



City of Ukiah

City of Ukiah, California

Comprehensive Annual Financial Report

Fiscal Year Ended
June 30, 2017



COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF UKIAH, CALIFORNIA

FISCAL YEAR ENDED JUNE 30, 2017

PREPARED BY

FINANCE DEPARTMENT

CITY OF UKIAH

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INTRODUCTORY SECTION



November 14, 2018

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, 2017. 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 of time 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 sufficient, 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.

As the City did not expend over \$750,000 of federal money during this reporting period, it was not required to conduct a broader, federally mandated OMB Circular A-133 "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also

on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. While traditionally addressed to the governing body of the City, this report is intended to provide relevant financial information to external users (non-management employees), 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, 2017, 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 unqualified opinion, which states that the City’s financial statements for the fiscal year ended June 30, 2017, 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.



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 16,314¹ 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 have a large area serving 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.

In Ukiah, the total labor force is approximately 7,120². Unemployment in Ukiah is approximately 6.9 percent, down from 7.6 percent in 2016. Within ten miles, there is a diverse labor force specializing in such 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 2016-17, the City's efforts were focused in the following areas:

- **Public Safety Services.** Demand for police and fire services continued to grow due in large part to transient related issues. This demand has outpaced our labor and financial resources despite the continuation of Measure S funding and an increase in General Fund spending. For our Police Department, the increased service demand is forcing a reactive approach to crime instead of proactive strategies focused on prevention and community oriented policing services.

¹ 2017 California Department of Finance, Demographic Research Unit, E-1 Population Estimates for Cities, Counties, and the State, May 2, 2016

² 2017 California Employment Development Department, Labor Market Information Division, <http://www.labormarketinfo.edd.ca.gov>

- **Housing.** Focusing on economic development also means ensuring there is adequate housing for a skilled and growing labor pool. Recognizing a need for housing of all types in Ukiah, the Ukiah City Council adopted a Housing Strategy to increase the supply of both lower-income housing and middle-income housing. The Housing Strategy utilizes a variety of tools and resources to incentivize housing production.
- **Streets.** Public Works has begun the implementation of 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.

This report includes all funds of the City and its blended component unit: the Successor Agency to the Ukiah Redevelopment Agency.

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.

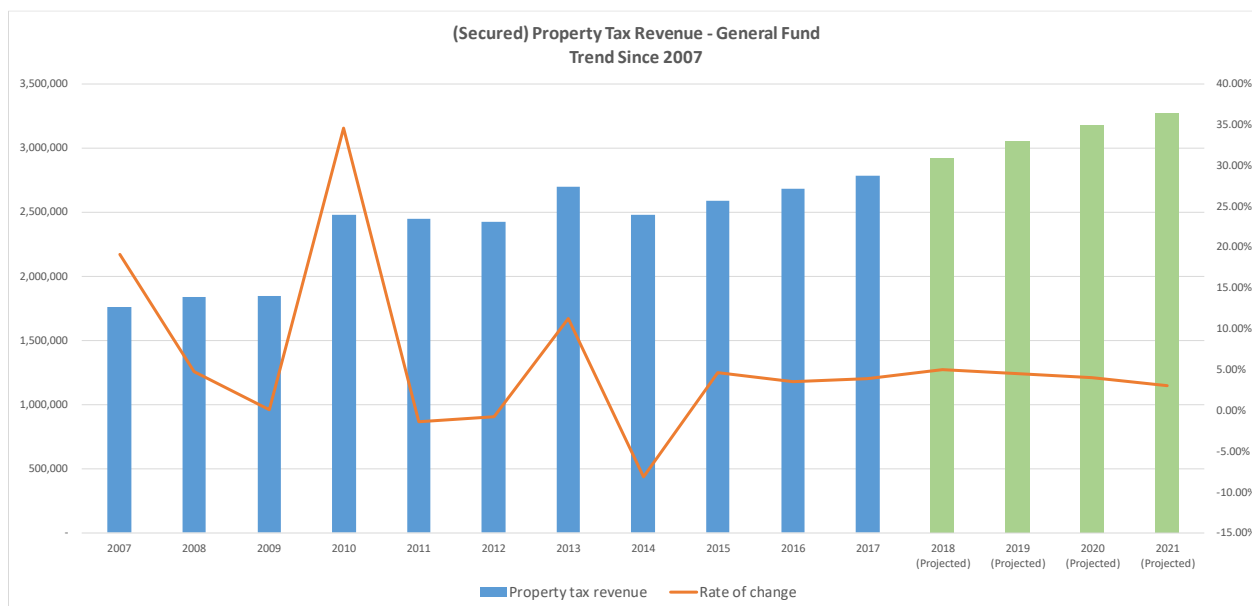
Mendocino County suffered immensely from the Great Recession, but is in the throes of an accelerated recovery. The recovery is evidenced by nominal improvements in the unemployment rate, consumer spending (through sales tax analysis), building permits, and planning work. The housing market, while making progress toward recovering values from the highs of 2007, remains below peak prices.

Unemployment rates in the City of Ukiah remained lower at 3.3 percent than the national rate (4.3 percent), the state rate (4.6 percent) and the Mendocino County rate of 4.6 percent. But this is down slightly from the prior year of 7.3 percent³.

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 management’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 are expected to grow modestly, averaging of 2-5 percent per year for the next five years.

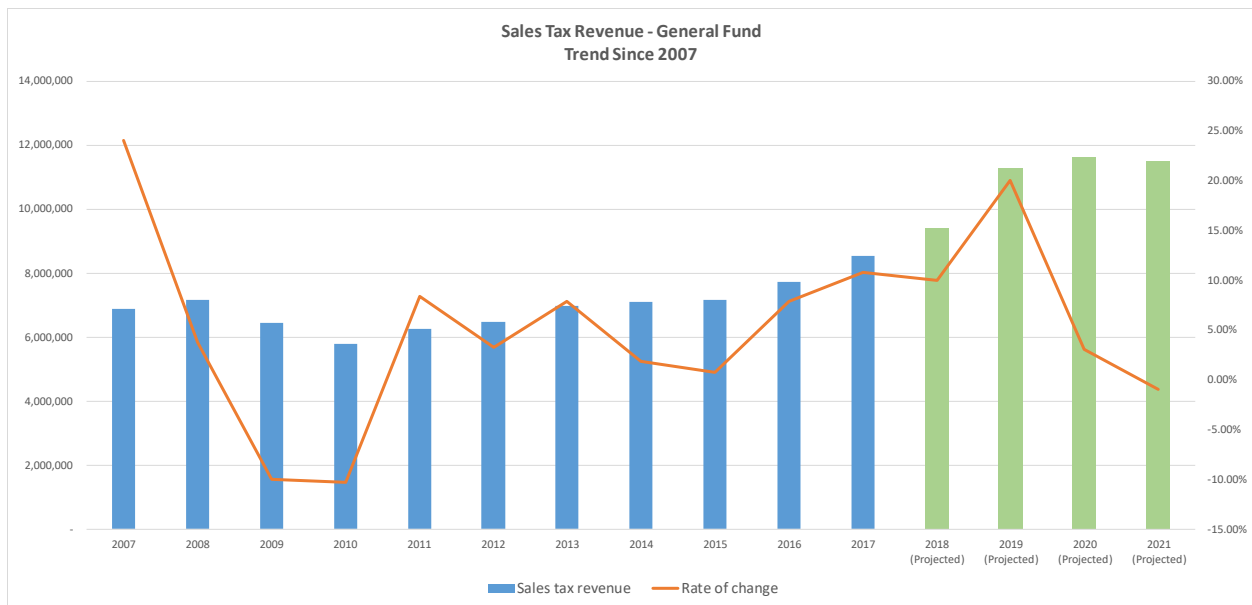
The housing market has improved markedly; however, changes to property tax receipts will continue to be nominal due to retroactive Prop 8 adjustments still being processed by the Mendocino County Assessor. Property-related revenues in general are expected to increase modestly FY 2017-18 and beyond, likely to average 4-5 percent, as illustrated in the following table.



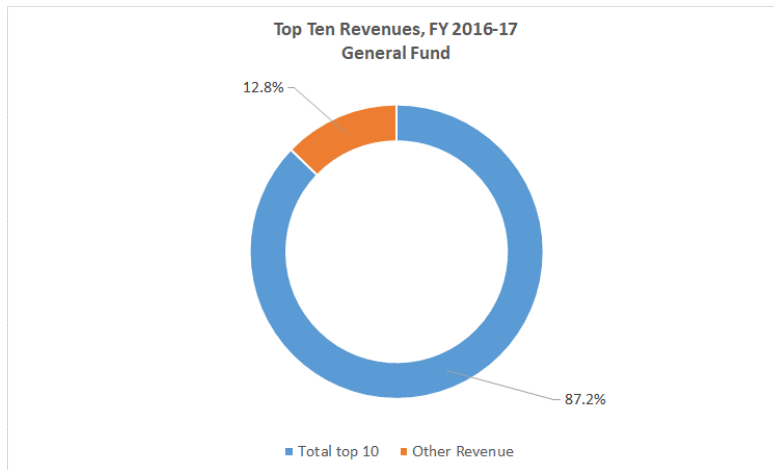
³ 2017 California Employment Development Department, Labor Market Information Division, <http://www.labormarketinfo.edd.ca.gov>

As the hub of Mendocino County, Ukiah has a strong sales tax base. After the Great Recession, Ukiah began seeing a gradual increase in sales tax beginning in 2015 with a projected dip in 2018. However, with the buildout of Airport Park Boulevard and the opening of Costco, the sales tax is projected to increase significantly through 2019. Forecasting through 2021 shows a drop due to a potential recession.

There is no indication of a recession at this time, however, we are overdue and using prudence to demonstrate the effect of a 1% decrease.



Financial Condition: General Revenues - Top Ten:



The City's top ten revenue sources account for nearly 88 percent of total general fund income. Focusing on these sources can provide an excellent understanding of the City's revenue position.

