>(38,783)</u>	<u>(13,079)</u>	<u>25,704</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,337	(38,783)	(13,079)	25,704
Fund balances - beginning	921,602	921,602	921,602	-
Fund balances - ending	<u>\$ 922,939</u>	<u>\$ 882,819</u>	<u>\$ 908,523</u>	<u>\$ 25,704</u>

City of Ukiah, California  
 Park Development Fees  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 78	\$ 78	\$ 792	\$ 714
Miscellaneous	-	-	-	-
Total revenues	<u>78</u>	<u>78</u>	<u>792</u>	<u>714</u>
<b>EXPENDITURES</b>				
Current:				
Parks, buildings, and grounds	-	-	24	(24)
Recreation and culture	20	20	-	20
Total current	<u>20</u>	<u>20</u>	<u>24</u>	<u>(4)</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>20</u>	<u>20</u>	<u>24</u>	<u>(4)</u>
Excess (deficiency) of revenues over expenditures	<u>58</u>	<u>58</u>	<u>768</u>	<u>710</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	58	58	768	710
Fund balances - beginning	29,799	29,799	29,799	-
Fund balances - ending	<u>\$ 29,857</u>	<u>\$ 29,857</u>	<u>\$ 30,567</u>	<u>\$ 710</u>

City of Ukiah, California  
Anton Stadium  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 84	\$ 84	\$ 439	\$ 355
Miscellaneous	-	-	-	-
Total revenues	84	84	439	355
<b>EXPENDITURES</b>				
Current:				
Parks, buildings, and grounds	21	21	26	(5)
Total current	21	21	26	(5)
Capital outlay:				
Recreation and culture	-	22,167	20,075	2,092
Total capital outlay	-	22,167	20,075	2,092
Total expenditures	21	22,188	20,101	2,087
Excess (deficiency) of revenues over expenditures	63	(22,104)	(19,662)	2,442
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	63	(22,104)	(19,662)	2,442
Fund balances - beginning	33,186	33,186	33,186	-
Fund balances - ending	\$ 33,249	\$ 11,082	\$ 13,524	\$ 2,442

City of Ukiah, California  
 Observatory Park  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 29	\$ 29	\$ 67	\$ 38
Miscellaneous	-	-	-	-
Total revenues	<u>29</u>	<u>29</u>	<u>67</u>	<u>38</u>
<b>EXPENDITURES</b>				
Current:				
Parks, buildings, and grounds	-	-	9	(9)
Recreation and culture	7	7	850	(843)
Total current	<u>7</u>	<u>7</u>	<u>859</u>	<u>(852)</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>7</u>	<u>7</u>	<u>859</u>	<u>(852)</u>
Excess (deficiency) of revenues over expenditures	<u>22</u>	<u>22</u>	<u>(792)</u>	<u>(814)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	22	22	(792)	(814)
Fund balances - beginning	3,252	3,252	3,252	-
Fund balances - ending	<u>\$ 3,274</u>	<u>\$ 3,274</u>	<u>\$ 2,460</u>	<u>\$ (814)</u>

City of Ukiah, California  
 Playground & Park Amenities  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 7	\$ 7	\$ 70	\$ 63
Miscellaneous	-	-	-	-
Total revenues	<u>7</u>	<u>7</u>	<u>70</u>	<u>63</u>
<b>EXPENDITURES</b>				
Current:				
Parks, buildings, and grounds	2	2	2	-
Total current	<u>2</u>	<u>2</u>	<u>2</u>	<u>-</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>2</u>	<u>2</u>	<u>2</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	5	5	68	63
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	5	5	68	63
Fund balances - beginning	2,605	2,605	2,605	-
Fund balances - ending	<u>\$ 2,610</u>	<u>\$ 2,610</u>	<u>\$ 2,673</u>	<u>\$ 63</u>

City of Ukiah, California  
Swimming Pool  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 421	\$ 421
Use of money and property	22	22	14	(8)
Miscellaneous	-	-	-	-
Total revenues	<u>22</u>	<u>22</u>	<u>435</u>	<u>413</u>
<b>EXPENDITURES</b>				
Current:				
Parks, buildings, and grounds	6	6	7	(1)
Total current	<u>6</u>	<u>6</u>	<u>7</u>	<u>(1)</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>6</u>	<u>6</u>	<u>7</u>	<u>(1)</u>
Excess (deficiency) of revenues over expenditures	<u>16</u>	<u>16</u>	<u>428</u>	<u>412</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	16	16	428	412
Fund balances - beginning	(136,187)	(136,187)	(136,187)	-
Fund balances - ending	<u>\$ (136,171)</u>	<u>\$ (136,171)</u>	<u>\$ (135,759)</u>	<u>\$ 412</u>

City of Ukiah, California  
Riverside Park  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Grants contributions and donations	\$ 1,063,700	\$ 1,063,700	\$ 58,578	\$ (1,005,122)
Use of money and property	53	53	58	5
Miscellaneous	-	-	-	-
Total revenues	<u>1,063,753</u>	<u>1,063,753</u>	<u>58,636</u>	<u>(1,005,117)</u>
<b>EXPENDITURES</b>				
Current:				
Parks, buildings, and grounds	-	-	34	(34)
Recreation and culture	13	13	-	13
Total current	<u>13</u>	<u>13</u>	<u>34</u>	<u>(21)</u>
Capital outlay:				
Recreation and culture	882,457	1,086,103	56,252	1,029,851
Total capital outlay	<u>882,457</u>	<u>1,086,103</u>	<u>56,252</u>	<u>1,029,851</u>
Total expenditures	<u>882,470</u>	<u>1,086,116</u>	<u>56,286</u>	<u>1,029,830</u>
Excess (deficiency) of revenues over expenditures	<u>181,283</u>	<u>(22,363)</u>	<u>2,350</u>	<u>24,713</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	181,283	(22,363)	2,350	24,713
Fund balances - beginning	(7,086)	(7,086)	(7,086)	-
Fund balances - ending	<u>\$ 174,197</u>	<u>\$ (29,449)</u>	<u>\$ (4,736)</u>	<u>\$ 24,713</u>



City of Ukiah, California  
 Skate Park  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 30	\$ 30	\$ 306	\$ 276
Miscellaneous	-	-	-	-
Total revenues	<u>30</u>	<u>30</u>	<u>306</u>	<u>276</u>
<b>EXPENDITURES</b>				
Current:				
Parks, buildings, and grounds	8	8	9	(1)
Total current	<u>8</u>	<u>8</u>	<u>9</u>	<u>(1)</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>8</u>	<u>8</u>	<u>9</u>	<u>(1)</u>
Excess (deficiency) of revenues over expenditures	<u>22</u>	<u>22</u>	<u>297</u>	<u>275</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	22	22	297	275
Fund balances - beginning	11,545	11,545	11,545	-
Fund balances - ending	<u>\$ 11,567</u>	<u>\$ 11,567</u>	<u>\$ 11,842</u>	<u>\$ 275</u>

City of Ukiah, California  
 Softball Complex  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 18	\$ 18	\$ 177	\$ 159
Miscellaneous	-	-	-	-
Total revenues	<u>18</u>	<u>18</u>	<u>177</u>	<u>159</u>
<b>EXPENDITURES</b>				
Current:				
Parks, buildings, and grounds	5	5	6	(1)
Total current	<u>5</u>	<u>5</u>	<u>6</u>	<u>(1)</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>5</u>	<u>5</u>	<u>6</u>	<u>(1)</u>
Excess (deficiency) of revenues over expenditures	13	13	171	158
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	13	13	171	158
Fund balances - beginning	6,638	6,638	6,638	-
Fund balances - ending	<u>\$ 6,651</u>	<u>\$ 6,651</u>	<u>\$ 6,809</u>	<u>\$ 158</u>

City of Ukiah, California  
 Rail Trail  
 Schedule of Revenue, Expenditures, and Change in Fund Balances  
 Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Grants contributions and donations	\$ 2,575,740	\$ 2,575,740	\$ 2,821,962	\$ 246,222
Miscellaneous	-	-	-	-
Total revenues	<u>2,575,740</u>	<u>2,575,740</u>	<u>2,821,962</u>	<u>246,222</u>
<b>EXPENDITURES</b>				
Current:				
Public works	105,781	105,781	19,727	86,054
Total current	<u>105,781</u>	<u>105,781</u>	<u>19,727</u>	<u>86,054</u>
Capital outlay:				
Public works	2,443,997	3,319,295	3,024,006	295,289
Total capital outlay	<u>2,443,997</u>	<u>3,319,295</u>	<u>3,024,006</u>	<u>295,289</u>
Total expenditures	<u>2,549,778</u>	<u>3,425,076</u>	<u>3,043,733</u>	<u>381,343</u>
Excess (deficiency) of revenues over expenditures	25,962	(849,336)	(221,771)	627,565
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	25,962	(849,336)	(221,771)	627,565
Fund balances - beginning	(98,958)	(98,958)	(98,958)	-
Fund balances - ending	<u>\$ (72,996)</u>	<u>\$ (948,294)</u>	<u>\$ (320,729)</u>	<u>\$ 627,565</u>

City of Ukiah, California  
Riparian Corridor Enhancement  
Schedule of Revenue, Expenditures, and Change in Fund Balances  
Budget and Actual

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 2,418	\$ 2,418	\$ 3,794	\$ 1,376
Miscellaneous	-	-	-	-
Total revenues	<u>2,418</u>	<u>2,418</u>	<u>3,794</u>	<u>1,376</u>
<b>EXPENDITURES</b>				
Current:				
Parks, buildings, and grounds	615	615	739	(124)
Total current	<u>615</u>	<u>615</u>	<u>739</u>	<u>(124)</u>
Capital outlay:				
Total capital outlay	-	-	-	-
Total expenditures	<u>615</u>	<u>615</u>	<u>739</u>	<u>(124)</u>
Excess (deficiency) of revenues over expenditures	<u>1,803</u>	<u>1,803</u>	<u>3,055</u>	<u>1,252</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,803	1,803	3,055	1,252
Fund balances - beginning	143,071	143,071	143,071	-
Fund balances - ending	<u>\$ 144,874</u>	<u>\$ 144,874</u>	<u>\$ 146,126</u>	<u>\$ 1,252</u>

## Combining Nonmajor Enterprise funds

<b>Parking District #1</b>	The Parking District #1 Fund is used to account for the operating activities of the City's parking district.
<b>Ambulance Services</b>	The Ambulance Services fund is used to account for resources and activities of the Ukiah Valley Fire Authority in providing ambulatory services.
<b>Golf</b>	The Golf Fund is issued to account for activities related to the City's municipal golf course, which is managed by a contracted, private vendor.
<b>Conference Center</b>	The Conference Center Fund is used to account for activities of the Ukiah Valley Conference Center.
<b>Airport</b>	The Airport Fund is the primary fund used to account for the operating activities of the City's municipal airport.
<b>Street Lighting</b>	The Street Lighting Fund is used to account for resources accumulated for street light operation, maintenance and capital planning.