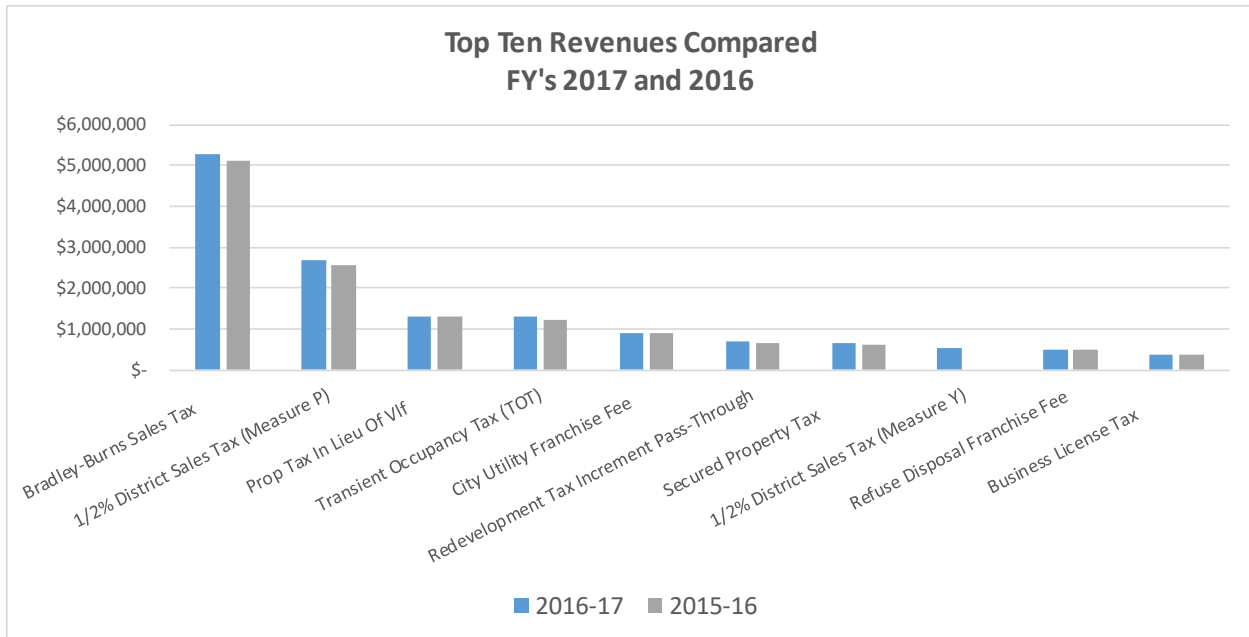
Overall, these key revenues performed better in 2017 than in 2016. The strongest performer was business license tax (6.17 percent increase). The weakest performer

was property taxes in lieu of vehicle license fees (VLF)(1.71 percent increase). The following schedule and chart demonstrates this comparison:

TOP 10 - REVENUES

Current to Prior
Year Ended June 30, 2017

REVENUE	2016-17	2015-16	Percent Change	Percent of Total 2016-17 General Revenues
Top 10:				
Bradley-Burns Sales Tax	\$ 5,276,719	\$ 5,103,289	3.40%	32.34%
1/2% District Sales Tax (Measure P)	2,684,958	2,563,699	4.73%	16.46%
Prop Tax In Lieu Of Vlf	1,315,491	1,293,374	1.71%	8.06%
Transient Occupancy Tax (TOT)	1,302,336	1,229,814	5.90%	7.98%
City Utility Franchise Fee	910,527	893,522	1.90%	5.58%
Redevelopment Tax Increment Pass-Through	682,886	662,724	3.04%	4.19%
Secured Property Tax	635,498	617,563	2.90%	3.90%
1/2% District Sales Tax (Measure Y)	528,057	-	-	3.24%
Refuse Disposal Franchise Fee	504,771	489,129	3.20%	3.09%
Business License Tax	382,825	360,590	6.17%	2.35%
Total top 10	14,224,068	13,213,704	7.65%	87.18%
Other Revenue	2,091,330	4,500,747	-53.53%	12.82%
Total operating revenue	\$ 16,315,398	\$ 17,714,451	-7.90%	100.00%



Sales Tax. The City collects sales tax from two sources: normal Bradley-Burns sales taxes (1 percent of taxable transactions), a ½ cent sales and use tax, commonly referred to as Measure P, and a ½ cent sales 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 moderately 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 slightly over 1.5 percent compared to last year.

Transient Occupancy Tax (TOT). Commonly referred to as a “bed,” “hotel,” or “room” tax this revenue source has performed strongly over the last two years, up nearly 15 percent from 2014-15. 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 positive growth trend for several more years. 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, 8 percent is considered general revenue to the general fund, which is what is reported here. The remaining 2 percent funds economic development and tourism enterprise and is deposited to a special revenue fund.

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.

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 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 and deposits them in a specific in the general fund, which is reported here.

This revenue sources tracks relatively similar to 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. As mentioned earlier, revenue from this source will 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.

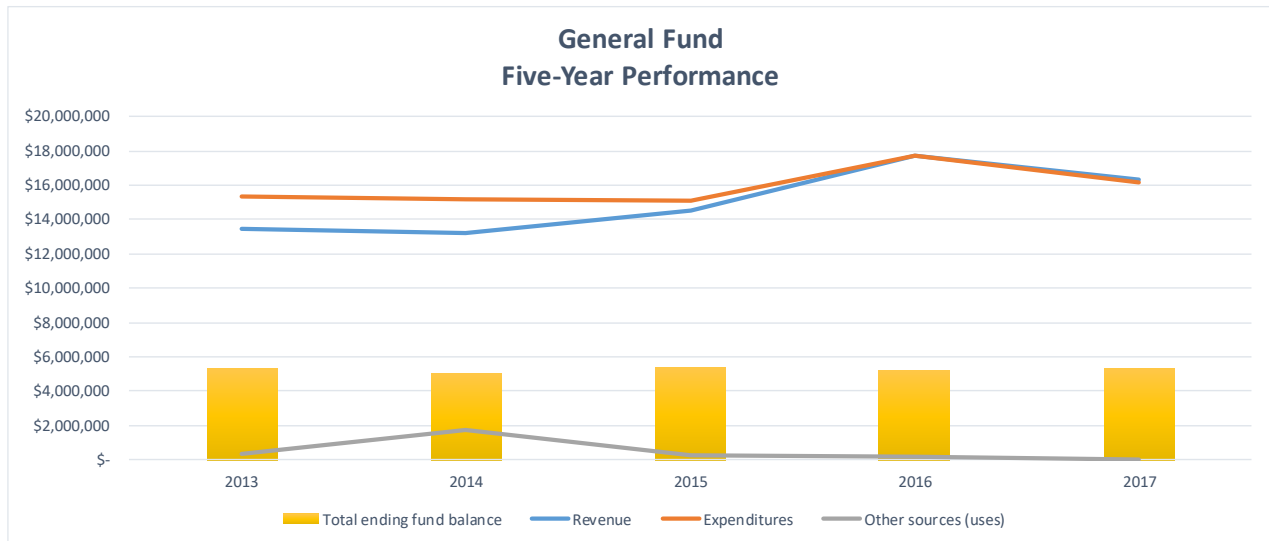
Refuse Disposal Franchise Fees. This revenue source is a charge to the City’s franchise solid waste hauler. As discussed earlier, franchise fees are not taxes; rather, they are rents paid by utility providers to operate on or in City rights-of-way and City property, such as roads, sidewalks, parklands, etc. The vehicles used to provide this service (garbage trucks) are heavy machines that wear roads more quickly and significantly than other commercial and non-commercial vehicles. Revenues from this source were higher in FY 2016-17 than in the preceding year due increased sales by the hauler, Ukiah Waste Solutions.

Business License Tax. Businesses that operate within City limits are required to obtain a business license. The proceeds from the tax collected are available for unrestricted use in the general fund. Receipts are down slightly from a year ago likely due to normal business cycles.

THE GENERAL FUND

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.

The schedule and chart below illustrate how the general fund has performed over the last five years, ending June 30, 2017.



GENERAL FUND	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Five-Year Trend					
Revenue	13,453,616	13,235,450	14,493,862	17,714,451	16,315,398
Expenditures	15,349,387	15,167,827	15,099,745	17,694,089	16,185,802
Excess (deficiency)	(1,895,771)	(1,932,377)	(605,883)	20,362	129,596
Other sources (uses)	304,768	1,714,573	250,351	166,464	20,361
Change in fund balance	\$ (1,591,003)	\$ (217,804)	\$ (355,532)	\$ 186,826	\$ 149,957
Beginning fund balance	6,864,909	5,273,906	5,715,426	5,359,894	5,213,001
Total ending fund balance	\$ 5,273,906	\$ 5,056,102	\$ 5,359,894	\$ 5,213,001	\$ 5,322,236
Percent of revenue	39.2%	38.2%	37.0%	29.4%	32.6%

The general fund ended the year with a total fund balance of \$5.32 million, of which \$4.35 million was available for spending. Total fund balance represents 32.6 percent of general fund revenue for the year. Despite realizing \$734,525 in additional revenue than was anticipated by the budget, the general fund balance ended the year higher than the preceding year by \$109,235. Much of this was attributed to higher than anticipated expenditures in public safety; parks, buildings and grounds; and culture and recreation.

Revenues flow into the fund from a wide variety of sources, including the top ten discussed earlier. Conversely, the general fund provides for a variety of services to the community, which are generally grouped as follows:

- General government (including, but not limited to, City Council, City Management, City Clerk, City Attorney, Finance, and Treasury Management)
- Public Safety (Police and Fire)
- Public Works (Engineering and roads primarily)
- Housing and Community Development (housing program administration, Planning, and Building)
- Parks and Recreation
- Capital outlay

Other sources and uses are inflows and outflows that increase or decrease fund balance but are not considered revenues or expenditures. The predominant example would be transfers.

For instance, a transfer out would be recognized if the general fund provided resources to a special revenue fund without receiving something commensurate. An example of this would be the general

fund's support of the Grace Hudson Museum, which is accounted for in special revenue fund with the intent that it might support itself with dedicated revenues, e.g. entry fees, facility rentals, etc.

Transfers into the general fund would be similar in characteristic, another governmental, enterprise, or fiduciary fund providing resources to it without receiving something in return. An example would be a gas tax fund transferring resources into the general fund so that the general fund could perform general road maintenance.

It should be noted and stressed: transfers are not the same as interfund borrowing. Such activity is a balance sheet activity and does not impact fund balance in total.

Fund balance is the remaining resources of a fund that can be used in the subsequent period, or budget year. Per generally accepted accounting principles (GAAP) the City characterizes its fund balance accounts as one of 5 main categories:

- **Nonspendable.** These are amounts that are not necessarily readily available but are nonetheless current enough to be liquidated and used. Examples include receivable amounts from long-term interfund borrowing and notes receivable.
- **Restricted.** These are amounts which can only be spent on specific activities prescribed by a third party, i.e. an entity other than the voters, City Council, or City management. An example would be amounts held by the fund derived from a grant by which the grantor has set the requirements as to how those proceeds are to be used.
- **Committed.** These are amounts designated by the highest level of the government's authority (typically the voters or City Council) for discrete purposes. Further, the mechanism used to prescribe these amounts is one that is not readily created, altered, or otherwise reversed, e.g. and ordinance or voter initiative.
- **Assigned.** These amounts are similar to those characterized as committed but are more readily established, altered, or cancelled. The City Council or City Management can assign fund balance through resolution or budgetary policy, for instance. An example of this would be amounts designated as reserve by the City Council for exclusive use related to public safety or to act as a general rainy day reserve.
- **Unassigned.** These amounts are any that do not fall under the characterization of the four fund balance classifications described above.

BUSINESS-TYPE ACTIVITIES:

The City provides various enterprise services, including water, sewer, and electric. Water and sewer are housed administratively within the Public Works Department but are accounted for, like electric, in a proprietary, enterprise fund. Through the collection of fees and charges, these funds should collect revenues sufficient enough to finance costs associated with administration, operations, capital improvements (CIP), and debt service.

Enterprise activities are accounted for like a business in the private sector using the full accrual basis. This is starkly different than governmental fund accounting, which uses the modified accrual basis and is concerned only with current spendable resources, what we call fund balance. Drawing comparisons of information between the two methods can be challenging.

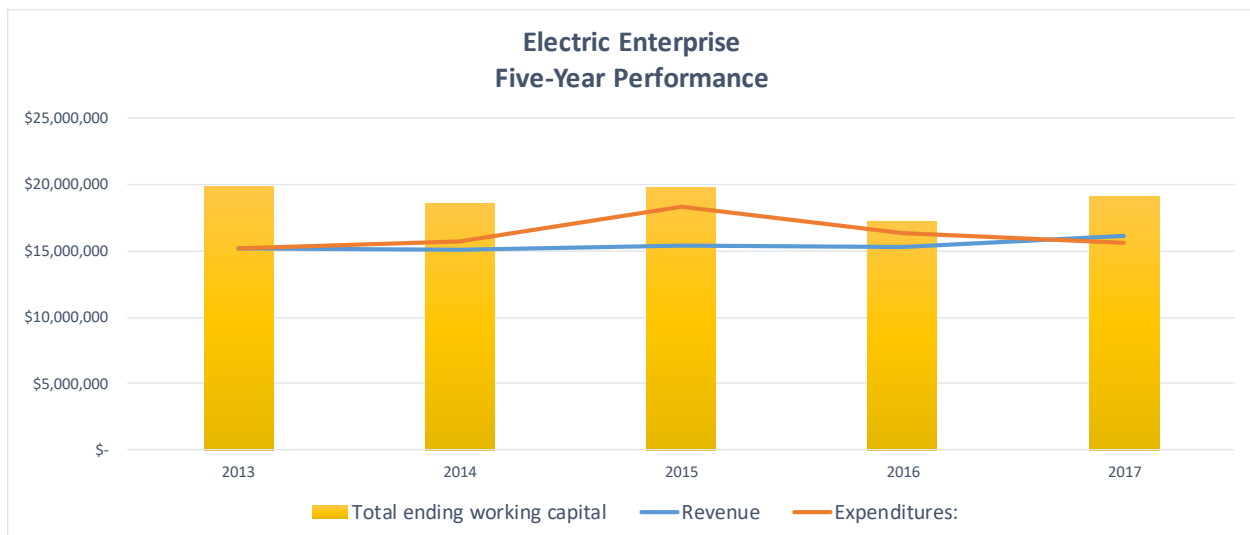
Although the City accounts and reports on these funds using full accrual accounting basis, here we present the activities of the water, sewer, and electric enterprise funds in terms of working capital. Working capital is defined as the difference between current assets and current liabilities, which is closely approximate to the definition of fund balance in governmental funds. In other words, it's the resources available to meet ongoing operating, debt service, and capital activities in the near term. Non-cash expenses, such as depreciation typically part of full accrual accounting, are excluded from this presentation.

Electric Enterprise Operations

Revenues from rates were up 3 percent over the previous year while operating costs have remained constant. The electric enterprise maintains a healthy reserve and working capital of 106.5 percent of current revenue for the year.

As of the date of this letter, the City Council has taken steps to better provide resources to the electric utility by addressing service rates. The Council moved to begin a phased-in approach to electric rates beginning in January, 2017. Annual rate adjustments averaging three percent will occur over the next four years.

Additionally, the City maintains a public benefit program to assist low-income customers with the cost of their electric service. This program, however, has expended more resources than were available in 2015-16, requiring a short-term loan of \$51,424 from the electric operating fund. In April 2017, management submitted a proposal to council to restructure the distribution of monies into energy conservation. As of December 2016, public utilities were no longer required to fund solar rebates. Electric utility also discontinued the emergency assistance program through C.A.R.E.S. as another agency in town provides the same service. The money from solar rebates and C.A.R.E.S. allowed the Electric Utility Department to create a new low-income housing incentive program. This program is designed to incentivize developers to build more energy efficient housing as long as Title 24 minimums are met, creating long-term energy savings.

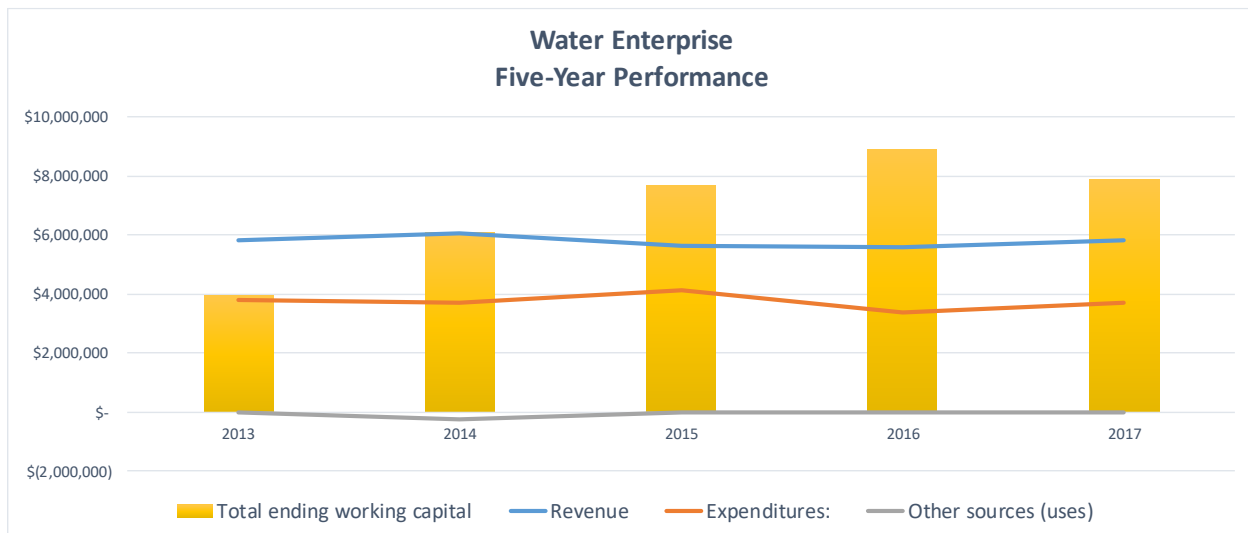


ELECTRIC ENTERPRISE Five-Year Trend	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Revenue	15,177,990	15,080,656	15,408,054	15,266,853	16,113,289
Expenditures:					
Operating	12,679,304	12,829,515	14,496,789	13,219,097	15,062,867
Debt service	2,040,726	2,037,187	2,076,253	2,095,715	2,089,024
Capital outlay	426,194	860,408	1,730,441	1,013,394	910,218
Total expenditures	15,146,224	15,727,110	18,303,483	16,328,206	18,062,109
Excess (deficiency)	31,766	(646,454)	(2,895,429)	(1,061,353)	(1,948,820)
Other changes to working capital	(1,065,910)	(1,009,418)	15,680	(1,446,932)	1,878,583
Change in working capital	\$ (1,034,144)	\$ (1,655,872)	\$ (2,879,749)	\$ (2,508,285)	\$ (70,237)
Total ending working capital	\$ 19,860,969	\$ 18,625,026	\$ 19,740,844	\$ 17,232,559	\$ 17,162,322
Percent of revenue	130.9%	123.5%	128.1%	112.9%	106.5%

Water Enterprise Operations

Revenues from rates were up 4 percent over the previous year resulting from a rate increase in 2016 that is being phased in over five years. Transfers into the fund further added to its working capital by \$77,687, bringing its total to \$17.16 million, or 106.5 percent of current revenue for the year.

The fund has performed well over the last five years, but expenditures relative to revenue have been increasing. This is something we will be watching closely and making appropriate recommended adjustments to operational spending where necessary.

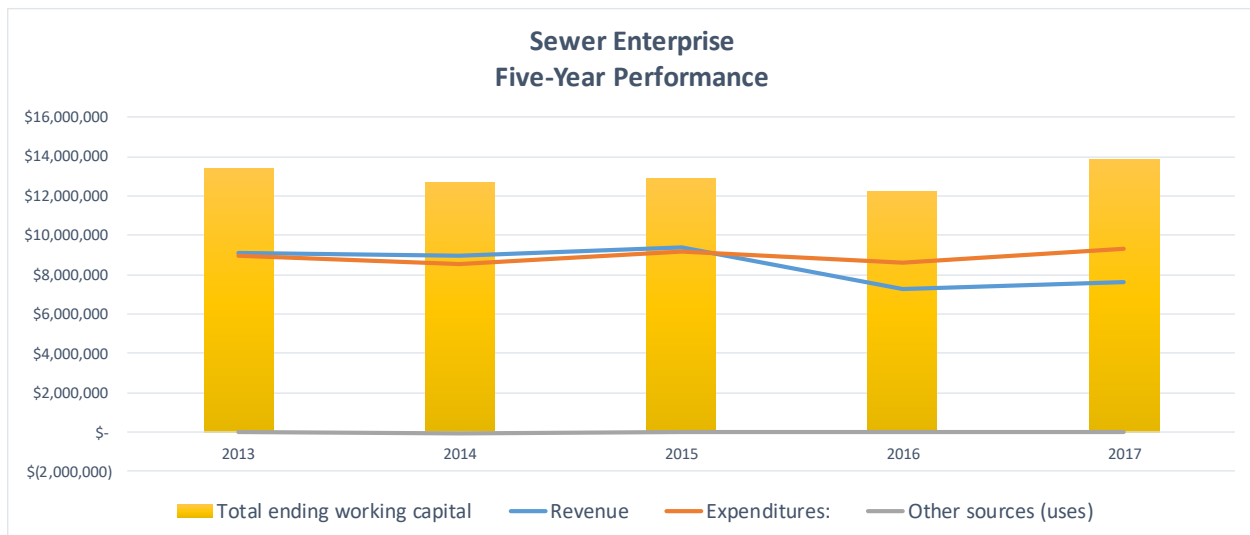


WATER ENTERPRISE Five-Year Trend	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Revenue	5,847,196	6,063,225	5,637,489	5,593,811	5,839,414
Expenditures:					
Operating	2,446,509	2,487,945	2,621,130	1,776,033	(805,338)
Debt service	1,075,780	1,066,651	1,013,800	707,993	898,616
Capital outlay	279,693	137,327	520,893	887,301	3,428,060
Total expenditures	3,801,982	3,691,923	4,155,823	3,371,327	3,521,338
Excess (deficiency)	2,045,214	2,371,302	1,481,666	2,222,484	2,318,076
Other changes to working capital	(15,000)	(250,000)	3,166	(978,187)	(3,883,371)
Change in working capital	\$ 2,030,214	\$ 2,121,302	\$ 1,484,832	\$ 1,244,297	\$ (1,565,295)
Total ending working capital	\$ 3,984,138	\$ 6,091,795	\$ 7,662,817	\$ 8,907,114	\$ 7,341,819
Percent of revenue	68.1%	100.5%	135.9%	159.2%	125.7%

Sewer Enterprise Operations

Expenditures exceeded revenue from rates by \$2,314,627. Transfers into the fund offset the overrun, however, adding to its working capital \$512,862 and bringing its total to \$11.76 million, or 154.8 percent of current revenue for the year.

The fund has performed nominally over the last five years, with expenditures and revenues tracking closely. This continues to be problematic for the fund, however, as it makes continued investments in significant capital outlay increasingly challenging. This is something we continue to watch closely and making appropriate recommended adjustments to operational spending where necessary.