City of Ukiah, California  
Combining Statement of Net Position  
Nonmajor Enterprise Funds  
June 30, 2020

	Parking District	Ambulance Services	Golf	Conference Center	Airport	Street Lighting	Total Nonmajor Enterprise funds
<b>ASSETS</b>							
Current assets:							
Cash and investments	\$ 7,885	\$ 20,705	\$ 86,170	\$ 132	\$ 282,242	\$ 26,523	\$ 423,657
Accounts receivable	12,956	-	6,500	460	11,689	24,776	56,381
Interest receivable	-	6	175	-	329	25	535
Grants and subventions receivable	-	-	-	-	2,461,200	-	2,461,200
Total current assets	<u>20,841</u>	<u>20,711</u>	<u>92,845</u>	<u>592</u>	<u>2,755,460</u>	<u>51,324</u>	<u>2,941,773</u>
Noncurrent assets:							
Notes receivable	-	-	12,000	-	-	-	12,000
Advances to other funds	-	-	690,704	-	-	-	690,704
Land	183,871	-	965,284	372,750	271,957	-	1,793,862
Construction in progress	-	-	-	-	4,121,465	-	4,121,465
Infrastructure and network	77,682	-	178,259	-	2,130,622	117,736	2,504,299
Buildings and improvements	-	-	414,745	2,294,473	1,833,577	-	4,542,795
Machinery equipment and vehicles	42,876	90,440	-	53,093	650,680	-	837,089
Less accumulated depreciation	(55,851)	-	(577,608)	(1,269,164)	(2,746,159)	(14,292)	(4,663,074)
Total noncurrent assets	<u>248,578</u>	<u>90,440</u>	<u>1,683,384</u>	<u>1,451,152</u>	<u>6,262,142</u>	<u>103,444</u>	<u>9,839,140</u>
Total assets	<u>269,419</u>	<u>111,151</u>	<u>1,776,229</u>	<u>1,451,744</u>	<u>9,017,602</u>	<u>154,768</u>	<u>12,780,913</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Deferred outflow of resources related to pension	-	-	8,932	112,900	152,915	-	274,747
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>8,932</u>	<u>112,900</u>	<u>152,915</u>	<u>-</u>	<u>274,747</u>
Total assets and deferred outflows of resources	<u>\$ 269,419</u>	<u>\$ 111,151</u>	<u>\$ 1,785,161</u>	<u>\$ 1,564,644</u>	<u>\$ 9,170,517</u>	<u>\$ 154,768</u>	<u>\$ 13,055,660</u>
<b>LIABILITIES</b>							
Current liabilities:							
Accounts payable	4,571	176	72,105	7,809	2,720,179	24,451	2,829,291
Accrued payroll liabilities	-	-	1,858	9,465	21,702	-	33,025
Due to other funds	33,690	-	-	56,595	-	-	90,285
Deposits payable	-	-	-	2,162	3,562	-	5,724
Compensated absences - current	-	-	268	1,192	3,084	-	4,544
Long-term obligations - current	-	-	-	-	10,412	-	10,412
Interest payable	-	-	-	-	1,575	-	1,575
Total current liabilities	<u>38,261</u>	<u>176</u>	<u>74,231</u>	<u>77,223</u>	<u>2,760,514</u>	<u>24,451</u>	<u>2,974,856</u>
Noncurrent liabilities:							
Advance from other funds	-	-	930,200	-	-	186,270	1,116,470
Installment obligations	-	-	-	-	159,587	-	159,587
Net pension liability	-	-	59,758	755,347	1,023,066	-	1,838,171
Compensated absences	-	-	2,415	10,730	27,748	-	40,893
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>992,373</u>	<u>766,077</u>	<u>1,210,401</u>	<u>186,270</u>	<u>3,155,121</u>
Total liabilities	<u>38,261</u>	<u>176</u>	<u>1,066,604</u>	<u>843,300</u>	<u>3,970,915</u>	<u>210,721</u>	<u>6,129,977</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred inflow of resources related to pension	-	-	922	11,655	15,785	-	28,362
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>922</u>	<u>11,655</u>	<u>15,785</u>	<u>-</u>	<u>28,362</u>
Total liabilities and deferred inflows of resources	<u>38,261</u>	<u>176</u>	<u>1,067,526</u>	<u>854,955</u>	<u>3,986,700</u>	<u>210,721</u>	<u>6,158,339</u>
<b>NET POSITION</b>							
Net investment in capital assets	248,578	90,440	980,680	1,451,152	6,092,143	103,444	8,966,437
Restricted for:							
Unrestricted	(17,420)	20,535	(263,045)	(741,463)	(908,326)	(159,397)	(2,069,116)
Total net position	<u>\$ 231,158</u>	<u>\$ 110,975</u>	<u>\$ 717,635</u>	<u>\$ 709,689</u>	<u>\$ 5,183,817</u>	<u>\$ (55,953)</u>	<u>\$ 6,897,321</u>

City of Ukiah, California  
Combining Statement of Revenues, expenses, and Changes in Net Position  
Nonmajor Governmental Funds  
Year Ended June 30, 2020

	Parking District	Ambulance Services	Golf	Conference Center	Airport	Street Lighting	Total Enterprise funds
<b>OPERATING REVENUES</b>							
Property tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	35,479	14,441	-	10,087	14,893	188,873	263,773
Licenses and permits	26,744	-	-	-	-	-	26,744
Fines penalties and forfeitures	51,845	-	-	-	-	-	51,845
Facility rental	-	-	40,000	264,707	379,676	-	684,383
Fuel sales	-	-	-	-	835,470	-	835,470
Miscellaneous	-	-	-	-	1,217	-	1,217
Total operating revenues	<u>114,068</u>	<u>14,441</u>	<u>40,000</u>	<u>274,794</u>	<u>1,231,256</u>	<u>188,873</u>	<u>1,863,432</u>
<b>OPERATING EXPENSES</b>							
General and administrative	26,265	-	12,669	50,986	146,071	19,267	255,258
Maintenance and operations	142,467	11,053	235,370	404,960	759,381	125,178	1,678,409
Fuel	-	-	-	-	504,036	-	504,036
Depreciation	2,424	-	2,236	45,889	109,724	2,943	163,216
Total operating expenses	<u>171,156</u>	<u>11,053</u>	<u>250,275</u>	<u>501,835</u>	<u>1,519,212</u>	<u>147,388</u>	<u>2,600,919</u>
Operating income (loss)	<u>(57,088)</u>	<u>3,388</u>	<u>(210,275)</u>	<u>(227,041)</u>	<u>(287,956)</u>	<u>41,485</u>	<u>(737,487)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Property tax	16,815	-	-	-	-	-	16,815
Interest, rent, and concessions	822	49	91,059	-	8,884	519	101,333
Interest expense and fiscal charges	-	-	-	-	(4,199)	-	(4,199)
Total nonoperating revenues (expenses)	<u>17,637</u>	<u>49</u>	<u>91,059</u>	<u>-</u>	<u>4,685</u>	<u>519</u>	<u>113,949</u>
Income (loss) before contributions and transfers	<u>(39,451)</u>	<u>3,437</u>	<u>(119,216)</u>	<u>(227,041)</u>	<u>(283,271)</u>	<u>42,004</u>	<u>(623,538)</u>
Capital contributions	-	25,000	-	-	3,763,385	-	3,788,385
Transfers in	-	82,538	-	-	-	-	82,538
Change in net position	<u>(39,451)</u>	<u>110,975</u>	<u>(119,216)</u>	<u>(227,041)</u>	<u>3,480,114</u>	<u>42,004</u>	<u>3,247,385</u>
Total net position - beginning	270,609	-	836,851	936,730	1,703,703	(97,957)	3,649,936
Total net position - ending	<u>\$ 231,158</u>	<u>\$ 110,975</u>	<u>\$ 717,635</u>	<u>\$ 709,689</u>	<u>\$ 5,183,817</u>	<u>\$ (55,953)</u>	<u>\$ 6,897,321</u>

City of Ukiah, California  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
Year Ended June 30, 2020

	Parking District	Ambulance Services	Golf	Conference Center	Airport	Street Lighting	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Cash receipts from customers	\$ 121,440	\$ 14,441	\$ 33,500	\$ 274,534	\$ 1,281,197	\$ 186,834	\$ 1,911,946
Payments to employees	-	-	(26,671)	(202,023)	(417,710)	(3,959)	(650,363)
Payments to suppliers	(139,178)	(10,877)	(219,455)	(111,335)	(649,070)	(137,348)	(1,267,263)
Payments for interfund services used	(26,265)	-	(12,669)	(50,986)	(146,071)	(19,267)	(255,258)
Net cash provided (used) by operating activities	(44,003)	3,564	(225,295)	(89,810)	68,346	26,260	(260,938)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Principal payments received on loans receivable	-	-	20,500	-	-	-	20,500
Cash received (paid) to other funds	33,690	82,538	182,932	56,595	-	(133)	355,622
Property taxes received	16,815	-	-	-	-	-	16,815
Net cash provided (used) by noncapital financing activities	50,505	82,538	203,432	56,595	-	(133)	392,937
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Capital grants and contributions	-	25,000	-	-	1,332,338	-	1,357,338
Interest paid	-	-	-	-	(4,199)	-	(4,199)
Principal paid on capital and related debt	-	-	-	-	(10,175)	-	(10,175)
Acquisition and construction of capital assets	-	(90,440)	-	-	(1,375,672)	-	(1,466,112)
Net cash provided (used) by capital and related financing activities	-	(65,440)	-	-	(57,708)	-	(123,148)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest received	829	43	923	71	8,990	396	11,252
Net cash provided (used) by investing activities	829	43	923	71	8,990	396	11,252
Net increase (decrease) in cash and cash equivalents	7,331	20,705	(20,940)	(33,144)	19,628	26,523	20,103
Balances - beginning of year	554	-	107,110	33,276	262,614	-	403,554
Balances - end of the year	\$ 7,885	\$ 20,705	\$ 86,170	\$ 132	\$ 282,242	\$ 26,523	\$ 423,657
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>							
Operating Income	\$ (57,088)	\$ 3,388	\$ (210,275)	\$ (227,041)	\$ (287,956)	\$ 41,485	\$ (737,487)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	2,424	-	2,236	45,889	109,724	2,943	163,216
Changes in assets and liabilities:							
Decrease (increase) in accounts receivable	8,572	-	(6,500)	(260)	49,310	(2,039)	49,083
Decrease (increase) in deferred outflows	-	-	(662)	(8,371)	(11,337)	100	(20,270)
Increase (decrease) in accounts payable	2,089	176	(20,394)	(21,829)	45,869	(12,270)	(6,359)
Increase (decrease) in accrued salaries and benefits	-	-	937	3,496	1,682	(3,959)	2,156
Increase (decrease) in compensated absences	-	-	202	2,506	4,211	-	6,919
Increase (decrease) in deferred inflows	-	-	(343)	(4,333)	(5,870)	-	(10,546)
Increase (decrease) in net pension liability	-	-	9,504	120,133	162,713	-	292,350
Net cash provided (used) by operating activities	\$ (44,003)	\$ 3,564	\$ (225,295)	\$ (89,810)	\$ 68,346	\$ 26,260	\$ (260,938)



## Combining Internal Service Funds

### **City Administrative Services**

City Administrative Services fund is used to account for all general administrative services provided to the City, including City Council, City Manager's Office (City Manager, City Clerk, Emergency Management, Economic Development, etc), Finance (Accounting and Budget), Human Resources, City Attorney, and Treasury management.

### **Worker's Comp**

The Worker's Compensation Fund is used to account for premiums paid for worker's compensation benefits as required by the State of California.

### **Liability**

The Liability Fund is used to account for resources needed to meet liability insurance premiums and to allocate those costs to all City functions through its Cost Allocation Plan.

### **Billing and Collection**

The Billing and Collection Fund is used to account for shared resources used to provide billing and collection service to City functions and other governmental entities and to allocate those costs accordingly through its Cost Allocation Plan.

### **Garage**

The Garage Fund is used to account for shared resources used to operate the City's central garage and corporation yard and to allocate those costs to all City functions through its Cost Allocation Plan.

### **Purchasing**

The Purchasing Fund is used to account for shared resources used to maintain and implement the City's central procurement system and to allocate those costs to all City functions through its Cost Allocation Plan.

### **Public Safety Dispatch**

The Public Safety Dispatch Fund is used to account for shared resources used to provide public safety dispatch services to City departments and other governmental entities and to allocate those costs accordingly through its Cost Allocation Plan.

### **Building & Maintenance**

The Building & Maintenance Fund is used to account for shared resources used to provide central building and grounds maintenance services to City departments and to allocate those costs accordingly through its Cost Allocation Plan.

### **Information Technology (IT)**

The IT Fund is used to account for shared resources used to provide information technology services to City departments and to allocate those costs accordingly through its Cost Allocation Plan.

City of Ukiah, California  
Combining Statement of Net Position  
Internal Service Funds  
June 30, 2020

	City Administrative Services	Worker's Comp	Liability	Garage	Purchasing	Billing And Collection	Public Safety Dispatch	Building & Maintenance	Information Technology	Total Nonmajor Internal service funds
<b>ASSETS</b>										
Current assets:										
Cash and investments	\$ 27,563	\$ 267,692	\$ 115,383	\$ 42,604	\$ 59,313	\$ 319,332	\$ 168,851	\$ -	\$ 40,429	\$ 1,041,167
Accounts receivable	-	-	-	14,789	-	-	-	-	2,296	17,085
Interest receivable	-	1,683	323	72	-	1,364	231	-	108	3,781
Due from other funds	-	642,886	-	-	-	545,045	-	-	-	1,187,931
Total current assets	<u>27,563</u>	<u>912,261</u>	<u>115,706</u>	<u>57,465</u>	<u>59,313</u>	<u>865,741</u>	<u>169,082</u>	<u>-</u>	<u>42,833</u>	<u>2,249,964</u>
Noncurrent assets:										
Advances to other funds	-	-	745,000	-	-	-	-	-	-	745,000
Land	-	-	-	-	-	-	-	762,562	-	762,562
Construction in progress	-	-	-	-	-	-	-	34,663	-	34,663
Buildings and improvements	-	-	-	327,113	-	-	-	189,483	-	516,596
Machinery equipment and vehicles	-	-	-	203,051	4,769	203,615	228,710	41,181	359,462	1,040,788
Less accumulated depreciation	-	-	-	(252,702)	(4,769)	(203,615)	(228,710)	(4,539)	(120,374)	(814,709)
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>745,000</u>	<u>277,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,023,350</u>	<u>239,088</u>	<u>2,284,900</u>
Total assets	<u>\$ 27,563</u>	<u>\$ 912,261</u>	<u>\$ 860,706</u>	<u>\$ 334,927</u>	<u>\$ 59,313</u>	<u>\$ 865,741</u>	<u>\$ 169,082</u>	<u>\$ 1,023,350</u>	<u>\$ 281,921</u>	<u>\$ 4,534,864</u>
<b>LIABILITIES</b>										
Current liabilities:										
Accounts payable	\$ -	\$ -	\$ -	\$ 3,111	\$ 2,858	\$ 23,310	\$ 2,938	\$ 27,777	\$ 23,111	\$ 83,105
Accrued payroll liabilities	27,563	17,874	25,407	15,119	20,601	39,351	50,638	17,502	25,240	239,295
Due to other funds	-	-	-	-	-	-	-	545,045	-	545,045
Compensated absences - current	-	-	-	3,624	4,348	4,928	5,509	2,822	2,588	23,819
Long-term obligations - current	-	143,486	49,583	-	-	-	-	-	57,104	250,173
Interest payable	-	-	-	-	-	-	-	-	3,107	3,107
Total current liabilities	<u>27,563</u>	<u>161,360</u>	<u>74,990</u>	<u>21,854</u>	<u>27,807</u>	<u>67,589</u>	<u>59,085</u>	<u>593,146</u>	<u>111,150</u>	<u>1,144,544</u>
Noncurrent liabilities:										
Claims payable	-	430,458	99,166	-	-	-	-	-	-	529,624
Capital leases	-	-	-	-	-	-	-	-	59,314	59,314
Compensated absences	-	-	-	32,617	39,134	44,349	49,586	25,403	23,288	214,377
Total noncurrent liabilities	<u>-</u>	<u>430,458</u>	<u>99,166</u>	<u>32,617</u>	<u>39,134</u>	<u>44,349</u>	<u>49,586</u>	<u>25,403</u>	<u>82,602</u>	<u>803,315</u>
Total liabilities	<u>27,563</u>	<u>591,818</u>	<u>174,156</u>	<u>54,471</u>	<u>66,941</u>	<u>111,938</u>	<u>108,671</u>	<u>618,549</u>	<u>193,752</u>	<u>1,947,859</u>
<b>NET POSITION</b>										
Net investment in capital assets	-	-	-	277,462	-	-	-	1,023,350	119,563	1,420,375
Restricted for:										
Unrestricted	-	320,443	686,550	2,994	(7,628)	753,803	60,411	(618,549)	(31,394)	1,166,630
Total net position	<u>\$ -</u>	<u>\$ 320,443</u>	<u>\$ 686,550</u>	<u>\$ 280,456</u>	<u>\$ (7,628)</u>	<u>\$ 753,803</u>	<u>\$ 60,411</u>	<u>\$ 404,801</u>	<u>\$ 88,169</u>	<u>\$ 2,587,005</u>

City of Ukiah, California  
 Combining Statement of Revenues, expenses, and Changes in Net Position  
 Internal Service Funds  
 Year Ended June 30, 2020

	City Administrative Services	Worker's Comp	Liability	Garage	Purchasing	Billing And Collection	Public Safety Dispatch	Building & Maintenance	Information Technology	Total Internal service funds
<b>OPERATING REVENUES</b>										
Property tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	-	1,364,731	809,443	562,697	584,879	1,235,167	1,491,839	944,279	1,288,040	8,281,075
Miscellaneous	-	-	-	321	-	-	-	-	-	321
Total operating revenues	-	1,364,731	809,443	563,018	584,879	1,235,167	1,491,839	944,279	1,288,040	8,281,396
<b>OPERATING EXPENSES</b>										
General and administrative	-	12,269	50,064	85,522	69,675	244,188	162,494	142,524	127,423	894,159
Maintenance and operations	29,006	1,257,966	828,543	468,431	521,184	1,061,231	1,254,468	622,486	1,111,379	7,154,694
Depreciation	-	-	-	29,109	-	1,040	2,600	2,555	63,322	98,626
Total operating expenses	29,006	1,270,235	878,607	583,062	590,859	1,306,459	1,419,562	767,565	1,302,124	8,147,479
Operating income (loss)	(29,006)	94,496	(69,164)	(20,044)	(5,980)	(71,292)	72,277	176,714	(14,084)	133,917
<b>NONOPERATING REVENUES (EXPENSES)</b>										
Interest, rent, and concessions	-	16,953	4,676	441	7	19,171	1,409	1,443	665	44,765
Interest expense and fiscal charges	-	-	-	-	-	-	-	-	(4,922)	(4,922)
Total nonoperating revenues (expenses)	-	16,953	4,676	441	7	19,171	1,409	1,443	(4,257)	39,843
Income (loss) before contributions and transfers	(29,006)	111,449	(64,488)	(19,603)	(5,973)	(52,121)	73,686	178,157	(18,341)	173,760
Transfers in	29,006	-	-	-	-	-	-	810	-	29,816
Change in net position	-	111,449	(64,488)	(19,603)	(5,973)	(52,121)	73,686	178,967	(18,341)	203,576
Total net position - beginning	-	208,994	751,038	300,059	(1,655)	805,924	(13,275)	225,834	106,510	2,383,429
Total net position - ending	\$ -	\$ 320,443	\$ 686,550	\$ 280,456	\$ (7,628)	\$ 753,803	\$ 60,411	\$ 404,801	\$ 88,169	\$ 2,587,005

City of Ukiah, California  
Combining Statement of Cash Flows  
Internal Service Funds  
Year Ended June 30, 2020

	City Administrative Services	Worker's Comp	Liability	Garage	Purchasing	Billing And Collection	Public Safety Dispatch	Building & Maintenance	Information Technology	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
Cash receipts from customers	\$ -	\$ 47,321	\$ -	\$ 320	\$ 1,740	\$ 123,331	\$ 351,126	\$ 19,578	\$ -	\$ 543,416
Receipts from interfund services provided	-	1,364,731	809,443	547,909	583,139	1,111,836	1,141,715	944,279	1,288,040	7,791,092
Payments to employees	(4)	(59,395)	-	(382,151)	(467,391)	(842,069)	(1,178,723)	(401,433)	(576,906)	(3,908,072)
Payments to suppliers	(1,439)	(1,401,868)	(892,974)	(77,050)	(33,128)	(189,092)	(72,888)	(225,726)	(519,855)	(3,414,020)
Payments for interfund services used	-	(12,269)	(50,064)	(85,522)	(69,675)	(244,188)	(162,494)	(142,524)	(127,423)	(894,159)
Other payments	-	-	-	-	-	-	-	-	(2,296)	(2,296)
Net cash provided (used) by operating activities	<u>(1,443)</u>	<u>(61,480)</u>	<u>(133,595)</u>	<u>3,506</u>	<u>14,685</u>	<u>(40,182)</u>	<u>78,736</u>	<u>194,174</u>	<u>61,560</u>	<u>115,961</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>										
Cash received (paid) to other funds	29,006	(642,886)	-	-	-	(545,045)	-	545,855	-	(613,070)
Net cash provided (used) by noncapital financing activities	<u>29,006</u>	<u>(642,886)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(545,045)</u>	<u>-</u>	<u>545,855</u>	<u>-</u>	<u>(613,070)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>										
Interest paid	-	-	-	-	-	-	-	-	(4,922)	(4,922)
Principal paid on capital and related debt	-	-	-	-	-	-	-	-	(54,640)	(54,640)
Acquisition and construction of capital assets	-	-	-	(1,810)	-	-	-	(970,608)	(42,854)	(1,015,272)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,810)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(970,608)</u>	<u>(102,416)</u>	<u>(1,074,834)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
Interest received	-	16,137	4,583	369	7	18,913	1,178	1,442	558	43,187
Net cash provided (used) by investing activities	<u>-</u>	<u>16,137</u>	<u>4,583</u>	<u>369</u>	<u>7</u>	<u>18,913</u>	<u>1,178</u>	<u>1,442</u>	<u>558</u>	<u>43,187</u>
Net increase (decrease) in cash and cash equivalents	27,563	(688,229)	(129,012)	2,065	14,692	(566,314)	79,914	(229,137)	(40,298)	(1,528,756)
Balances - beginning of year	-	955,921	244,395	40,539	44,621	885,646	88,937	229,137	80,727	2,569,923
Balances - end of the year	<u>\$ 27,563</u>	<u>\$ 267,692</u>	<u>\$ 115,383</u>	<u>\$ 42,604</u>	<u>\$ 59,313</u>	<u>\$ 319,332</u>	<u>\$ 168,851</u>	<u>\$ -</u>	<u>\$ 40,429</u>	<u>\$ 1,041,167</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>										
Operating Income	\$ (29,006)	\$ 94,496	\$ (69,164)	\$ (20,044)	\$ (5,980)	\$ (71,292)	\$ 72,277	\$ 176,714	\$ (14,084)	\$ 133,917
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:										
Depreciation	-	-	-	29,109	-	1,040	2,600	2,555	63,322	98,626
Changes in assets and liabilities:										
Decrease (increase) in accounts receivable	-	47,321	-	(14,789)	-	-	1,002	19,578	(2,296)	50,816
Increase (decrease) in accounts payable	-	(416)	(14,848)	112	1,263	7,134	(3,264)	(10,452)	(1,620)	(22,091)
Increase (decrease) in accrued salaries and benefits	27,563	(59,395)	-	1,553	8,181	11,044	10,667	2,200	7,525	9,338
Increase (decrease) in compensated absences	-	-	-	7,565	11,221	11,892	(4,546)	3,579	8,713	38,424
Increase (decrease) in claims payable	-	(143,486)	(49,583)	-	-	-	-	-	-	(193,069)
Net cash provided (used) by operating activities	<u>\$ (1,443)</u>	<u>\$ (61,480)</u>	<u>\$ (133,595)</u>	<u>\$ 3,506</u>	<u>\$ 14,685</u>	<u>\$ (40,182)</u>	<u>\$ 78,736</u>	<u>\$ 194,174</u>	<u>\$ 61,560</u>	<u>\$ 115,961</u>

## Combining Fiduciary Funds

### CUSTODIAL FUNDS

#### **Special Deposit Custodial Fund**

Resources held for outside parties that are not available for spending by the City.

#### **General Services Clearing (Accounts Receivable) Fund**

Resources held on a limited basis act as a clearing fund for utility billing collections.

#### **Garbage Billing and Collection Fund**

Resources held resulting from billing and collections of mandatory residential solid waste collection.

#### **Russian River Watershed Association**

Resources held on behalf of the Russian River Watershed Association, of which the City is a member and acts as its general fiscal agent.

#### **Ukiah Valley Fire Protection District**

The Ukiah Valley Fire District Fund is used to account for the activities of the Ukiah Valley Fire District. The City provides accounting, budget management, and other fiscal and administrative services to the District.

#### **Ukiah Valley Sanitation District**

Resources held for the benefit of the Ukiah Valley Sanitation District resulting from collections from sewer billing and payments to the City for share of operating and debt service costs.