SEWER ENTERPRISE	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Five-Year Trend					
Revenue	9,085,498	8,956,123	9,394,906	7,243,830	7,598,939
Expenditures:					
Operating	3,549,518	3,190,205	3,351,625	1,881,012	8,576,031
Debt service	5,288,494	5,281,493	5,278,494	4,842,900	4,789,962
Capital outlay	158,112	52,295	578,980	1,903,028	1,459,098
Total expenditures	8,996,124	8,523,993	9,209,099	8,626,940	14,825,091
Excess (deficiency)	89,374	432,130	185,807	(1,383,110)	(7,226,152)
Other changes to working capital	(18,000)	(68,000)	-	764,022	6,720,569
Change in working capital	\$ 71,374	\$ 364,130	\$ 185,807	\$ (619,088)	\$ (505,583)
Total ending working capital	\$ 13,370,221	\$ 12,654,261	\$ 12,895,974	\$ 12,276,886	\$ 11,771,303
Percent of revenue	147.2%	141.3%	137.3%	169.5%	154.9%

MAJOR INITIATIVES

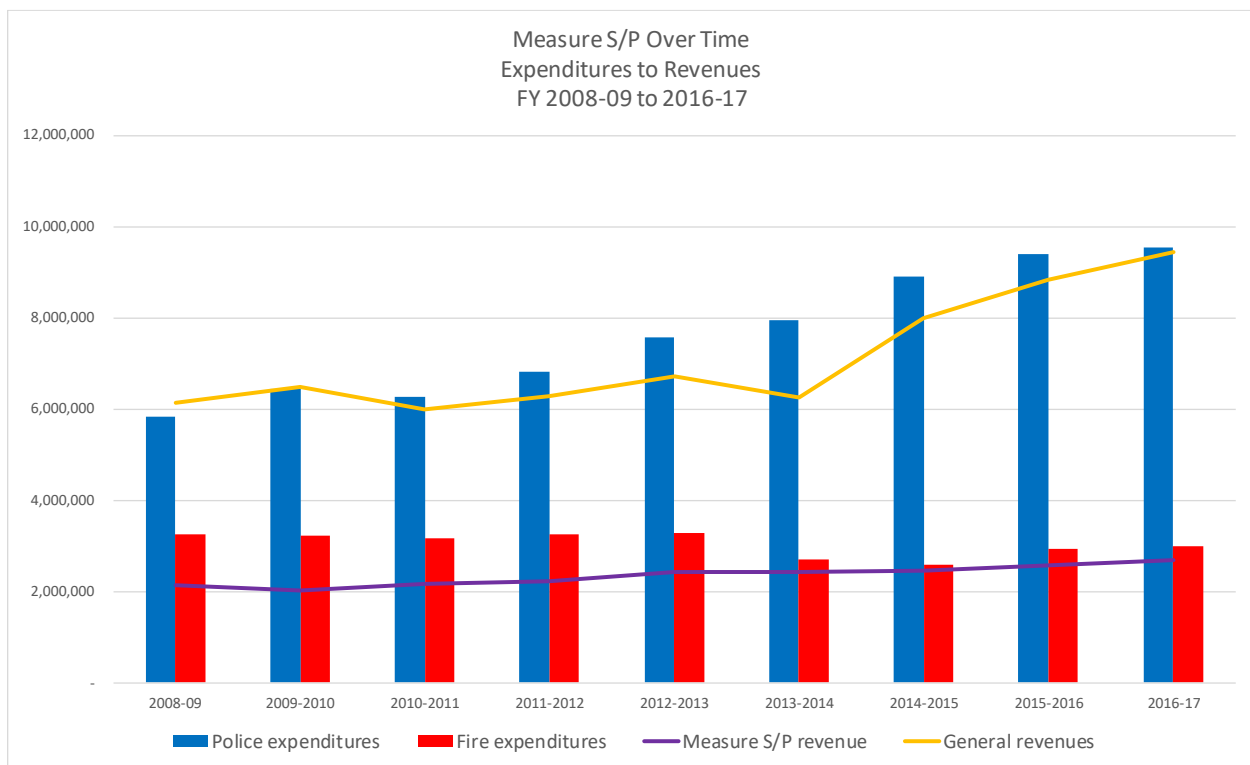
The Ukiah City Council, through a strategic process of discussion, observation, and education, has developed the following set of focused priorities that help guide the development and implementation of policies, activities, and programs. These four areas are in no way all-encompassing of the City's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

- Develop a prioritized plan for maintaining and improving public infrastructure.
- Planning Valley-Wide takes place based on sound planning principles.
- Facilitate the development of a sound local economy that attracts investment, promotes economic diversity, supports businesses, creates employment opportunities, and generates public revenues.
- 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.



Every year, the City Council appropriates resources in the amount of revenue expected from Measure P for projects, programs, and activities that are in the spirit of the measure. The City Council has committed these funds to enhance the general fund activities in public safety. Below is a schedule of what those were and what resources were allocated to them.

Uses and Sources
Public Safety Activities
 Comparative

Expenditure Uses by Category	Measure P Baseline FY 2014-15	FY 2016-17	Increase (Decrease)
Police:			
Sworn officers	32	32	0
Misc personnel	18	19	1
Personnel	\$ 6,049,608	7,033,370	\$ 983,762
Operations	2,660,085	2,335,427	(324,658)
Capital	186,594	135,541	(51,053)
Total police	<u>8,896,287</u>	<u>9,504,338</u>	<u>608,051</u>
Fire:			
Firefighters:			
City	11	12	1
UVFD	6	6	0
Personnel	1,506,406	2,355,000	848,594
Operations:			
Contractual	516,180	559,970	43,790
Other	530,822	-	(530,822)
Capital	30,400	73,835	43,435
Total fire	<u>2,583,807</u>	<u>2,988,805</u>	<u>404,998</u>
Total public safety	11,480,094	12,493,143	1,013,049
Dedicated Revenue Sources			
Measure P transaction and use tax	2,465,521	2,684,958	219,437
Public safety revenue:			
Police	262,254	252,990	(9,264)
Fire	37,235	133,492	96,257
Other revenue	739,607	19,448	(720,159)
Total revenue	3,504,617	3,090,888	(413,729)
Excess (deficiency) revenues over expenditures	<u>(7,975,477)</u>	<u>(9,402,255)</u>	<u>(1,426,778)</u>
Other Financing Sources			
General revenues, general fund	7,975,477	9,402,255	1,426,778
Remaining resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MEASURE Y

Measure Y, passed by a simple majority (50% 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.

Fiscal Year 2016-17 Measure Y Uses

Street Maintenance and Repair		2016-17
Budget amount, 2016-17 (base year), net related transfers in	\$	912,560 (a)
Expended amount, 2016-17		<u>2,284,863 (b)</u>
Increase (decrease) from base year (b) - (a)	\$	1,372,303 (c)

Estimated Revenue		2016-17
Measure Y: Transaction and Use Tax	\$	<u>528,057 (d)</u>
Additional resources		<u>932,965 (e)</u>
Total available for street maintenance and repair (d) + (e)	\$	1,461,022 (f)

Analysis		2016-17
Amount available for additional maintenance and repair (f) - (c)	\$	88,719 (g)
General fund base commitment amount (a)	\$	912,560 (h)
Other resources allocated	\$	439,338 (i)
Total amount allocated to street maintenance and repair (b) + (g) + (h) + (i)	\$	2,812,920 (j)

Fiscal Year 2016-17	Project No.	Expenditures and Allocations	General Revenue Share	Other Financing Sources	Measure Y Share	Total Funding
Roads and infrastructure		\$ 2,284,863	\$ 1,186,193	\$ 1,098,670	\$ -	\$ 2,284,863
Reserve for future street maintenance and repair projects		528,057	-	-	528,057	528,057
		<u>\$ 2,812,920</u>	<u>\$ 1,186,193</u>	<u>\$ 1,098,670</u>	<u>\$ 528,057</u>	<u>\$ 2,812,920</u>

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 be maintained at all times. 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 unappropriated fund balance in the General Fund will be maintained at a level sufficient 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.
- The General Fund currently does not have any general obligation bonds and does not anticipate issuing such debt.
- 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 departments 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,



SAGE SANGIACOMO
CITY MANAGER



DANIEL BUFFALO, MPA, CPA, CGMA
FINANCE DIRECTOR

City of Ukiah, California
LIST OF OFFICIALS
 June 30, 2017

CITY COUNCIL
 UKIAH REDEVELOPMENT SUCCESSOR AGENCY BOARD OF DIRECTORS

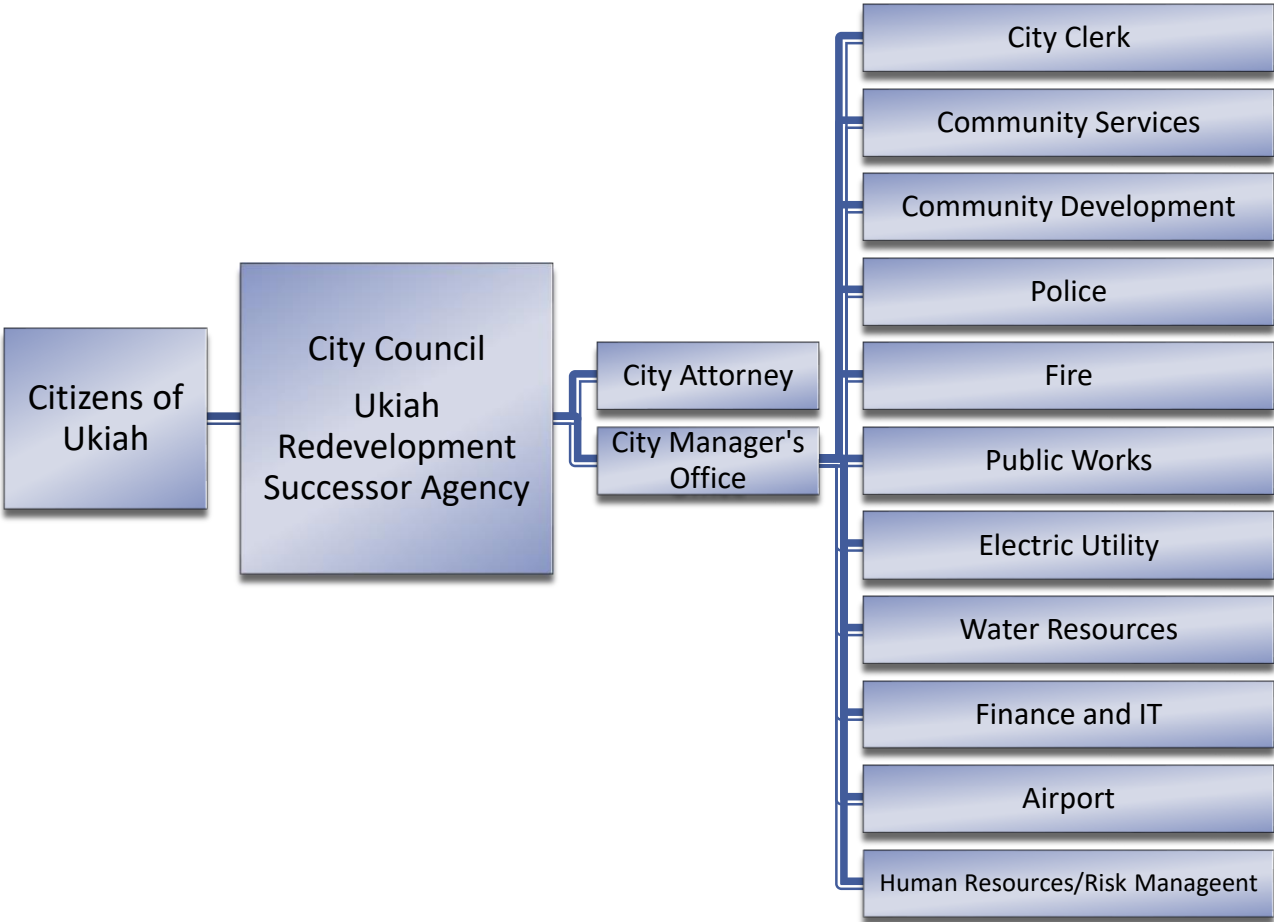
Jim Brown	Mayor
Kevin Doble	Mayor Pro Tem
Maureen Mulheren	Council Member
Doug Crane	Council Member
Steve Scalmanini	Council Member

MANAGEMENT TEAM	
Sage Sangiacomo	City Manager
Shannon Riley	Deputy City Manager
David Rapport	City Attorney
Kristine Lawler	City Clerk
Chris Dewey	Chief of Police
Dan Grebil	Interim Fire 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



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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, 2017, 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 opinion.

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, 2017, 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.