City of Ukiah, California  
Combining Fiduciary Net Position  
Custodial Funds  
June 30, 2020

	Special Deposit Trust	General Service (Accts Recv)	Garbage Billing & Coll.	Russian River Watershed Assoc	Ukiah Valley Fire District	Ukiah Valley Sanitation District	Total Custodial funds
<b>ASSETS</b>							
Cash and investments	\$ 991,474	\$ 22,329	\$ 539,543	\$ 401,308	\$ 177,667	\$ 2,005,200	\$ 4,137,521
Accounts receivable	2,783	742	62,717	-	79,064	489,526	634,832
Interest receivable	1,691	-	1,011	411	62	4,415	7,590
Total assets	<u>995,948</u>	<u>23,071</u>	<u>603,271</u>	<u>401,719</u>	<u>256,793</u>	<u>2,499,141</u>	<u>4,779,943</u>
<b>LIABILITIES</b>							
Accounts payable	\$ 42,578	\$ 458	\$ 40,211	\$ 174,725	\$ 100,385	\$ 22,002	\$ 380,359
Accrued payroll liabilities	-	-	-	-	63,450	-	63,450
Deposits payable	861,628	-	-	-	-	-	861,628
Due to other agencies	-	-	563,060	-	-	-	563,060
Intergovernmental payable	66,740	-	-	-	-	-	66,740
Due to City of Ukiah	25,002	22,613	-	-	-	-	47,615
Total liabilities	<u>995,948</u>	<u>23,071</u>	<u>603,271</u>	<u>174,725</u>	<u>163,835</u>	<u>22,002</u>	<u>1,982,852</u>
<b>NET POSITION</b>							
Restricted for:							
Individuals, Organizations and Other Governments	-	-	-	226,994	92,958	2,477,139	2,797,091
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 226,994</u>	<u>\$ 92,958</u>	<u>\$ 2,477,139</u>	<u>\$ 2,797,091</u>

City of Ukiah, California  
Combining Statement of Changes in Fiduciary Net Position  
Custodial Funds  
Year Ended June 30, 2020

	Special Deposit Trust	General Service (Accts Recv)	Garbage Billing & Coll.	Russian River Watershed Assoc	Ukiah Valley Fire District	Ukiah Valley Sanitation District	Total Custodial funds
<b>ADDITIONS</b>							
Contributions:							
Grants contributions and donations	\$ -	\$ -	\$ -	\$ 102,889	\$ 475,947	\$ -	\$ 578,836
Taxes and assessments collected for other governments	-	-	-	-	1,123,312	-	1,123,312
Service charges collected for other governments	-	-	-	-	74,296	6,501,724	6,576,020
Service charges collected for other agencies	-	-	1,240,582	-	-	-	1,240,582
Miscellaneous	15	-	-	-	28,830	-	28,845
Members	-	-	-	659,035	-	-	659,035
Total contributions	<u>15</u>	<u>-</u>	<u>1,240,582</u>	<u>761,924</u>	<u>1,702,385</u>	<u>6,501,724</u>	<u>10,206,630</u>
Investment earnings:							
Interest, rent, and concessions	24,801	-	8,798	7,579	12,291	69,458	122,927
Total additions	<u>24,816</u>	<u>-</u>	<u>1,249,380</u>	<u>769,503</u>	<u>1,714,676</u>	<u>6,571,182</u>	<u>10,329,557</u>
<b>DEDUCTIONS</b>							
General and administrative	-	-	-	-	247,884	90,121	338,005
Maintenance and operations	24,816	-	2,506	-	50,198	-	77,520
Interest expense and fiscal charges	-	-	-	-	74,823	-	74,823
Distributions to other governments	-	-	-	573,301	-	1,272,531	1,845,832
Payments to other agencies for service charges collected	-	-	535,874	-	-	-	535,874
Payments to City for services provided	-	-	1,193,609	-	1,939,721	5,367,269	8,500,599
Total deductions	<u>24,816</u>	<u>-</u>	<u>1,731,989</u>	<u>573,301</u>	<u>2,312,626</u>	<u>6,729,921</u>	<u>11,372,653</u>
Net increase (decrease) in fiduciary net position	-	-	(482,609)	196,202	(597,950)	(158,739)	(1,043,096)
Net Position -- beginning of the year	-	-	482,609	30,792	690,908	2,635,878	3,840,187
Net Position -- end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 226,994</u>	<u>\$ 92,958</u>	<u>\$ 2,477,139</u>	<u>\$ 2,797,091</u>

## Statistical Section



## Statistical Section Index

This part of the City of Ukiah's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, footnotes, and required supplementary information says about the City's overall financial health.

### Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Net Position by Component .....	168
Changes in Net Position.....	169
Fund Balances, Governmental Funds.....	171
Changes in Fund Balances, Governmental Funds .....	172

### Revenue Capacity

These schedules contain information to help the reader assess the City's ability to generate revenues. Property taxes, sales and use taxes, charges for services, licenses, permits and fees and intergovernmental revenue are the City's most significant revenue sources.

Tax Revenues by Source, Governmental Funds .....	173
Property Tax Rates .....	174
Electric Utility Rates .....	175
Wastewater Utility Rates .....	176
Water Utility Rates.....	177
Top Ten Electric Usage Customers .....	178

### Debt Capacity

These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Ratio of Outstanding Debt by Type .....	179
Ratio of General Bonded Outstanding Debt.....	180

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Demographic and Economic Statistics..... 184  
Principal Employers..... 185

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Full-time and Part-time City Employees by Function ..... 186

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. Information was available beginning with the year ended June 30, 2004 for the financial trend schedules.

## Financial Trends

City of Ukiah, California  
 Net Position by Component  
 Last Ten Fiscal Years  
 Fiscal Year Ended June 30, 2020  
 (Accrual basis of accounting)

For Fiscal Year Ended June 30	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental activities</b>										
Net investment in capital assets	\$ 17,407,569	\$ 26,649,167	\$ 27,304,019	\$ 27,139,213	\$ 27,624,813	\$ 29,088,528	\$ 33,668,910	\$ 38,289,548	\$ 42,321,290	\$ 47,339,972
Restricted	17,276,255	3,086,157	3,025,432	6,021,075	12,931,066	12,263,161	11,698,264	12,610,721	12,610,721	10,544,419
Unrestricted	14,030,594	17,420,652	15,461,713	12,110,479	(20,291,488)	(20,646,894)	(17,337,366)	(21,409,323)	(18,876,394)	(19,796,054)
Total governmental net position	\$ 48,714,418	\$ 47,155,976	\$ 45,791,164	\$ 45,270,767	\$ 20,264,391	\$ 20,704,795	\$ 28,029,808	\$ 29,490,946	\$ 36,055,617	\$ 38,088,337
<b>Business-type activities</b>										
Net investment in capital assets	\$ 40,266,700	\$ 48,101,086	\$ 44,514,348	\$ 46,693,900	\$ 50,088,246	\$ 54,756,782	\$ 46,328,983	\$ 70,965,675	\$ 86,114,096	\$ 119,060,268
Restricted	2,172,384	4,128,472	2,027,529	2,072,014	2,072,225	2,427,020	-	81,993	123,367	99,829
Unrestricted	33,817,844	28,366,417	32,460,639	31,604,793	26,648,008	24,215,129	31,286,562	19,917,540	16,454,313	2,219,045
Total business-type net position	\$ 76,256,928	\$ 80,595,975	\$ 79,002,516	\$ 80,370,707	\$ 78,808,479	\$ 81,398,931	\$ 77,615,545	\$ 90,965,208	\$ 102,691,776	\$ 121,379,142
<b>Primary governmental</b>										
Net investment in capital assets	\$ 57,674,269	\$ 74,750,253	\$ 71,818,367	\$ 73,833,113	\$ 77,713,059	\$ 83,845,310	\$ 79,997,893	\$ 109,255,223	\$ 128,435,386	\$ 166,400,240
Restricted	19,448,639	7,214,629	5,052,961	8,093,089	15,003,291	14,690,181	11,698,264	12,692,714	12,734,088	10,644,248
Unrestricted	47,848,438	45,787,069	47,922,352	43,715,272	6,356,520	3,568,235	13,949,197	(1,491,783)	(2,422,081)	(17,577,009)
Total primary governmental net position	\$ 124,971,346	\$ 127,751,951	\$ 124,793,680	\$ 125,641,474	\$ 99,072,870	\$ 102,103,726	\$ 105,645,354	\$ 120,456,154	\$ 138,747,393	\$ 159,467,479

Source: Audited Financial Statements – Statement of Net Position

City of Ukiah, California  
 Changes in Net Position  
 Last Ten Fiscal Years  
 Fiscal Year Ended June 30, 2020  
 (Accrual basis of accounting)

For Fiscal Year Ended June 30	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government	\$ 2,479,770	\$ 2,570,568	\$ 2,956,583	\$ 3,715,968	\$ 772,771	\$ 142,792	\$ 141,713	\$ 1,856,104	\$ 2,655,969	\$ 99,829
Public safety	9,595,075	9,827,504	10,514,943	9,867,900	10,563,479	11,081,325	8,887,246	11,794,779	12,167,151	12,812,411
Housing and community development	3,598,630	1,223,579	1,254,265	832,020	348,477	891,644	171,523	1,039,784	2,128,714	2,833,311
Public works	3,097,652	2,206,556	2,109,273	2,290,261	2,847,800	2,555,524	296,934	4,018,082	3,467,503	4,752,062
Parks and recreation	2,466,386	2,262,816	2,481,572	2,540,689	2,829,367	2,757,551	39,796	3,306,839	3,861,576	3,973,413
Economic development and redevelopment	-	-	-	-	-	-	-	273,570	299,397	403,808
Interest on long-term debt	451,141	420,132	-	-	-	-	-	59,477	176,067	165,210
Total governmental activities expenses	\$ 21,688,654	\$ 18,511,155	\$ 19,316,636	\$ 19,246,838	\$ 17,361,894	\$ 17,428,836	\$ 9,537,212	22,348,635	24,756,377	25,040,044
<b>Business-type activities:</b>										
Airport	-	-	-	-	-	-	-	1,532,905	1,360,631	1,528,285
Conference Center	-	-	-	-	-	-	-	369,045	500,305	503,445
Electric	12,859,394	13,980,276	14,483,083	14,554,884	16,140,229	15,779,225	17,408,177	15,830,736	17,373,419	18,854,227
Golf	-	-	-	-	-	-	-	223,341	213,949	251,078
Landfill	-	-	-	-	-	-	-	667,140	2,114,576	4,165,711
Parking District	-	-	-	-	-	-	-	153,620	128,643	171,705
Street Lighting	-	-	-	-	-	-	-	395,694	43,349	47,861
Wastewater	8,329,472	8,243,340	8,637,591	8,118,315	8,229,553	8,620,824	10,092,436	10,116,164	10,979,067	11,580,850
Water	3,289,935	3,414,760	3,651,349	3,717,064	3,783,257	3,930,252	5,187,510	4,659,530	4,111,529	6,196,274
Disposal site	196,168	340,324	413,657	573,478	5,950,554	388,553	565,819	-	-	-
Nonmajor activities	2,756,727	2,980,963	2,648,970	2,196,295	2,267,340	2,029,634	2,816,055	-	-	11,089
Total business-type activities expenses	27,431,696	28,959,663	29,834,650	29,160,036	36,390,933	30,748,488	36,069,997	33,948,175	36,825,468	43,410,525
Total primary government expenses	\$ 49,120,350	\$ 47,470,818	\$ 49,151,286	\$ 48,406,874	\$ 53,752,827	\$ 48,177,324	\$ 45,607,209	\$ 56,296,810	\$ 61,581,845	\$ 68,450,569
<b>Program revenues</b>										
<b>Governmental activities:</b>										
Charges for services										
General government	\$ 1,843,825	\$ 1,630,601	\$ 1,005,296	\$ 1,255,815	\$ 288,049	\$ 258,262	\$ 333,458	366,171	111,355	234,487
Public safety	1,092,577	1,080,981	1,224,421	851,328	221,156	284,562	362,711	567,592	505,451	301,503
Housing and community development	210,910	211,904	456,294	197,003	-	-	-	454,920	783,575	390,121
Public works	587,676	554,639	368,895	682,559	215,615	339,403	-	28,773	92,923	435,190
Parks and recreation	751,854	716,363	1,072,615	749,548	756,906	716,575	791,257	782,091	786,161	788,687
Economic development and redevelopment	-	-	-	-	-	-	-	256,554	259,897	7,289
Operating grants and contributions	1,320,581	1,062,183	1,237,955	1,097,599	1,471,799	2,283,777	1,233,883	3,007,794	2,044,901	4,431,684
Capital grants and contributions	2,430,383	3,098,450	250,992	483,992	889,024	859,772	1,325,091	618,546	1,574,928	76,898
Total governmental activities program revenues	8,237,806	8,355,121	5,616,468	5,317,844	3,842,549	4,742,351	4,046,400	6,082,441	6,159,191	6,665,859
<b>Business-type activities:</b>										
Charges for services										
Airport	-	-	-	-	-	-	-	1,326,141	1,541,327	1,234,045
Conference Center	-	-	-	-	-	-	-	367,504	369,245	274,794
Electric	15,314,426	16,157,282	15,140,175	14,993,910	15,243,471	15,076,565	15,971,210	15,875,141	16,193,492	15,581,664
Golf	-	-	-	-	-	-	-	133,370	36,669	40,000
Landfill	-	-	-	-	-	-	-	630,477	646,611	703,549
Parking District	-	-	-	-	-	-	-	134,689	120,121	114,068
Street Lighting	-	-	-	-	-	-	-	191,388	188,814	188,873
Wastewater	6,423,276	9,786,375	6,213,481	8,832,757	9,264,399	9,667,659	7,493,383	8,093,392	8,002,895	7,851,031
Water	4,039,757	4,935,691	5,813,699	6,006,675	5,579,127	5,446,778	5,785,553	6,486,959	6,502,379	6,909,764
Disposal site	108,401	127,228	129,321	132,287	217,999	132,106	362,018	-	-	-
Nonmajor activities	2,508,685	2,905,410	2,467,226	1,965,547	2,053,819	1,806,110	1,723,513	-	-	14,441
Operating grants and contributions	10,359	10,660	40,717	57,271	-	-	210,298	534,619	819,586	2,830,622
Capital grants and contributions	-	-	-	-	25,175	10,384	2,640,396	2,592,224	12,524,559	24,876,967
Total business-type activities program revenues	28,404,904	33,922,646	29,804,619	31,988,447	32,383,990	32,139,602	34,186,371	36,365,904	46,945,698	60,619,818
Total primary government program revenues	\$ 36,642,710	\$ 42,277,767	\$ 35,421,087	\$ 37,306,291	\$ 36,226,539	\$ 36,881,953	\$ 38,232,771	\$ 42,448,345	\$ 53,104,889	\$ 67,285,677
<b>Net (Expense) Revenue</b>										
Government activities	\$ (13,450,848)	\$ (10,156,034)	\$ (13,700,168)	\$ (13,928,994)	\$ (13,519,345)	\$ (12,686,485)	\$ (5,490,812)	\$ (16,266,194)	\$ (18,597,186)	\$ (18,374,185)
Business-type activities	973,208	4,962,983	(30,031)	2,828,411	(4,006,943)	1,391,114	(1,883,626)	2,417,729	10,120,230	17,209,293
Total primary government net expense	\$ (12,477,640)	\$ (5,193,051)	\$ (13,730,199)	\$ (11,100,583)	\$ (17,526,288)	\$ (11,295,371)	\$ (7,374,438)	\$ (13,848,465)	\$ (8,476,956)	\$ (1,164,892)