Van Lant & Fankhanel, LLP
25901 Kellogg Street
Loma Linda, CA 92354

909.856.6879

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 October 26, 2018, 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 & Fankhaenel, LLP

October 26, 2018

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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, 2017. 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 \$105.6 million (net position) as of June 30, 2017.
- The City's net position in total increased by \$3.5 million during the fiscal year 2016-17, compared to an increase of \$3.9 million in fiscal year 2015-16.
- The net position for governmental activities (i.e., the general fund and special revenue funds) was \$28 million, as of year-end close, June 30, 2017 while the net position of business activities was \$77.6 million.
- Of the \$28 million in total governmental activities net position, a negative \$17.3 million is characterized as unrestricted.
- The governmental activities saw increased revenues from tax sources in the amount of \$1.1 million offset, in part, by a small decline in the License, permits and franchise income.
- Business activities saw revenue for charges for services increase by \$2 million reflecting increases in rates for water and garbage.

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 of its assets, capital assets and liabilities on the full-accrual basis, similar to that used by private sector entities. The Statement of Activities provides information about all of 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

- Water
- Sewer
- Recycled Water
- Electric
- Solid Waste Disposal site
- Parking
- Street lighting
- Airport
- Conference Center
- Golf Course

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 \$3.5 million, which includes costs associated with depreciation and other non-budgeted items that may not have an effect on 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 of 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 of the City's basic services are considered to be 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, sewer, 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, 2017, the City's major funds were as follows:

GOVERNMENTAL FUNDS:

- General fund

PROPRIETARY FUNDS:

- Electric fund
- Water enterprise fund
- Sewer enterprise fund
- Solid waste disposal site (landfill)

The City's enterprise funds (electric, water, sewer and disposal site) are reported as proprietary funds. Enterprise fund financial statements are prepared on the full-accrual basis, and include all of 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: agency 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, the Ukiah Valley Fire District and the successor agency (activities for the former redevelopment agency), and for certain other entities, for which the City acts solely as an agent. They provide information about the cash balances and activities of these funds.

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 beginning on page 114 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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.

Net Position Comparison Fiscal Years 2017 and 2016

	Governmental Activities		Business-type Activities		Total Government	
	2017	2016	2017	2016	2017	2016
ASSETS						
Current assets	22,291,218	23,158,750	52,905,102	54,718,264	75,196,320	77,877,014
Capital assets	33,668,910	29,775,423	136,228,124	133,078,413	169,897,034	162,853,836
Total assets	55,960,128	52,934,173	189,133,226	187,796,677	245,093,354	240,730,850
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflow of resources related to pension	7,272,464	4,384,910	3,453,941	1,679,164	10,726,405	6,064,074
LIABILITIES						
Current liabilities	1,606,593	1,429,456	3,124,201	2,960,117	4,730,794	4,389,573
Noncurrent liabilities	31,160,055	33,304,642	110,048,369	101,737,278	141,208,424	135,041,920
Total liabilities	32,766,648	34,734,098	113,172,570	104,697,395	145,939,218	139,431,493
DEFERRED INFLOW OF RESOURCES						
Deferred inflow of resources related to pension	2,436,136	3,856,919	1,726,266	1,402,786	4,162,402	5,259,705
NET POSITION						
Net investment in capital assets	33,668,910	29,775,423	46,328,984	39,056,412	79,997,894	68,831,835
Restricted	11,698,264	12,263,161	-	-	11,698,264	12,263,161
Unrestricted	(17,337,366)	(23,310,518)	31,359,347	44,319,248	14,021,981	21,008,730
Total net position	\$ 28,029,808	\$ 18,728,066	\$ 77,688,331	\$ 83,375,660	\$ 105,718,139	\$ 102,103,726

The City's net position as of June 30, 2017, was \$105.6 million, an increase of \$3.5 million. The overall change in net position is due in large part to increased revenues for taxes and charges for services offset, in part, by increased cost for Public Safety and the Water operations. Additionally, the City is reporting a special item, \$4.9 million in settlement costs related to the litigation with the Ukiah Valley Sanitation District. This amount was booked as an obligation of the City with payments to be made annually to the District beginning in October of 2018.

The change in net position for the fiscal years ended June 30, 2017 and 2016 are discussed below. This information is presented in greater detail than that found on the Statement of Activities or Changes in Net Position to allow the reader to gain a more in-depth understanding of the sources and uses of revenue.

Capital assets (net of related debt) of \$79.9 million include land, buildings and related improvements, machinery, equipment, vehicles, and infrastructure (roads and public rights-of-way, electric, water and sewer lines, etc.). A major addition to the governmental fund assets was the transfer station property having a value of \$3.9 million and with an increase on the business type funds for construction costs of \$2.5 million for Wells # 4 and #9.

Restricted net position of \$11.7 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 2017, this is held for Housing Programs. 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 \$13.9 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.).

**Changes in Net Position
Fiscal Years Ended June 30, 2017 and 2016**

	Governmental Activities		Business-type Activities		Total Government	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Program revenues	4,046,400	4,244,613	34,186,371	32,164,412	38,232,771	36,409,025
General Revenue:						
Taxes	12,969,357	11,959,552	13,146	11,893	12,982,503	11,971,445
Assessments	-	-	-	-	-	-
Licenses, permits, and franchises	1,792,595	1,853,721	72,038	70,065	1,864,633	1,923,786
Fines, forfeitures, and penalties	73,835	75,138	-	-	73,835	75,138
Intergovernmental	-	-	-	-	-	-
Use of money and property	404,235	338,014	289,051	658,408	693,286	996,422
Gain on sale of property	-	-	45,998	623	45,998	623
Other Revenue	192,351	75,190	47,770	55,026	240,121	130,216
Total revenues	19,478,773	18,546,228	34,654,374	32,960,427	54,133,147	51,506,655
Expenses:						
Governmental activities:						
General and administrative	(646,685)	(258,188)	-	-	(646,685)	(258,188)
General government	(47,919)	121,754	-	-	(47,919)	121,754
Community development	543,898	148,039	-	-	543,898	148,039
Roads and infrastructure	296,934	1,355,525	-	-	296,934	1,355,525
Housing and support programs	171,523	18,674	-	-	171,523	18,674
Redevelopment/economic development	292,419	(343,946)	-	-	292,419	(343,946)
Public safety	8,887,246	10,514,378	-	-	8,887,246	10,514,378
Parks, buildings, and grounds	980,919	1,159,846	-	-	980,919	1,159,846
Culture and recreation	(941,122)	330,397	-	-	(941,122)	330,397
Business-type activities:						
Water utility	-	-	5,155,680	4,035,659	5,155,680	4,035,659
Sewer utility	-	-	10,019,651	10,559,211	10,019,651	10,559,211
Recycled water	-	-	78,018	-	78,018	-
Electric utility	-	-	17,401,780	17,329,516	17,401,780	17,329,516
Solid waste disposal site	-	-	565,819	388,175	565,819	388,175
Parking	-	-	158,482	163,525	158,482	163,525
Street lighting	-	-	328,943	314,233	328,943	314,233
Airport	-	-	1,836,332	1,109,235	1,836,332	1,109,235
Conference Center	-	-	411,141	392,762	411,141	392,762
Golf course	-	-	41,366	49,287	41,366	49,287
Total expenses	9,537,212	13,046,479	35,997,212	34,341,603	45,534,424	47,388,082
Increase (decrease) in net position before transfers and special items	9,941,561	5,499,749	(1,342,838)	(1,381,176)	8,598,723	4,118,573
Special items	-	-	(4,984,310)	-	(4,984,310)	-
Transfers	(639,819)	(653,588)	639,819	473,539	-	(180,049)
Change in net position	9,301,742	4,846,161	(5,687,329)	(907,637)	3,614,413	3,938,524
Net position:						
Beginning net position	18,728,066	13,881,905	83,375,660	84,283,297	102,103,726	98,165,202
End of year	\$ 28,029,808	\$ 18,728,066	\$ 77,688,331	\$ 83,375,660	\$ 105,718,139	\$ 102,103,726

ACTIVITIES

Activity expenses of the City for FY 2017 year totaled \$45.6 million, a reduction from FY 2016 of \$1.4 million. Governmental expenses totaled nearly \$10.0 million or 21.5% of total expenses. Public safety costs represented the majority of the governmental activities expenses, followed by parks, buildings and grounds and community development. Negative expense amounts for General administrative, general government, and culture and recreation result from characterization of certain activities by management.

Business-type activities incurred \$36.1 million of expense during the fiscal year.

Governmental Activities (Expenses)

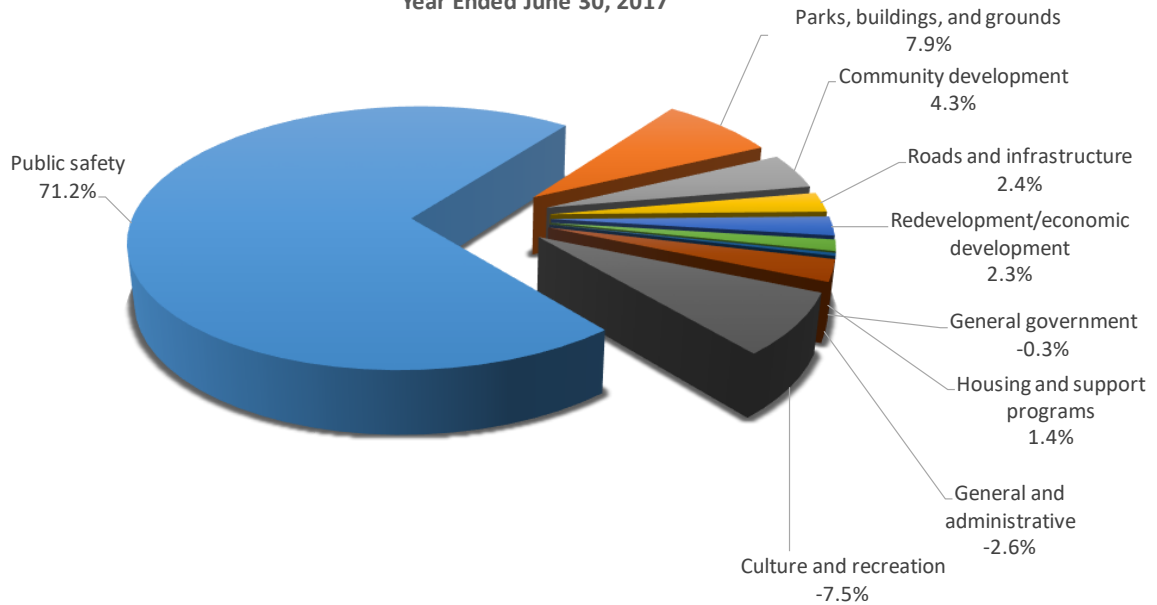
The most significant expenses incurred by the City are providing public safety services 71.2% of governmental expenses). Roads and infrastructure include depreciation expense associated with assets assigned to governmental functions, such as buildings, equipment, and vehicles. From highest to lowest, costs directly associated with governmental activities were as follows:

HIGHEST TO LOWEST

Governmental Activities - Net Revenue (Expenses)

	Year Ended June 30, 2017		Year Ended June 30, 2016	
	Total Cost of Services	Net Revenue (Expense)	Total Cost of Services	Net Revenue (Expense)
Public safety	\$ 8,887,246	\$ (7,902,988)	\$ 10,514,378	\$ (9,788,290)
Parks, buildings, and grounds	980,919	(957,520)	1,159,846	(1,013,647)
Community development	543,898	(508,279)	148,039	(146,989)
Roads and infrastructure	296,934	168,864	1,355,525	(814,135)
Redevelopment/economic development	292,419	(163,124)	(343,946)	578,778
Housing and support programs	171,523	(37,485)	18,674	557,645
General government	(47,919)	47,919	121,754	(121,754)
General and administrative	(646,685)	827,729	(258,188)	501,086
Culture and recreation	(941,122)	3,034,071	330,397	1,445,440
Total	<u>\$ 9,537,212</u>	<u>\$ (5,490,812)</u>	<u>\$ 13,046,479</u>	<u>\$ (8,801,866)</u>

**Expenses by Function - Governmental Activities
Year Ended June 30, 2017**



Governmental Activities (Revenues)

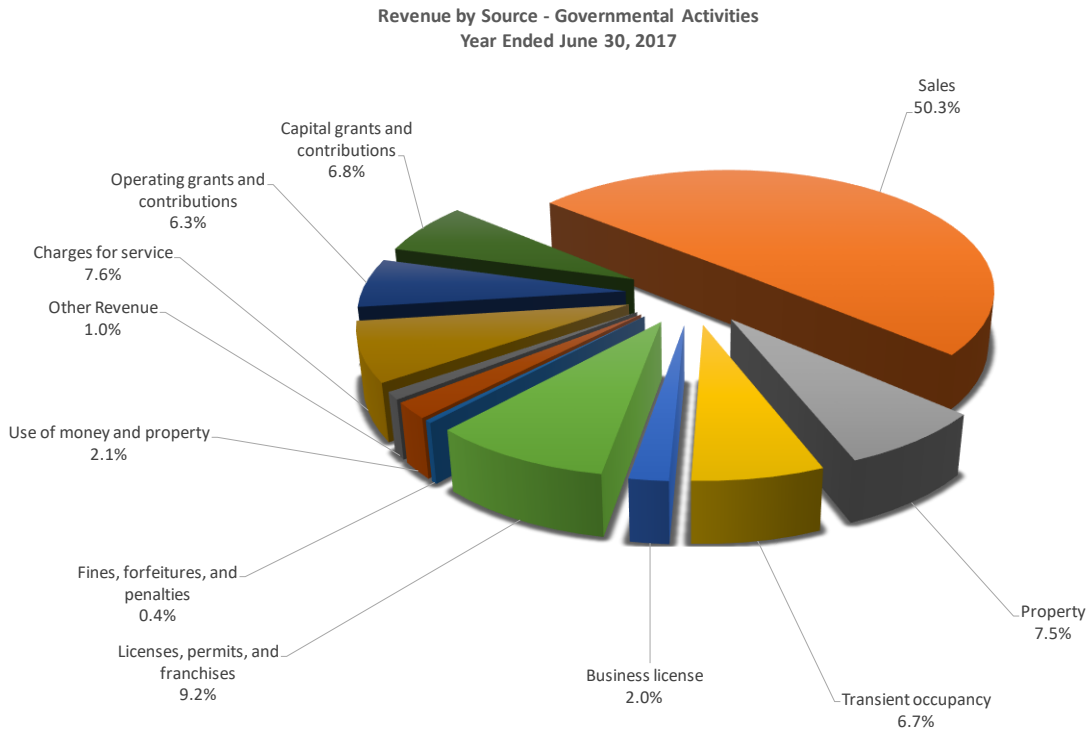
Significant revenues for the City came from taxes (66.5%), which included sales taxes (Bradley-Burns, Measure P and Measure Y transactions and use taxes), property taxes and transient occupancy taxes. Revenues overall were higher than budget primarily due to Measure Y sales tax revenue which was not included in the budget as it had not, at that time, been approved by the voters.

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.

Governmental Activities - Revenues

	Year Ended June 30, 2017	Year Ended June 30, 2016
Taxes:		
Sales	\$ 9,805,225	\$ 8,960,362
Property	1,470,323	1,389,663
Transient occupancy	1,302,336	1,229,814
Business license	391,224	379,571
Other taxes	249	142
Assessments	-	-
Licenses, permits, and franchises	1,792,595	1,853,721
Fines, forfeitures, and penalties	73,835	75,138
Intergovernmental	-	-
Use of money and property	404,235	338,014
Gain on sale of property	-	-
Other Revenue	192,351	75,190
Charges for service	1,487,426	1,464,029
Operating grants and contributions	1,233,883	1,492,451
Capital grants and contributions	1,325,091	1,288,133
Total	\$ 19,478,773	\$ 18,546,228

Governmental revenues in total were higher in 2017 than 2016 primarily due to higher tax revenue – both sales and property taxes reflecting the improving economy. The Transient Occupancy tax increased \$72,522 or 6% reflecting the concerted marketing effort to make Ukiah a destination rather than a stop for tourists passing through.

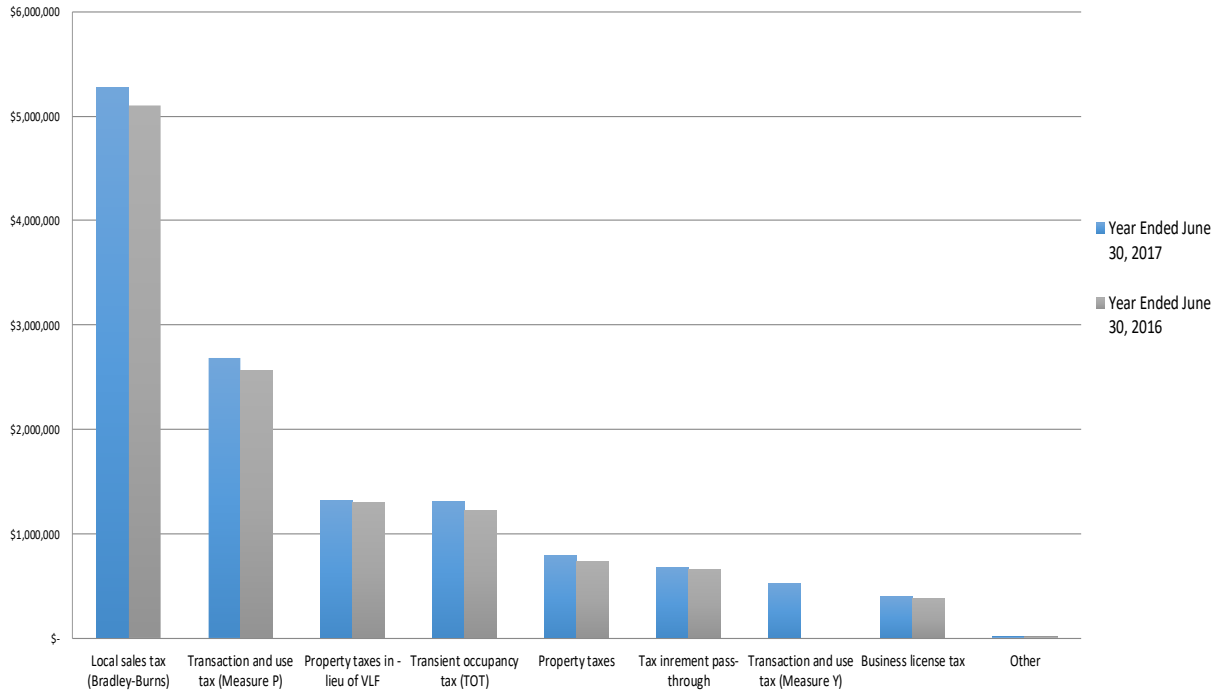


HIGHEST TO LOWEST

**Taxes by Source - Governmental
Two-Year Comparison**

	Fiscal Year Ended		Increase (Decrease)
	Year Ended	Year Ended	
	June 30, 2017	June 30, 2016	
Local sales tax (Bradley-Burns)	\$ 5,276,719	\$ 5,103,289	\$ 173,430
Transaction and use tax (Measure P)	2,684,958	2,563,699	121,259
Property taxes in -lieu of VLF	1,315,491	1,293,374	22,117
Transient occupancy tax (TOT)	1,302,336	1,229,814	72,522
Property taxes	787,437	726,939	60,498
Tax increment pass-through	682,886	662,724	20,162
Transaction and use tax (Measure Y)	528,057	-	528,057
Business license tax	391,224	379,571	11,653
Other	249	142	107
	\$ 12,969,357	\$ 11,959,552	\$ 1,009,805

**Tax Sources Compared
2017 and 2016**



Business-type Activities

In the fiscal year ended June 30, 2017, business-type activities decreased the City's net position by \$5.7 million. Increased revenues from rates helped to better the net position of the enterprises.

Electric operating revenues were up 3% over FY2016 while operating expenses remained constant. Purchased cost for electricity declined slightly for the year. The City hydro-electric plant generated 4.3 million more kilowatt hours of electricity in FY 2017.

Water revenues from fees and charges were up from the previous fiscal year by 4% resulting from a rate increase in 2016 that is being phased in over five years. Income from operations was up \$329,115 due to the increase rate structure. Offsetting this in part was an increase in operating expenses of \$97,299.

Sewer revenues from fees and charges were down slightly in 2017. Conversely, sewer enterprise operating expenses increased nearly \$1.3 million due primarily to legal expenses by the City in defense of litigation brought by the Ukiah Valley Sanitation District. The result was Operating Income of \$431,247 (this does not include debt service contributions from the Ukiah Valley Sanitation District), compared to an operating income of \$3.9 million in FY 2016.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities at June 30, 2017 totaled \$169.8 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 \$5.4 million.

Capital Assets, net of depreciation Two-Year Comparison

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Land	\$ 495,340	\$ 495,340	\$ 5,233,575	\$ 5,233,575	\$ 5,728,915	\$ 5,728,915
Construction in progress	5,443,190	6,706,839	9,185,475	6,642,589	14,628,665	13,349,428
Buildings and improvements	12,792,999	6,979,517	32,560,950	31,543,807	45,353,949	38,523,324
Machinery, equipment, and vehicles	1,857,278	1,945,028	5,115,546	3,221,804	6,972,824	5,166,832
Infrastructure and network	13,080,103	13,648,699	84,132,577	86,436,638	97,212,680	100,085,337
Total Capital Assets, Net	\$ 33,668,910	\$ 29,775,423	\$ 136,228,123	\$ 133,078,413	\$ 169,897,033	\$ 162,853,836

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 included the acquisition of the transfer station, major work on a number of construction in progress projects (including the Perkins Street under-ground(electric), the recycled water project, Well # 4 and #9, the Museum Nature Education project and the North State Street sewer main.

Long-Term Liabilities

The City's outstanding Noncurrent liabilities, including bonds, loans payable, the net pension liability and compensated absences totaled \$136.7 million as of June 30, 2017. The Caltrans Aeronautics loan in the amount of \$199,883 was incurred in FY2017 for the purchase of a 12,000 gallon self-service Avgas (aviation gas fuel) tank. The net pension liability was \$45.5 million, an increase of \$6.5 million over the prior year. The landfill closure and post-closure liability remained at \$14.7 million.

Long-term Obligations Two-Year Comparison

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
2017 CalTrans Aeronautics Loan - Airport	\$ -	\$ -	\$ 199,883	\$ -	\$ 199,883	\$ -
Electric Revenue Bonds	-	-	1,950,000	3,718,054	1,950,000	3,718,054
2016 Water Revenue Refunding Bonds	-	-	10,680,000	11,155,000	10,680,000	11,155,000
2016 unamortized premium	-	-	1,458,887	1,484,040	1,458,887	1,484,040
2006 Wastewater Revenue Bonds	-	-	60,910,000	62,920,000	60,910,000	62,920,000
2006 unamortized premium	-	-	-	44,537	-	44,537
Lawsuit settlement liability	-	-	4,984,310	-	4,984,310	-
Net pension liability	30,608,527	31,579,796	14,903,571	8,359,294	45,512,098	39,939,090
Compensated absences	612,809	827,640	290,387	321,622	903,196	1,149,262
Landfill closure and post-closure	-	-	14,700,370	14,700,370	14,700,370	14,700,370
	<u>\$ 31,221,336</u>	<u>\$ 32,407,436</u>	<u>\$ 110,077,408</u>	<u>\$ 102,702,917</u>	<u>\$ 141,298,744</u>	<u>\$ 135,110,353</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, 2017, the City's governmental fund balance was \$18.9 million, of which (\$1.1) million was unrestricted. GASB 54 established five new criteria for categorizing that balance based on its restricted and unrestricted use. The five categories are the following:

- Nonspendable 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 \$1.1 million with increases reflected in most categories. The improving economy is reflected in these numbers.