City of Ukiah, California  
 Changes in Net Position (continued)  
 Last Ten Fiscal Years  
 Fiscal Year Ended June 30, 2020  
 (Accrual basis of accounting)

For Fiscal Year Ended June 30	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property tax	\$ 4,426,250	\$ 3,182,981	\$ 1,484,934	\$ 1,251,189	\$ 3,729,370	\$ 3,531,272	\$ 1,470,323	2,890,291	2,984,192	3,139,960
Sales tax	6,951,957	6,518,506	6,901,284	7,134,537	5,976,938	6,740,622	9,805,225	10,745,095	11,974,379	13,313,206
Licenses, permits and franchises	-	-	-	-	-	-	-	1,653,146	1,781,141	1,742,671
Transient occupancy	691,627	775,547	828,000	959,570	1,061,823	1,229,814	1,302,336	1,406,417	1,496,473	1,365,477
Business license	-	-	-	-	-	-	-	380,797	303,604	411,997
Other taxes	891,717	917,930	929,173	916,007	2,281,810	1,939,984	2,450,254	249	462	888
Use of money and property	-	-	-	-	-	-	-	708,389	850,711	696,930
Vehicle in-lieu taxes	1,311,862	1,238,660	1,229,156	1,237,181	-	-	-	-	-	-
Interest and investment earnings	173,255	175,318	91,117	93,521	501,217	323,373	404,235	-	-	-
Other revenue	-	-	-	-	-	-	-	306,746	181,676	246,319
Transfers	1,408,163	1,065,910	871,692	1,816,592	-	(473,539)	(639,819)	(363,796)	(410,782)	(510,543)
Total governmental activities	15,854,831	13,874,852	12,335,356	13,408,597	13,551,158	13,291,526	14,792,554	17,727,334	19,161,856	20,406,905
Business-type activities:										
Property tax	-	-	-	-	-	-	-	16,949	17,121	16,815
Interest and investment earnings	719,334	441,974	200,899	356,372	321,824	672,730	468,003	-	-	-
Use of money and property	-	-	-	-	-	-	-	247,347	1,166,919	950,715
Other revenue	-	-	-	-	-	-	-	-	11,513	-
Transfers	(1,408,163)	(1,065,910)	(584,482)	(1,816,592)	-	473,539	639,819	363,796	410,782	510,543
Total business-type activities	(688,829)	(623,936)	(383,583)	(1,460,220)	321,824	1,146,269	1,107,822	628,092	1,606,335	1,478,073
Total primary government	\$ 15,166,002	\$ 13,250,916	\$ 11,951,773	\$ 11,948,377	\$ 13,872,982	\$ 14,437,795	\$ 15,900,376	\$ 18,355,426	\$ 20,768,191	\$ 21,884,978
<b>Extraordinary items</b>										
Government activities	\$ (359,507)	\$ (5,277,260)	-	-	-	-	-	-	-	-
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total Extraordinary Items	\$ (359,507)	\$ (5,277,260)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Special items</b>										
Government activities	-	-	-	-	-	-	-	-	6,000,000	-
Business-type activities	-	-	-	-	-	-	(4,984,310)	-	-	-
Total Special Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,984,310)	\$ -	\$ 6,000,000	\$ -
<b>Accounting Change - Accumulative Effect</b>										
Government activities	-	-	-	-	-	-	-	-	-	-
Business-type activities	-	-	(1,179,845)	-	-	-	-	-	-	-
Total Accounting Change - Accumulative Effect	\$ -	\$ -	\$ (1,179,845)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Change in Net Position</b>										
Government activities	\$ 2,044,476	\$ (1,558,442)	\$ (1,364,812)	\$ (520,397)	\$ 31,813	\$ 605,041	\$ 9,301,742	\$ 1,461,140	\$ 6,564,670	\$ 2,032,720
Business-type activities	284,379	4,339,047	(1,593,459)	1,368,191	(3,685,119)	2,537,383	(5,760,114)	3,045,821	11,726,565	18,687,366
Total primary government	\$ 2,328,855	\$ 2,780,605	\$ (2,958,271)	\$ 847,794	\$ (3,653,306)	\$ 3,142,424	\$ 3,541,628	\$ 4,506,961	\$ 18,291,235	\$ 20,720,086

Source - Audited Financial Statements - Statement of Activities

City of Ukiah, California  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
Fiscal Year Ended June 30, 2020  
(Modified accrual basis of accounting)

For Fiscal Year Ended June 30	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Fund</b>										
Nonspendable	\$ 877,506	\$ 559,134	\$ 619,044	\$ 619,044	\$ 645,728	\$ 911,343	\$ 951,167	\$ 1,793,247	\$ 5,514,226	\$ 6,673,912
Restricted	-	-	-	-	-	-	-	4,000,000	-	-
Committed	146,147	-	183,956	203,105	-	-	-	-	-	194,655.0
Assigned	4,686,766	4,851,110	89,859	-	-	185,443	4,371,069	-	-	-
Unassigned	527,381	1,454,665	4,381,047	4,233,953	4,878,803	4,116,215	-	(1,623,326)	3,321,778	2,434,740
Total general fund	\$ 6,237,800	\$ 6,864,909	\$ 5,273,906	\$ 5,056,102	\$ 5,524,531	\$ 5,213,001	\$ 5,322,236	\$ 4,169,921	8,836,004	9,303,307
<b>All other governmental funds</b>										
Nonspendable	-	-	-	-	-	-	-	137,576	-	137,576
Restricted	13,404,870	5,867,124	4,486,098	4,805,526	12,931,066	12,276,877	11,698,264	126,110,721	11,765,026	10,747,218
Committed	756,047	1,235,785	713,402	3,569,505	-	-	-	12,610,721	685,933	305,466
Assigned	7,759,509	3,460,240	5,832,173	2,514,649	4,395,621	3,358,684	2,952,598	1,516,753	1,430,426	1,326,655
Unassigned	-	-	(894,993)	(736,226)	(232,412)	(442,572)	(1,044,381)	(1,919,041)	(2,801,435)	(1,955,567)
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Total other governmental funds	21,920,426	10,563,149	10,136,680	10,153,454	17,094,275	15,192,989	13,606,481	138,456,730	11,079,950	10,561,348

Source: Audited Financial Statements - Balance Sheet-Governmental funds

Note: The City of Ukiah adopted the provisions of GASB Statement No. 54 in FY2011. Prior year amounts were not restated.

City of Ukiah, California  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years  
 Fiscal Year Ended June 30, 2020  
 (Modified accrual basis of accounting)

Function	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>REVENUES</b>										
Property tax	\$ 4,426,250	\$ 3,182,981	\$ 1,484,934	\$ 1,251,189	\$ 3,729,370	\$ 3,531,272	\$ 1,470,323	\$ 2,890,291	\$ 2,984,192	\$ 3,139,960
Sales tax	6,807,971	6,465,410	6,977,233	7,104,666	5,976,938	6,824,737	9,805,225	10,745,095	11,974,379	13,313,206
Franchise fees	-	-	-	-	-	-	-	1,653,146	1,781,141	1,742,671
Transient occupancy	691,627	775,547	828,000	925,191	1,061,823	1,229,814	1,302,336	1,406,417	1,496,473	1,365,477
Business license tax	-	-	-	-	-	-	-	380,797	303,604	411,997
Other taxes	891,717	917,930	929,173	950,386	2,047,734	1,917,323	391,473	249	462	888
Charges for service	1,309,827	1,146,590	1,580,632	1,013,534	1,032,957	755,074	1,487,426	1,780,430	2,036,077	1,340,123
Licenses and permits	344,593	434,492	272,070	292,688	186,012	341,642	1,792,595	299,101	211,113	259,533
Grants contributions and donations	-	-	-	-	-	-	-	274,995	938,308	3,164,054
Intergovernmental	4,626,790	4,756,038	2,964,207	3,270,042	3,048,401	2,911,624	1,945,803	2,524,311	1,153,488	2,686,013
Fines penalties and forfeitures	295,613	270,468	319,189	256,776	58,692	78,589	73,835	73,639	33,588	29,716
Facility rental	-	-	-	-	-	-	-	589,952	607,020	-
Interest, rent, and concessions	1,264,421	1,083,685	224,129	340,887	497,681	336,173	415,979	99,543	243,994	-
Use of money and property	-	-	-	-	-	-	-	36,656	-	1,072,805
Miscellaneous	497,661	375,103	243,654	493,158	232,651	411,052	187,999	654,186	436,361	388,629
<b>Total revenues</b>	<b>\$ 21,156,470</b>	<b>\$ 19,408,244</b>	<b>\$ 15,823,221</b>	<b>\$ 15,898,517</b>	<b>\$ 17,872,259</b>	<b>\$ 18,337,300</b>	<b>\$ 18,872,994</b>	<b>\$ 23,408,808</b>	<b>\$ 24,200,200</b>	<b>\$ 28,915,072</b>
<b>EXPENDITURES</b>										
Current:										
General government	1,701,144	1,861,192	2,117,303	2,773,585	852,079	542,434	549,540	270,429	168,024	284,410
Public safety	8,712,155	8,996,781	9,831,860	9,297,118	10,229,049	11,096,768	11,592,123	11,703,851	12,111,558	12,569,718
Housing and community development	3,530,698	1,151,384	1,205,464	785,349	327,921	870,450	1,261,361	1,039,784	2,107,427	1,385,401
Public works	2,255,054	1,508,698	1,411,445	1,612,266	2,337,389	2,173,214	1,192,369	1,646,459	1,679,304	1,706,516
Parks, buildings, and grounds	-	-	-	-	-	-	-	-	26	856
Parks and recreation	2,312,834	2,048,294	2,327,464	2,304,893	2,692,906	2,616,856	2,873,224	3,183,278	3,439,596	3,449,222
Economic development and redevelopment	-	-	-	-	-	-	-	273,570	299,397	403,808
Debt service:										
Interest	289,515	559,797	-	-	-	-	-	-	142,679	139,753
Issuance expense	192,808	-	-	-	-	-	-	4,019	-	-
Principal	250,000	265,000	-	-	-	-	-	40,000	80,070	82,712
Capital lease principal	-	-	-	-	-	-	16,243	49,967	101,727	104,282
Capital lease interest	-	-	-	-	-	-	-	14,055	26,232	23,678
Capital outlay	5,354,765	2,481,671	1,545,538	1,159,928	1,739,147	2,612,218	2,147,966	12,217,670	6,373,804	8,560,345
<b>Total expenditures</b>	<b>24,598,973</b>	<b>18,872,817</b>	<b>18,439,074</b>	<b>17,933,139</b>	<b>18,178,491</b>	<b>19,911,940</b>	<b>19,632,826</b>	<b>30,475,927</b>	<b>26,496,999</b>	<b>28,710,701</b>
Excess (deficiency) of revenues over expenditures	(3,442,503)	535,427	(2,615,853)	(2,034,622)	(306,232)	(1,574,640)	(759,832)	(7,067,119)	(2,296,799)	204,371
<b>OTHER FINANCING SOURCES (USES)</b>										
Bond issue and Debt proceeds	8,430,000	-	-	-	-	-	-	5,125,731	-	284,685
Discount on bonds issued	(249,138)	-	-	-	-	-	-	-	-	-
Transfers in	4,047,961	1,072,410	2,680,654	2,076,641	1,349,208	940,063	1,010,534	1,613,884	7,813,522	5,079,682
Transfers out	(2,389,798)	(6,500)	(2,082,273)	(243,049)	(1,378,578)	(1,413,602)	(1,727,975)	(1,963,679)	(8,238,303)	(5,620,041)
<b>Total other financing sources (uses)</b>	<b>9,839,025</b>	<b>1,065,910</b>	<b>598,381</b>	<b>1,833,592</b>	<b>(29,370)</b>	<b>(473,539)</b>	<b>(717,441)</b>	<b>4,775,936</b>	<b>(424,781)</b>	<b>(255,674)</b>
<b>SPECIAL ITEM</b>										
Reinstatement of Successor Agency loan	-	-	-	-	-	-	-	-	6,000,000	-
Extraordinary items & Prior Period Adj.	(359,507)	(12,331,505)	-	-	7,744,852	-	-	-	-	-
<b>Total special items</b>	<b>(359,507)</b>	<b>(12,331,505)</b>	<b>-</b>	<b>-</b>	<b>7,744,852</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,000,000</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>6,037,015</b>	<b>(10,730,168)</b>	<b>(2,017,472)</b>	<b>(201,030)</b>	<b>7,409,250</b>	<b>(2,048,179)</b>	<b>(1,477,273)</b>	<b>(2,291,183)</b>	<b>3,278,420</b>	<b>(51,303)</b>
Debt service as a percentage of noncapital expenditures	3.96%	5.30%	0.00%	0.00%	0.00%	0.00%	0.09%	0.60%	1.67%	1.61%