Other governmental funds reported a net decrease in revenues of \$580,026. These funds include many Federal, State or Special District grants which vary greatly from year to year.

Governmental funds reported \$1.1 million in nonspendable fund balance in fiscal year 2016-17. This is comprised of long-term interfund advances held by the general fund.

The balance of \$11.7 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 roads and infrastructure.

Assigned fund balance consists primarily of the general fund reserve and several select capital projects earmarked by the City Council.

The remaining amount of negative \$1.0 million of unassigned fund balance included the following significant deficits from the Museum Grant fund, the ARRC General Operating fund and two of the housing programs.

PROPRIETARY FUNDS

Enterprise Fund-Electric

The net position of the electric enterprise fund decreased by \$1.2 million from \$39.1 million to \$37.9 million. Operating revenue had little change as there was no change in the electric rates. Purchased power decreased \$1.3 million, in part, due to increased generation at the hydro-electric plant. Expenses increased by \$1.7 million with higher Maintenance and Operations costs as well as General and Administrative.

Enterprise Fund - Water

The net position of the water enterprise fund increased by \$2.1 million in fiscal year 2016-17, primarily due to decreased personnel costs and increased operating revenues. Operating revenues exceeded operating expenses by \$2.4 million, while non-operating expenses outpaced revenues (property taxes and interest of water loans and bonds) by \$371,450.

Enterprise Fund - Sewer

The net position of the sewer enterprise fund decreased by \$4.4 million. Recognition of the settlement cost with the Ukiah Valley Sanitation District of \$4.9 million was the primary reason for this. Operating revenue was higher than operating expenses, resulting in operating income of \$431,247. Operating income included charges for services as well as sewer connection fees.

Non-operating revenues and expenses had a negative impact to net position by \$2.7 million with \$2.8 million being the interest expense on wastewater treatment plant 2006 bonds.

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 \$15.8 million in revenues. It was decreased to \$15.7 million when management completed the mid-year budget review. However, revenues in the general fund, as reported, are \$741,106 higher than was budgeted due primarily to higher tax collections and charges for services. Higher tax revenues reflect the improving economy and increased tourism.

The only significant change to appropriations budget during the year was an increase in Capital outlay budget which was increased to allow for the acquisition various machinery and equipment including a grinder (streets), a police 5 passenger Interceptor and Livescan equipment.

Actual expenditures were \$296,196 less than budget for the General Fund. This was due to the allocation of cost to other funds being treated as a reduction to expenditures on the actual side but as revenue per the budget and the delay in the purchase of some budgeted capital. Cost of Public Safety was higher than budget by \$358,406 with higher salaries and overtime having a significant impact.

**General Fund Budgetary Comparison
Year Ended June 30, 2017**

Revenues	Original Estimate	Final Estimate	Actual Revenue	Variance Positive (Negative)
General Fund				
Taxes:				
Sales	\$ 9,195,699	\$ 9,195,699	\$ 9,805,225	\$ 609,526
Property	1,445,249	1,445,249	1,470,323	25,074
Transient occupancy	1,232,048	1,232,048	1,302,336	70,288
Business license	361,244	361,244	382,825	21,581
Other taxes	100	100	249	149
Assessments	-	-	-	-
Licenses, permits, and franchises	1,864,912	1,864,912	1,792,595	(72,317)
Fines, forfeitures, and penalties	59,696	59,696	73,835	14,139
Grants, subventions, and contributions	101,194	101,194	83,390	(17,804)
Intergovernmental	-	-	-	-
Use of money and property	191,900	191,900	95,016	(96,884)
Charges for service	1,325,750	1,236,750	1,427,085	190,335
Other Revenue	10,500	10,500	7,519	(2,981)
Total	<u>\$ 15,788,292</u>	<u>\$ 15,699,292</u>	<u>\$ 16,440,398</u>	<u>\$ 741,106</u>
Expenditures	Original Appropriation	Final Appropriation	Actual Expenditure	Variance Positive (Negative)
General Fund				
Current:				
General government:				
Council	52,016	52,016	120,499	(68,483)
Manager	288,412	273,412	97,089	176,323
Clerk	97,397	97,398	34,056	63,342
Attorney	63,418	63,418	37,160	26,258
Finance	306,010	292,115	100,337	191,778
Human resources and risk	316,112	337,776	29,972	307,804
Other - unclassified	-	-	11,277	(11,277)
Community development:				
Planning	498,906	498,906	557,581	(58,675)
Building	307,671	319,612	264,585	55,027
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	1,024,744	1,006,244	954,039	52,205
Engineering	185,441	192,477	204,511	(12,034)
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	230,878	233,385	181,387	51,998
Public safety:				
Police	7,786,536	7,768,393	8,126,799	(358,406)
Fire	3,065,549	3,066,571	3,073,563	(6,992)
Parks, buildings, and grounds	1,180,633	1,186,083	1,312,208	(126,125)
Culture and recreation	1,012,121	1,012,392	1,036,260	(23,868)
Capital outlay	-	66,743	44,479	22,264
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	31,300	31,300	16,243	15,057
Debt issuance costs	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 16,447,144</u>	<u>\$ 16,498,241</u>	<u>\$ 16,202,045</u>	<u>\$ 296,196</u>
Excess of revenue over (under) expenditures	<u>(658,852)</u>	<u>(798,949)</u>	<u>238,353</u>	<u>1,037,302</u>

ECONOMIC OUTLOOK

Continuing its recovery in fiscal year 2016-17, the local and national economy grew at a good pace. Unemployment continued to decline as consumer confidence rose. Sales tax grew at a robust 14% due, in

part, to an addition .5% sales tax which was effective April 2017. Home values are rising and we expect to see revenues from property-related taxes increase as a result.

The State's impact on, and relationship with, local government will continue to impose barriers to economic growth within the City and in unincorporated Mendocino County as a result of realignment and more regulatory requirements on local government and small business.

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.

Other Information

Development: Construction of the Costco store in the City's Airport Business Park is well under way with the opening date set for July 2018. Infrastructure improvements (including upgrades to Airport Park Boulevard and the freeway interchange at Talmage Road) supporting the development in this area are also in progress. It is expected that Costco as an anchor store will promote additional development in the area.

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 Director, City of Ukiah, CA, 95453.

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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
Government-Wide Financial Statements
June 30, 2017

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 8,020,483	\$ 40,835,433	\$ 48,855,916
Restricted cash and investments	2,759,989	6,847,920	9,607,909
Receivables (net allowance for uncollectables)	2,945,133	5,055,130	8,000,263
Inventory and prepaids	15,901	1,064,319	1,080,220
Internal balances	930,200	(930,200)	-
Land held for resale	2,435,114	-	2,435,114
Notes receivable	5,184,398	32,500	5,216,898
Capital assets not being depreciated:			-
Land	495,340	5,233,575	5,728,915
Construction in progress	5,443,190	9,185,475	14,628,665
Capital assets, net of accumulated depreciation:			-
Buildings and improvements	12,792,999	32,560,950	45,353,949
Machinery, equipment, and vehicles	1,857,278	5,115,546	6,972,824
Infrastructure and network	13,080,103	84,132,577	97,212,680
Total assets	<u>55,960,128</u>	<u>189,133,225</u>	<u>245,093,353</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow of resources related to pension	7,272,464	3,453,941	10,726,405
Total deferred outflows of resources	<u>7,272,464</u>	<u>3,453,941</u>	<u>10,726,405</u>
LIABILITIES			
Accounts payable	985,797	1,749,657	2,735,454
Accrued payroll liabilities	559,515	245,985	805,500
Interest payable	-	1,092,445	1,092,445
Deposits payable	-	7,075	7,075
Compensated absences, current	61,281	29,039	90,320
Due within one year	-	4,564,870	4,564,870
Intergovernmental payable	-	-	-
Compensated absences, noncurrent	551,528	261,347	812,875
Due in more than one year	-	90,318,580	90,318,580
Net pension liability	30,608,527	14,903,571	45,512,098
Total liabilities	<u>32,766,648</u>	<u>113,172,569</u>	<u>145,939,217</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow of resources related to pension	2,436,136	1,726,266	4,162,402
Total deferred inflows of resources	<u>2,436,136</u>	<u>1,726,266</u>	<u>4,162,402</u>
NET POSITION			
Net investment in capital assets	33,668,910	46,328,983	79,997,893
Restricted:			-
Law enforcement	285,155	-	285,155
Housing programs	10,693,813	-	10,693,813
Transportation infrastructure	719,296	-	719,296
Debt service reserve	-	-	-
Unrestricted	(17,337,366)	31,359,348	14,021,982
Total net position	<u>\$ 28,029,808</u>	<u>\$ 77,688,331</u>	<u>\$ 105,718,139</u>

The accompanying notes are integral part of these financial statements.

City of Ukiah, California
Statement of Activities
Government-Wide Financial Statements
Year Ended June 30, 2017

FUNCTION/PROGRAMS	Program Revenue				Net (Expenses) Revenue and Change in Net Position		
	Expenses	Charges for service	Operating grants and contributions	Capital grants and contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General and administrative	\$ (646,685)	\$ 181,044	\$ -	\$ -	\$ 827,729	\$ -	\$ 827,729
General government	(47,919)	-	-	-	47,919	-	47,919
Community development	543,898	23,119	12,500	-	(508,279)	-	(508,279)
Roads and infrastructure	296,934	-	465,798	-	168,864	-	168,864
Housing and support programs	171,523	-	134,038	-	(37,485)	-	(37,485)
Redevelopment/economic development	292,419	129,295	-	-	(163,124)	-	(163,124)
Public safety	8,887,246	362,711	621,547	-	(7,902,988)	-	(7,902,988)
Parks, buildings, and grounds	980,919	23,399	-	-	(957,520)	-	(957,520)
Culture and recreation	(941,122)	767,858	-	1,325,091	3,034,071	-	3,034,071
Interest	-	-	-	-	-	-	-
Total government activities	<u>9,537,212</u>	<u>1,487,426</u>	<u>1,233,883</u>	<u>1,325,091</u>	<u>(5,490,812)</u>	<u>-</u>	<u>(5,490,812)</u>
BUSINESS ACTIVITIES							
Water utility	5,155,680	5,785,553	-	-	-	629,873	629,873
Sewer utility	10,019,651	7,493,383	-	2,595,873	-	69,605	69,605
Recycled water	78,018	-	-	-	-	(78,018)	(78,018)
Electric utility	17,401,780	15,971,210	-	-	-	(1,430,570)	(1,430,570)
Solid waste disposal site	565,819	362,018	-	-	-	(203,801)	(203,801)
Parking	158,482	59,188	-	-	-	(99,294)	(99,294)
Street lighting	328,943	184,310	-	-	-	(144,633)	(144,633)
Airport	1,836,332	1,078,080	210,298	44,523	-	(503,431)	(503,431)
Conference Center	411,141	368,685	-	-	-	(42,456)	(42,456)
Golf course	41,366	33,250	-	-	-	(8,116)	(8,116)
Total business-type activities	<u>35,997,212</u>	<u>31,335,677</u>	<u>210,298</u>	<u>2,640,396</u>	<u>-</u>	<u>(1,810,841)</u>	<u>(1,810,841)</u>
Total primary government	<u>\$45,534,424</u>	<u>\$ 32,823,103</u>	<u>\$ 1,444,181</u>	<u>\$ 3,965,487</u>			
GENERAL REVENUE							
Taxes:							
Sales:							
					9,805,225	-	9,805,225
					1,470,323	13,146	1,483,469
					1,302,336	-	1,302,336
					391,224	-	391,224
					249	-	249
Assessments							
					1,792,595	72,038	1,864,633
Licenses, permits, and franchises							
					73,835	-	73,835
Fines, forfeitures, and penalties							
					-	-	-
Intergovernmental							
					404,235	289,051	693,286
Use of money and property							
					-	45,998	45,998
Gain on sale of property							
					192,351	47,770	240,121
Other revenue							
					<u>15,432,373</u>	<u>468,003</u>	<u>15,900,376</u>
Total general revenues							
SPECIAL ITEMS					-	(4,984,310)	(4,984,310)
TRANSFERS							
Transfers					(639,819)	639,819	-
Total general revenue, special items, and transfers					<u>14,792,554</u>	<u>(3,876,488)</u>	<u>10,916,066</u>
CHANGES IN NET POSITION					9,301,742	(5,687,329)	3,614,413
NET POSITION							
Beginning net position, restated					<u>18,728,066</u>	<u>83,375,660</u>	<u>102,103,726</u>
End of Year					<u>\$ 28,029,808</u>	<u>\$ 77,688,331</u>	<u>\$ 105,718,139</u>

The accompanying notes are 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 2013. 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.