Source: Audited Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances

Prior Period adjustment of is the result of moving long-term receivables and Land Held for Resale from deferred inflows-available revenues to restricted fund balance.

## Revenue Capacity

City of Ukiah, California  
 Tax Revenues by Source, Governmental Funds  
 Last Ten Fiscal Years

Fiscal Year	Type of Tax					Total
	Property	Sales & Use	Occupancy	Franchise	Other	
2011	4,426,250	6,260,583	691,627	548,783	342,934	12,270,177
2012	3,182,981	6,465,410	775,547	567,486	350,444	11,341,868
2013	1,484,934	6,977,233	828,000	569,892	359,281	10,219,340
2014	1,251,189	7,104,666	925,191	591,767	358,618	10,231,431
2015	3,729,370 <sup>1.</sup>	5,976,938 <sup>2.</sup>	1,061,823	1,643,559 <sup>3.</sup>	404,175	12,815,865
2016	3,531,272	6,824,737	1,229,814	1,514,798	402,524	13,503,146
2017	2,703,312 <sup>4.</sup>	8,489,734	1,302,336	1,551,794	473,976	14,521,151
2018	2,838,902	10,853,469	1,406,417	1,653,146	434,464 <sup>5.</sup>	17,186,398
2019	2,984,192	11,974,379	1,496,473	1,781,141	304,066	18,540,251
2020	3,156,775	13,313,206	1,365,477	1,742,671	412,885	19,991,014
Change 2019-2020	5.8%	11.2%	-8.8%	-2.2%	35.8%	7.8%

Source: Audited Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances

1. The change in FY2015 included moving the Motor Vehicle License fee from Sales & Use to Property.
2. The change in FY2015 included moving the Motor Vehicle License fee from Sales & Use to Property.
3. Includes the Electric Utility Franchise Fee which was previously included as a Transfer to General Fund.
4. Reduction over prior year due to the elimination of the Triple Flip portion of the Property Tax.
5. In 2018 Property Transfer Tax was included in 'Other' Taxes. In 2019 we recategorized it as Property Tax.



City of Ukiah, California  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years

Property Tax Schedules are not readily available from the County and are not presented here.

City of Ukiah, California  
 Electric Utility Rates  
 Last Ten Fiscal Years

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Residential, single phase										
Per meter per month, per KWH	\$ 0.12040	\$ 0.12040	\$ 0.12040	\$ 0.12040	\$ 0.12040	\$ 0.12040	\$ 0.12040	\$ 0.12790	\$ 0.13180	\$ 0.13580
Minimum monthly billing	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
General service:										
Base charge:										
Single phase	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.92	\$ 9.19	\$ 9.47	\$ 9.76
Polyphase	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.99	\$ 10.29	\$ 10.60	\$ 10.92
X-ray machine	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 22.28	\$ 22.95	\$ 23.64	\$ 24.35
Minimum charge:										
second meter	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.92	\$ 9.19	\$ 9.47	\$ 9.76
Energy use charge, per meter, per month, per KWH										
Summer	\$ 0.16568	\$ 0.16568	\$ 0.16568	\$ 0.16568	\$ 0.16568	\$ 0.16568	\$ 0.17578	\$ 0.18106	\$ 0.18650	\$ 0.19210
Winter	\$ 0.12294	\$ 0.12294	\$ 0.12294	\$ 0.12294	\$ 0.12294	\$ 0.12294	\$ 0.13043	\$ 0.13435	\$ 0.13839	\$ 0.14255
General Service with Demand:										
Base rate, per meter, per month	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 74.91	\$ 77.16	\$ 79.48	\$ 81.87
Demand charge per KWH										
Summer	\$ 0.10966	\$ 0.10966	\$ 0.10966	\$ 0.10966	\$ 0.10966	\$ 0.10966	\$ 0.11634	\$ 0.11984	\$ 0.12344	\$ 0.12715
Winter	\$ 0.08829	\$ 0.08829	\$ 0.08829	\$ 0.08829	\$ 0.08829	\$ 0.08829	\$ 0.09367	\$ 0.09367	\$ 0.09939	\$ 0.10238
General large Industrial Service:										
Base charge, per meter, per month	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 74.91	\$ 77.16	\$ 79.48	\$ 81.87
Demand charge per kwh of maximum demand:										
Winter	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.31	\$ 4.44	\$ 4.58	\$ 4.72
Summer	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.85	\$ 7.06	\$ 7.28	\$ 7.50

Source: Utility Billing Department Rate Schedules

City of Ukiah, California  
Wastewater Utility Rates  
Last Ten Fiscal Years

Wastewater System Rates- City (1)	Fiscal Year										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
<b>Residential</b>											
Fixed Minimum Charge- Per											
Dwelling Unit	\$ 47.18	\$ 50.44	\$ 58.40	\$ 60.39	\$ 62.44	\$ 62.44	\$ 62.44	\$ 62.44	\$ 62.44	\$ 62.44	\$ 62.44
Consumption Rate (\$/hcf (2))	\$ 1.85	\$ 1.98	\$ 2.29	\$ 2.37	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45
<b>Commercial</b>											
Commercial Low Strength (\$/hcf)	\$ 7.40	\$ 7.91	\$ 9.16	\$ 9.47	\$ 9.79	\$ 9.79	\$ 9.79	\$ 9.79	\$ 9.79	\$ 9.79	\$ 9.79
Commercial Moderate Strength (\$/hcf)	\$ 7.91	\$ 8.46	\$ 9.79	\$ 10.12	\$ 10.47	\$ 10.47	\$ 10.47	\$ 10.47	\$ 10.47	\$ 10.47	\$ 10.47
Commercial Medium Strength (\$/hcf)	\$ 13.99	\$ 14.96	\$ 17.32	\$ 17.91	\$ 18.52	\$ 18.52	\$ 18.52	\$ 18.52	\$ 18.52	\$ 18.52	\$ 18.52
Commercial High Strength (\$/hcf)	\$ 18.02	\$ 19.26	\$ 22.31	\$ 23.07	\$ 23.85	\$ 23.85	\$ 23.85	\$ 23.85	\$ 23.85	\$ 23.85	\$ 23.85

(1) The rates beginning in 2009-10 were approved pursuant to Resolution No. 2010-28 by City Council on July 21, 2010.

(2) Each unit equals 748 gallons or 100 cubic feet (hcf).

**Wastewater System Rates- District (1)**

<b>Residential</b>											
Fixed Minimum Charge- Per											
Dwelling Unit	\$ 47.18	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47
Consumption Rate (\$/hcf (2))	\$ 1.85	\$ 3.40	\$ 4.45	\$ 5.50	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60
<b>Commercial</b>											
Commercial Low Strength (\$/hcf)	\$ 7.40	\$ 7.91	\$ 8.46	\$ 9.06	\$ 9.69	\$ 9.69	\$ 9.69	\$ 9.69	\$ 9.69	\$ 9.69	\$ 9.69
Commercial Moderate Strength (\$/hcf)	\$ 7.91	\$ 8.46	\$ 9.05	\$ 9.68	\$ 10.36	\$ 10.36	\$ 10.36	\$ 10.36	\$ 10.36	\$ 10.36	\$ 10.36
Commercial Medium Strength (\$/hcf)	\$ 13.99	\$ 14.96	\$ 16.00	\$ 17.12	\$ 18.32	\$ 18.32	\$ 18.32	\$ 18.32	\$ 18.32	\$ 18.32	\$ 18.32
Commercial High Strength (\$/hcf)	\$ 18.02	\$ 19.26	\$ 20.61	\$ 22.05	\$ 23.60	\$ 23.60	\$ 23.60	\$ 23.60	\$ 23.60	\$ 23.60	\$ 23.60
Special (3)											

(1) The rates beginning in 2010-2011 were approved pursuant to Ordinance No. 36 approved by the District on June 30, 2011.

(2) Each unit equals 748 gallons or 100 cubic feet (hcf).

(3) Determined on a case-by-case basis.

Source: Utility Billing Department Rate Schedules

City of Ukiah, California  
 Water Utility Rates  
 Last Ten Years

Water System Rates (1)	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Consumption Rate (\$/unit (2))										
Single Family Residential	\$ 1.92	\$ 2.21	\$ 2.41	\$ 2.65	\$ 2.73	\$ 2.86	\$ 2.95	\$ 3.04	\$ 3.13	\$ 3.22
All Other Customers	\$ 1.92	\$ 2.21	\$ 2.41	\$ 2.65	\$ 2.73	\$ 2.86	\$ 2.95	\$ 3.04	\$ 3.13	\$ 3.22
Minimum base charge by Meter Size/ Class:										
3/4" Meter	\$ 22.71	\$ 26.11	\$ 28.46	\$ 31.31	\$ 32.25	\$ 33.63	\$ 34.64	\$ 35.68	\$ 36.75	\$ 37.85
1" Meter	\$ 38.59	\$ 44.38	\$ 48.37	\$ 53.21	\$ 54.81	\$ 54.00	\$ 55.62	\$ 57.29	\$ 59.01	\$ 60.78
1 1/2" Meter	\$ 74.92	\$ 86.15	\$ 93.91	\$ 103.30	\$ 106.40	\$ 104.47	\$ 107.60	\$ 110.83	\$ 114.15	\$ 117.57
2" Meter	\$ 120.32	\$ 138.37	\$ 150.82	\$ 165.90	\$ 170.88	\$ 165.27	\$ 170.23	\$ 175.34	\$ 180.60	\$ 186.02
3" Meter	\$ 227.02	\$ 261.07	\$ 284.57	\$ 313.02	\$ 322.41	\$ 307.24	\$ 316.46	\$ 325.95	\$ 335.73	\$ 345.80
4" Meter	\$ 379.13	\$ 436.00	\$ 475.24	\$ 522.76	\$ 538.45	\$ 510.02	\$ 525.32	\$ 541.08	\$ 557.31	\$ 574.03
6" Meter	\$ 755.98	\$ 869.38	\$ 947.62	\$ 1,042.38	\$ 1,073.66	\$ 1,073.66	\$ 1,047.00	\$ 1,078.41	\$ 1,110.76	\$ 1,144.08
Fire Service 2" & under	\$ 24.06	\$ 27.67	\$ 30.16	\$ 33.18	\$ 34.18	\$ 36.07	\$ 37.15	\$ 38.26	\$ 39.41	\$ 40.59
Fire Service 3"	\$ 45.40	\$ 52.21	\$ 56.91	\$ 62.60	\$ 64.48	\$ 64.84	\$ 66.79	\$ 68.79	\$ 70.85	\$ 72.98
Fire Service 4"	\$ 75.83	\$ 87.20	\$ 95.05	\$ 104.55	\$ 107.69	\$ 105.93	\$ 109.11	\$ 112.38	\$ 115.75	\$ 119.22
Fire Service 6"	\$ 151.19	\$ 173.87	\$ 189.52	\$ 208.47	\$ 214.72	\$ 208.56	\$ 214.82	\$ 221.26	\$ 227.90	\$ 234.74
Fire Service 8"	\$ 214.72	\$ 214.72	\$ 214.72	\$ 214.72	\$ 214.72	\$ 331.77	\$ 341.72	\$ 351.97	\$ 362.53	\$ 373.41

(1) The rates beginning in 2009-10 were approved pursuant to Resolution No. 2010-27 by City Council on July 21, 2010.

(2) Each unit equals 748 gallons.

Source: Utility Billing Department Rate Schedules

City of Ukiah, California  
 Top Ten Electric Usage Customers  
 Current  
 Fiscal Year Ended June 30, 2020

<u>Rate Payers</u>	<u>2020</u>	
	<u>Electric Usage</u>	
City of Ukiah	\$ 815,611	5.23%
Ukiah Valley Medical Center	701,411	4.50%
County of Medocino	566,854	3.64%
Costco	433,375	2.78%
Ukiah Unified School District	292,169	1.88%
Safeway Stores	267,943	1.72%
Maverick Enterprises	247,023	1.59%
Save Mart Supermarkets (Lucky's)	204,444	1.31%
Save Mart Supermarkets (Food Maxx	179,957	1.15%
Wal-Mart	<u>172,526</u>	<u>1.11%</u>
	<u>\$ 3,881,313</u>	<u>25%</u>

Source: Utility Billing Module

# Debt Capacity

## City of Ukiah, California Ratio of Outstanding Debt by Type Per Capita and Per Capita Income Data Last Ten Fiscal Years

Fiscal Year	Estimated Population	Countywide Per Capita Income	Estimated Ukiah Personal Income	Governmental Type	Business Type Activities			Total Primary Government	Debt Per Capita	Percentage of Personal Income	
				Activities	Redevelopment Bonds	Electric Revenue Bonds	Installment Agreements				State Loans
2011	16,109	\$ 33,353	\$537,283,477	\$12,965,000	\$ 11,330,000	\$85,035,000	\$ 3,591,810	\$ 8,595,222	\$ 21,560,222	\$ 1,338	4.01%
2012	15,960	\$ 35,110	\$560,355,600	\$12,700,000	\$ 10,005,000	\$83,055,000	\$ 3,100,437	\$ 8,775,386	\$ 21,475,386	\$ 1,346	3.83%
2013	16,065	\$ 36,791	\$591,047,415	\$11,845,000	\$ 8,595,000	\$81,010,000	\$ 2,593,306	\$ 8,928,942	\$ 20,773,942	\$ 1,293	3.51%
2014	16,185	\$ 38,307	\$619,998,795	\$10,935,000	\$ 7,095,000	\$78,895,000	\$ 2,070,256	\$ 9,062,877	\$ 19,997,877	\$ 1,236	3.23%
2015	16,073	\$ 39,545	\$635,606,785	\$ 9,970,000	\$ 5,485,000	\$76,695,000	\$ 1,530,670	\$14,700,370	\$ 24,670,370	\$ 1,535	3.88%
2016	16,186	\$ 43,845	\$709,675,170	\$ 8,950,000	\$ 3,775,000	\$74,075,000	\$ -	\$14,700,370	\$ 23,650,370	\$ 1,461	3.33%
2017	16,314	\$ 45,436	\$741,242,904	\$ 7,865,000	\$ 1,950,000	\$73,597,990	\$ -	\$14,700,370	\$ 22,565,370	\$ 1,383	3.04%
2018	16,226	\$ 47,611	\$772,536,086	\$ 7,350,000	\$ -	\$69,010,000	\$ -	\$14,700,370	\$ 22,050,370	\$ 1,359	2.85%
2019	16,296	\$ 50,150	\$817,244,400	\$ 6,800,000	\$ -	\$66,330,000	\$ -	\$16,236,314	\$ 23,036,314	\$ 1,414	2.82%
2020	16,061	\$ 52,976	\$850,847,536	\$ 6,205,000	\$ -	\$63,520,000	\$ -	\$19,063,628	\$ 25,268,628	\$ 1,573	2.97%

Source: Estimated Population-from the State of California Department of Finance.  
Countywide Per Capita Income- Bureau of Economic Analysis CA1 Personal Income Summary; Personal Income, Population, Per Capita Personal Income  
Redevelopment Bond - Audited Financial Statements-Combining Statement of Fiduciary Net Position  
Installment Agreements/State Loans & Landfill Obligations-Notes to Financial Statements-Long Term Debt

Source: CA DOF Price-Population 2019-20 (Jan 1, 2019 Figure)  
Source: CA DOF Price-Population 2020-21 (Jan 1, 2020 Figure)

Note per capita income figures reindexed but historical data not updated.

City of Ukiah, California  
Ratio of General Bonded Outstanding Debt  
Last Ten Fiscal Years

Fiscal Year	Estimated Population	Countywide Per Capita Income	Actual Taxable Value of Property	General Debt Outstanding				Percentage of Actual Taxable Value of Property
				Redevelopment Bonds	Capital Leases	Total Primary Government	Debt Per Capita	
2011	16,109	\$ 33,353	\$ 1,180,790,444	\$ 12,965,000	\$ -	\$ 12,965,000	\$ 805	1.10%
2012	15,960	\$ 35,110	\$ 1,169,395,369	\$ 12,700,000	\$ -	\$ 12,700,000	\$ 796	1.09%
2013	16,065	\$ 36,791	\$ 1,171,599,083	\$ 11,845,000	\$ -	\$ 11,845,000	\$ 737	1.01%
2014	16,185	\$ 38,307	\$ 1,195,466,105	\$ 10,935,000	\$ -	\$ 10,935,000	\$ 676	0.91%
2015	16,073	\$ 39,545	\$ 1,224,746,468	\$ 9,970,000	\$ -	\$ 9,970,000	\$ 620	0.81%
2016	16,186	\$ 43,845	\$ 1,267,903,229	\$ 8,950,000	\$ -	\$ 8,950,000	\$ 553	0.71%
2017	16,314	\$ 45,436	\$ 1,304,711,495	\$ 7,865,000	\$ -	\$ 7,865,000	\$ 482	0.60%
2018	16,226	\$ 47,611	\$ 1,364,333,801	\$ 7,350,000	\$ 5,301,504	\$ 12,651,504	\$ 780	0.93%
2019	16,296	\$ 50,150	\$ 1,424,497,607	\$ 6,800,000	\$ 5,065,067	\$ 11,865,067	\$ 728	0.83%
2020	16,061	\$ 52,976	\$ 1,491,766,585	\$ 6,205,000	\$ 5,051,040	\$ 11,256,040	\$ 701	0.75%

Source: Estimated Population-from the State of California Department of Finance  
Countywide Per Capita Income- Bureau of Economic Analysis CA1 Personal Income Summary:Personal Income, Population, Per Capita Personal Income  
Redevelopment Bonds & Capital Leases - Notes to Financial Statements-Long Term Debt  
County of Mendocino Assessed Valuations by District

NOTE: AV Information show Secured Only

City of Ukiah, California  
 Computation of Direct and Overlapping Debt  
 June 30, 2020

Jurisdiction	Debt Outstanding	Estimated Percentage Applicable to City (1)	Estimated Share of Direct and Overlapping Debt
2019-20 Assessed Valuation (City of Ukiah):			\$ 1,568,008,820
2019-20 Assessed Valuation (Successor Agency to the Ukiah RDA):			969,107,379
2019-20 Incremental Assessed Valuation (Successor Agency to the Ukiah RDA):			712,900,382
<b><u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u></b>		<b>% Applicable<sup>(1)</sup></b>	<b>Debt 6/30/2020</b>
City of Ukiah		100.00%	\$ -
Ukiah Unified School District		34.46%	24,034,490.04
Mendocino-Lake Community College District		13.96%	8,028,976.04
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 32,063,466.08
<b><u>OVERLAPPING GENERAL FUND DEBT:</u></b>			
City of Ukiah		100.00%	\$ 5,051,040.00
Mendocino County General Fund Obligations		12.84%	2,047,391.14
Mendocino County Pension Obligation Bonds		12.84%	5,792,164.58
TOTAL OVERLAPPING GENERAL FUND DEBT			\$ 12,890,595.72
OVERLAPPING TAX INCREMENT DEBT(SUCCESSOR AGENCY)		100.00%	\$ 6,205,000.00
Total Direct Debt			\$ 5,051,040.00
Total Overlapping Debt			46,108,021.80
Total Combined Debt			\$ 51,159,061.80 <sup>(2)</sup>
<b><u>Ratios to 2019-20 Assessed Valuation:</u></b>			
Total Direct Debt	0.32%		
Total Overlapping Tax and Assessment Debt	2.04%		
Total Overlapping Debt	2.94%		
Total Combined Debt	3.26%		
<b><u>Ratios to 2019-20 Redevelopment Successor Agency Incremental Assessed Valuation:</u></b>			
Total Overlapping Tax Increment Debt	0.87%		

<sup>(1)</sup> The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping entities' assessed value that is within the boundaries of the City, divided by the entities' total taxable assessed value.

<sup>(2)</sup> Excludes tax and revenue anticipation notes, enterprise revenue and mortgage revenue obligations.

The above Pledged-Revenue Coverage data is provided for interested parties. The specific Pledged-Revenue Coverage requirements for outstanding enterprise debt are detailed in the covenants for each outstanding enterprise debt. Investors in the City's enterprise debt obligations are encouraged to review the annual Continuing Disclosure Reports required under SEC Rule 15c2-12, as posted to the Municipal Securities Rulemaking Board Electronic Municipal Market Access website, to obtain the annual Continuing Disclosure report for Pledged-Revenue Coverage Ratio information in alignment with specific debt covenants.



City of Ukiah, California  
 Legal Debt Margin Information  
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Assessed Valuation</u>	<u>Ratio Applied as % of Assessed Value</u>	<u>Legal Debt Limit Margin</u>	<u>Total Debt Subject to Limit</u>	<u>Debt Subject to Limit as % of Debt Limit</u>
2011	\$1,180,790,444	15.00%	177,118,567	-	0.00%
2012	\$1,169,395,369	15.00%	175,409,305	-	0.00%
2013	\$1,171,599,083	15.00%	175,739,862	-	0.00%
2014	\$1,195,466,105	15.00%	179,319,916	-	0.00%
2015	\$1,224,746,468	15.00%	183,711,970	-	0.00%
2016	\$1,267,903,229	15.00%	190,185,484	-	0.00%
2017	\$1,304,711,495	15.00%	195,706,724	-	0.00%
2018	\$1,364,333,801	15.00%	204,650,070	-	0.00%
2019	\$1,424,497,607	15.00%	213,674,641	-	0.00%
2020	\$1,491,766,585	15.00%	223,764,988	-	0.00%

Legal Debt Limit Margin Calculation for 2019-2020

Assessed value	<u>\$ 1,424,497,607</u>
Debt limit is 15% of assessed value	\$ 213,674,641
Less: Debt applicable to limitation	\$ -
Total bonded debt	<u>\$ -</u>
Legal debt margin	<u><u>\$ 213,674,641</u></u>

In accordance with state law the City may not incur general obligation bonded indebtedness in excess of 15% of total assessed valuation, with such debt being payable from the proceeds of taxes levied upon taxable properties  
 Source: County of Mendocino Assessed Valuations by District

City of Ukiah, California  
Pledged Net Revenue Debt Coverage  
Last Ten Fiscal Years

Fiscal Year	<b>Wastewater System Debts (2)</b>				<b>2016 Water System Installment (3)</b>			
	Pledged System Net Revenues (1)	Debt Service		Coverage	Pledged System Net Revenues	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2011	3,577,709	1,956,772	3,369,632	0.67	-	-	-	-
2012	6,903,915	2,027,475	3,267,419	1.30	-	-	-	-
2013	6,685,684	2,098,499	3,189,995	1.26	-	-	-	-
2014	8,978,102	2,169,854	3,109,840	1.70	-	-	-	-
2015	7,260,306	2,263,252	3,038,640	1.37	-	-	-	-
2016	5,855,558	2,343,252	2,940,898	1.11	2,563,208	-	340,258	7.53
2017	2,382,361	2,010,000	2,851,300	0.49	3,132,696	475,000	448,769	3.39
2018	3,139,732	2,090,000	2,770,900	0.65	3,009,652	490,000	436,669	3.25
2019	1,727,884	2,180,000	2,687,300	0.35	3,820,384	500,000	419,319	4.16
2020	1,719,459	2,280,000	2,597,375	0.35	2,210,560	530,000	398,719	2.38

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

1. Includes Ukiah Valley Sanitation District payments for Waste Water services and portion of Debt Service.
2. 2006 Waste Water System Installment Agreement.  
State of California Water Resources Control Board
3. 2016 Water System Installment Agreement refunding. Paid off Water System Debts.

## Demographic and Economic information

City of Ukiah, California  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years

Fiscal Year	Estimated Population	Countywide Per Capita Income	Estimated City Ukiah Income	Assessed Valuation	Unemployment Rate
2011	16,109	\$ 33,353	\$ 537,283,477	\$ 1,180,790,444	14.30%
2012	15,960	\$ 35,110	\$ 560,355,600	\$ 1,169,395,369	13.40%
2013	16,065	\$ 36,791	\$ 591,047,415	\$ 1,171,599,083	11.30%
2014	16,185	\$ 38,307	\$ 619,998,795	\$ 1,195,466,105	9.60%
2015	16,073	\$ 39,545	\$ 635,606,785	\$ 1,224,746,468	8.00%
2016	16,186	\$ 43,845	\$ 709,675,170	\$ 1,267,903,229	6.90%
2017	16,314	\$ 45,436	\$ 741,242,904	\$ 1,304,711,495	6.30%
2018	16,226	\$ 47,611	\$ 772,536,086	\$ 1,364,333,801	5.30%
2019	16,296	\$ 50,150	\$ 817,244,400	\$ 1,424,497,607	5.20%
2020	16,061	\$ 52,976	\$ 850,847,536	\$ 1,491,766,585	8.00%

Source: Estimated Population-State of California Department of Finance  
 Countywide Per Capita Income- Bureau of Economic Analysis CA1 Personal Income Summary:Personal Income, Population, Per Capita Personal Income  
 Assessed Valuations-County of Mendocino-Assessed Valuations by District  
 Unemployment Rate-State of California Employment Development Department Labor Market Division Labor Force Data for Cities and Census Designated Places

Note Per Capita Income Figures reindexed, historical figures have not been adjusted  
 Reset Unemployment Rate using EDD Downloadable monthly data for the City of Ukiah  
 Data used can be replicated in the future, however, rates for City are higher than prior County rates presented

City of Ukiah, California  
Principal Employers

<b>2020 Employers</b>	<b>Industry</b>	<b>Number of Employees (1)</b>
Adventist Health Ukiah Valley	Outpatient Services	500-999
City of Ukiah	City Services	100-249
Costco Wholesale	Wholesale Clubs	100-249
County of Mendocino	Government Offices-County	1000-1250
Dharma Realm Buddhist Association	Associations	100-249
Mendocino Community Health	Clinics	250-499
Mendocino County Office of Education	Government Offices-County	100-249
Pacific Coast Farm Credit	Loans-Agricultural	100-249
Ukiah Valley Medical Center	Hospitals	500-999
Walmart	Department Stores	100-249

Notes:

1. Number of Employees reflects a range provided by California Employment Development Department (EDD) Labor Market Information data, 2020 1st Edition.

Source: California Employment Development Department (EDD).

## Operating Information

### City of Ukiah, California Full-time and Part-time City Employees by Function Last Ten Calendar Years

Function	Full-Time Equivalent Personnel as of June 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government <sup>(1)</sup>	21.7	20.7	23.2	23.1	24.0	21.5	27.5	32.9	36.5	37.6
Police <sup>(2)</sup>	39.5	39.5	38.5	43.0	48.0	49.0	49.0	52.7	53.0	46.8
Fire	18.5	18.5	15.5	11.0	11.0	11.0	11.0	13.2	20.5	19.8
Planning & Building	4.3	4.3	4.0	5.5	6.0	6.0	6.0	5.4	5.8	5.2
Public Works, Water, Sewer & Wastewater Treatment	45.7	41.6	38.9	38.3	39.0	41.5	42.5	44.2	43.5	41.3
Electric	17.8	17.4	18.2	16.2	17.0	17.0	18.0	21.6	21.3	18.8
Airport	2.0	2.0	2.0	2.0	2.0	2.0	2.0	4.2	4.2	4.3
Parks & Recreation	18.9	17.9	18.7	17.9	17.0	20.0	19.0	33.5	35.5	31.4
Total: <sup>(3)</sup>	<u>168.4</u>	<u>162.0</u>	<u>159.0</u>	<u>157.0</u>	<u>164.0</u>	<u>168.0</u>	<u>175.0</u>	<u>207.6</u>	<u>220.3</u>	<u>205.1</u>

(1) includes City Administration, Finance, Human Resources, Administrative Support and Information Services Functions

(2) Includes dispatch that supports both police and fire.

(3) The City's method of counting FTE changed for FY2018 - FY2020.

Source: City of Ukiah Budget-Authorized Full-Time Personnel (FTE) FY20/21



**Independent Auditor’s Report on Internal Control over Financial Reporting and  
on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

City Council  
City of Ukiah  
Ukiah, California

We have audited, in accordance with the 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, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Ukiah (City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated December 30, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies

in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2020-001, 2020-002 and 2020-003 that we consider to be significant deficiencies.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **City of Ukiah's Responses to Findings**

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Van Lant & Fankhaed, LLP*

December 30, 2020

**CITY OF UKIAH**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**Year Ended June 30, 2020**

***2020-001 Segregation of Incompatible Duties Over Cash Receipts for Community Services***

*The following is a continuation from the prior year:*

*Condition:*

As part of our audit procedures we reviewed the process of collecting cash receipts at the Community Services Department in order to gain an understanding of the internal controls in this area. During our review we noted several weaknesses in the cash collection process. Below is a list of the issues identified:

- 1) No numerical reconciliation of the manual receipts issued, and through discussions with City staff, the issuance of receipts is not mandatory.
- 2) Cash payments are taken by instructors without the issuance of receipts.
- 3) Reconciliation of the number of people registered for classes to the number of people in attendance in a class is not done on a consistent basis.
- 4) Lack of segregation of duties for the receptionist/clerk who collects payments, inputs receipts, and reconciles the cash and checks collected.

*Criteria:*

In a strong internal control environment, receipts should be issued for all transactions, manual receipts should only be used in very limited circumstances and, if used, the numerical sequence of receipts issued should be performed, and incompatible duties should be properly segregated.

*Cause of Condition:*

Procedures for reviewing numerical sequence of receipts has not been established or implemented, and cash receipting duties have not been sufficiently segregated.

*Potential Effect of Condition:*

Lack of internal controls over the collection of payments at the Community Services Department could result in payments collected that are not ultimately recorded in the City's general ledger and deposited into the City's bank accounts.

*Recommendation:*

We recommend the City implement procedures for reviewing the numerical sequence of cash receipts by an individual independent of the cash collection process, make sure all customers are issued receipts, and properly segregate duties for cash collection.



**CITY OF UKIAH**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**Year Ended June 30, 2020**

***2020-001 Segregation of Incompatible Duties Over Cash Receipts for Community Services  
- Continued***

*Management's Response:*

Management agrees with the Auditor's recommendation and will work to implement the appropriate procedures and protocols for cash management in the Community Services Department. The Finance Department was unable to address this issue fully in 2019-20 but intends to complete an evaluation of the condition by the end of 2020-21 and implement changes if needed.

***2020-002 Building Permits***

*Condition:*

The City's building permit system is a module of Munis, the general ledger accounting system used. Payments for building permits are collected by the cashiers by crediting the permit application in Munis. However, the permit technicians can issue permits with a balance due, with no independent reconciliation performed between the permits issued and the revenues collected and posted to the general ledger.

*Criteria:*

In a strong internal control environment, permits issued should be reconciled with the revenues collected and recorded in the general ledger on a periodic basis to ensure all permits issued have a corresponding cash receipt.

*Cause of Condition:*

The City does not reconcile the building permits issued to the revenues collected and recorded in the general ledger.

*Potential Effect of Condition:*

Building permits could be issued without a corresponding cash receipt being recorded in the City's general ledger and deposits in the City's bank account.

*Recommendation:*

We recommend the City implement procedures to generate reports from the building permit module, and periodically (daily, weekly, monthly) have someone independent of the permit issuance and collection functions review and reconcile the amounts from these reports to the revenues posted in the City's general ledger.

**CITY OF UKIAH**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**Year Ended June 30, 2020**

***2020-002 Building Permits - Continued***

*Management's Response:*

The Finance Department plans to continue working with the Community Development Department to complete the refinement to this internal control and implement the recommendation as appropriate.

***2020-003 Credit Card Use Policy***

*Condition:*

While conducting audit procedures relating to disbursements/expenditures, we were unable to obtain a detailed credit card use policy. In addition, through review of credit card activity, it appears that meals are being purchased using the City's credit card. The City has reimbursement policies for meals and travel expenses; however, there is no detailed policy for credit card use when traveling or for the purchase of meals.

*Criteria:*

Credit card usage should be well documented and subject to established City policies. Use of City credit cards by City staff should have sufficient supporting documentation detailing the specific reasons for using the credit cards, including meals and travel. In addition, travel costs incurred should be in accordance with set standards, such as those established by the General Services Administration (GSA).

*Cause of Condition:*

The City's credit card policies do not provide detailed guidance regarding allowable use and proper documentation.

*Potential Effect of Condition:*

The potential for unauthorized purchases or excessive costs incurred is increased.

*Recommendation:*

We recommend the City establish detailed policies on the appropriate use of City credit cards and implement procedures to ensure all credit card activity is properly reviewed and documented. Credit card policies should be established to ensure conservative, efficient use of City funds. In

**CITY OF UKIAH**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**Year Ended June 30, 2020**

***2020-003 Credit Card Use Policy - Continued***

addition, policies for allowable use of City credit cards while traveling should also be clearly defined. The supporting documentation should include the purpose for travel and a reconciliation of travel costs with a set standard of limits for meals and lodging.

**Management's Response:**

Management agrees with the Auditor's recommendation. The City does have a defined policy, adopted by City Council, on travel and related meals for City team members. It follows that policy accordingly when travel and related meals are reviewed, approved, incurred, and reconciled. The City does not have a specific, defined credit card use policy outside of its standard policies on the use of City funds and resources. The latter has been used to govern credit card use. All credit card transactions are reviewed by the respective department head and the Finance Department during the credit card statement reconciliation and before payment. However, in 2018-19 the City began implementing a new travel program and protocol along, with a new credit card system planned for 2020-21, aligning with the State of California's CalCard program. Integral to its implementation will be a specific policy on the use of the CalCard. Further, the new travel program will align the City's policies to GSA guidelines and standards.

**INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON PROCEDURES  
APPLIED TO APPROPRIATIONS LIMIT WORKSHEETS**

City Council  
City of Ukiah  
Ukiah, California

We have performed procedures enumerated below to be the accompanying Appropriations Limit worksheet of the City of Ukiah, for the year ended June 30, 2020. These procedures, which were agreed to by the City of Ukiah and the League of California Cities (as presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII B of the California Constitution*), were performed solely to assist the City in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The City's management is responsible for the Appropriations Limit worksheet. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings were as follows:

1. We obtained the completed worksheets and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned documents to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit worksheet, we added last year's limit to total adjustments and agreed the resulting amount to this year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We agreed the current year information presented in the accompanying Appropriations Limit worksheet to the other documents referenced in #1 above.

Finding: No exceptions were noted as a result of our procedures except the City used a population growth factor rounded to the nearest tenth. The City used -0.10%, the actual population growth factor was -0.14%.

4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit worksheet to the prior year appropriations limit adopted by the City Council during the prior year.

Finding: No exceptions were noted as a result of our procedures.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit worksheet. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriations limit for the base year, as defined by the League publication entitled *Article XIII B of the California Constitution*.

This report is intended solely for the use of the City Council and management of the City of Ukiah and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

*Van Lant & Fankhaed, LLP*

December 30, 2020

**CITY OF UKIAH**  
**APPROPRIATIONS LIMIT COMPUTATION**  
2019 – 2020

	2019 - 20
Change in Per Capita Personal Income	3.85%
Population Change	
County Population Growth	-0.10%
A. Change in Per Capita Personal Income Converted to a Ratio	1.0385
B. Population Growth Converted to a Ratio	0.999
Calculation of Growth Factor (A x B)	1.03746
2018 - 2019 Appropriations Limit	\$ 42,653,203
2019 - 2020 Appropriations Limit (42,653,203 x 1.03746)	\$ 44,251,056

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