City of Ukiah, California
 Balance Sheet
 Governmental Funds
 June 30, 2017

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 1,943,148	\$ 4,644,083	\$ 6,587,231
Restricted cash and investments	-	2,759,989	2,759,989
Receivables, net of allowance for uncollectables:			
Interest	17,033	11,825	28,858
Taxes	2,019,378	-	2,019,378
Notes	725	5,183,673	5,184,398
Grants and subventions	-	755,562	755,562
Accounts and other	13,608	82,784	96,392
Prepays	15,901	-	15,901
Due from other funds	935,266	-	935,266
Advances to other funds	1,115,967	-	1,115,967
Land held for resale	-	2,435,114	2,435,114
Total assets	<u>\$ 6,061,026</u>	<u>\$ 15,873,030</u>	<u>\$ 21,934,056</u>
DEFERRED OUTFLOW OF RESOURCES			
Total deferred outflow or resources	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES			
Accounts payable	\$ 294,875	\$ 515,391	\$ 810,266
Accrued payroll liabilities	443,915	31,730	475,645
Due to other funds	-	920,489	920,489
Advances from other funds	-	185,768	185,768
Total liabilities	<u>738,790</u>	<u>1,653,378</u>	<u>2,392,168</u>
DEFERRED INFLOW OF RESOURCES			
Unavailable revenues	<u>-</u>	<u>613,171</u>	<u>613,171</u>
Total deferred inflow or resources	<u>-</u>	<u>613,171</u>	<u>613,171</u>
FUND BALANCE			
Nonspendable:			
Long-term interfund advances	1,131,868	-	1,131,868
Restricted:			
Law enforcement	-	285,155	285,155
Housing programs	-	10,693,813	10,693,813
Roads and infrastructure	-	719,296	719,296
Committed:			
Revenue stabilization	-	-	-
Assigned:			
Capital	-	1,559,350	1,559,350
General reserves	4,021,665	-	4,021,665
Subsequent year's budget: appropriation of fund balance	168,703	1,332,057	1,500,760
Redevelopment and economic development	-	36,228	36,228
Culture and recreation	-	74,076	74,076
Parks	-	51,917	51,917
Sanitation	-	35,137	35,137
Unassigned (deficit)	<u>-</u>	<u>(1,180,548)</u>	<u>(1,180,548)</u>
Total Fund Balance	<u>5,322,236</u>	<u>13,606,481</u>	<u>18,928,717</u>
Total Liabilities and Fund Balance	<u>\$ 6,061,026</u>	<u>\$ 15,873,030</u>	<u>\$ 21,934,056</u>

The accompanying notes are integral part of these financial statements.

City of Ukiah, California

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position Governmental Funds

June 30, 2017

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS \$ 18,928,717

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

DEFERRED OUTFLOW OF RESOURCES

Deferred outflow related to pension 7,272,464

CAPITAL ASSETS

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds' balance sheet:

Capital assets not being depreciated:

Land 495,340
Construction in progress 5,443,190

Depreciable capital assets:

Buildings and improvements 17,973,713
Infrastructure and network 35,748,228
Machinery, equipment, and vehicles 8,407,418

Accumulated depreciation:

Accumulated infrastructure and network (22,668,125)
Accumulated Buildings and improvements (5,180,714)
Accumulated Machinery, equipment, and vehicles (6,792,858)

INTERNAL SERVICE FUNDS

Internal service funds are used by management to charge the cost of services that benefit multiple funds and departments. The assets and liabilities of the internal services funds listed below are included in governmental activities in the statement of net position.

Worker's Comp Fund 962,032
Garage Fund 234,762
Purchasing Fund 31,208
Public Safety Dispatch Fund 171
Building & Maintenance Fund 46,250
IT Fund 76,184

DEFERRED INFLOW OF RESOURCES

Deferred inflow related to pension (2,436,136)
Unavailable revenues 613,171

LONG-TERM OBLIGATIONS

Long-term liabilities, including notes payable, are not due and payable in the current period and, therefore are not reported in the funds balance sheet:

Due within one year - compensated absences (51,668)
Accrued compensated absences (465,012)
Net pension liability (30,608,527)

NET POSITION - GOVERNMENTAL ACTIVITIES \$ 28,029,808

The accompanying notes are integral part of these financial statements.

City of Ukiah, California
Statement of Revenue, Expenditures, and Change in Fund Balances
Governmental Funds
Year Ended June 30, 2017

	General Fund	Other Governmental Funds	Total Governmental Funds
REVENUE			
Taxes:			
Sales	\$ 9,805,225	\$ -	\$ 9,805,225
Property	1,470,323	-	1,470,323
Transient occupancy	1,302,336	-	1,302,336
Business license	382,825	8,399	391,224
Other taxes	249	-	249
Assessments	-	-	-
Licenses, permits, and franchises	1,792,595	-	1,792,595
Fines, forfeitures, and penalties	73,835	-	73,835
Grants, subventions, and contributions	83,390	1,862,413	1,945,803
Use of money and property	95,016	320,963	415,979
Charges for service	1,427,085	60,341	1,487,426
Other Revenue	7,519	180,480	187,999
Total revenue	<u>16,440,398</u>	<u>2,432,596</u>	<u>18,872,994</u>
EXPENDITURES			
Current:			
General government:			
Council	120,499	-	120,499
Manager	97,089	780	97,869
Clerk	34,056	-	34,056
Attorney	37,160	-	37,160
Finance	100,337	32,325	132,662
Human resources and risk	29,972	-	29,972
Other - unclassified	11,277	86,045	97,322
Community development:			
Planning	557,581	1,000	558,581
Building	264,585	-	264,585
Housing and support programs	-	146,564	146,564
Public works:			
Roads and infrastructure	954,039	339	954,378
Engineering	204,511	14,730	219,241
Sanitation	-	-	-
Water resources	-	12,500	12,500
Electric	-	6,250	6,250
Airport	-	-	-
Redevelopment and economic development	181,387	110,244	291,631
Public safety:			
Police	8,126,799	391,761	8,518,560
Fire	3,073,563	-	3,073,563
Parks, buildings, and grounds	1,312,208	421,164	1,733,372
Culture and recreation	1,036,260	103,592	1,139,852
Capital outlay	44,479	2,103,487	2,147,966
Debt service:			
Capital lease installments	16,243	-	16,243
Total expenditures	<u>16,202,045</u>	<u>3,430,781</u>	<u>19,632,826</u>
Excess of revenue over (under) expenditures	<u>238,353</u>	<u>(998,185)</u>	<u>(759,832)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	415,601	594,933	1,010,534
Transfers (out)	<u>(544,719)</u>	<u>(1,183,256)</u>	<u>(1,727,975)</u>
Total other	<u>(129,118)</u>	<u>(588,323)</u>	<u>(717,441)</u>
Net change in fund balance	109,235	(1,586,508)	(1,477,273)
Fund balance - beginning	5,213,001	15,192,989	20,405,990
Fund balance - ending	<u>\$ 5,322,236</u>	<u>\$ 13,606,481</u>	<u>\$ 18,928,717</u>

The accompanying notes are integral part of these financial statements.

City of Ukiah, California
 Reconciliation of the Statement of Revenue, Expenditures, and Change in Fund Balances
 Governmental Funds
 Year Ended June 30, 2017

NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUNDS \$ (1,477,273)

Amounts reported for governmental activities in the Statement of Net Position are different because of the following:

CAPITAL ASSETS

Governmental funds report capital outlays as expenditures in the governmental funds, but they are capitalized and depreciated in the government-wide statements.

Capital outlay	
Roads and infrastructure	1,664,138
Public safety	1,639,271
Culture and recreation	2,756,323
Depreciation expense	-
General and administrative	-
General government	(234,765)
Community development	-
Roads and infrastructure	(677,564)
Housing and support programs	(21,984)
Redevelopment/economic development	-
Public safety	(357,654)
Parks, buildings, and grounds	-
Culture and recreation	(145,937)

UNAVAILABLE REVENUES

Amounts that are unavailable for fund financial reporting but are considered revenue for government-wide reporting. 272,996

INTERNAL SERVICE FUNDS

Internal service funds are used by management to charge the cost of services that benefit multiple funds and departments. The net revenue (expense) of the internal services funds listed below are included in governmental activities.

Worker's Comp Fund	41,001
Garage Fund	(16,341)
Purchasing Fund	101
Public Safety Dispatch Fund	(9,987)
Building & Maintenance Fund	5,067
IT Fund	73,459

LONG-TERM OBLIGATIONS

The amounts below included in the Statement of Activities do not provide or require the use of current financial resources and, therefore, are not reported as revenue or expenditures in the governmental

Compensated absences expense	174,710
Pension expense	
General and administrative	1,117,074
General government	398,955
Community development	279,269
Roads and infrastructure	598,433
Housing and support programs	-
Redevelopment/economic development	-
Public safety	1,626,631
Parks, buildings, and grounds	758,015
Culture and recreation	837,806

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES \$ 9,301,742

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PROPRIETARY FUNDS

Proprietary funds account for City operations financed and operated in a manner similar to 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.

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.

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.

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, 2017

	Business-Type Activities			
	Electric	Water	Sewer	Landfill
ASSETS				
Current assets:				
Cash and investments	\$ 6,971,456	\$ 7,389,955	\$ 9,714,291	\$ 8,148,473
Restricted cash and investments	2,077,149	(39)	4,770,810	-
Receivables (net allowance for uncollectables)	2,689,973	1,183,967	813,416	117,096
Interest receivable	18,279	-	-	-
Cash held in reserve with NCPA	7,046,181	-	-	-
Inventory and prepaids	952,005	112,314	-	-
Advances to other funds	-	-	-	-
Notes receivable	-	-	-	-
Total current assets	<u>19,755,043</u>	<u>8,686,197</u>	<u>15,298,517</u>	<u>8,265,569</u>
Noncurrent assets:				
Capital assets not being depreciated:				
Land	1,963,436	70,126	670,431	699,654
Construction in progress	425,085	4,331,214	3,446,785	-
Capital assets, net of accumulated depreciation:				
Buildings and improvements	11,685,249	13,137,270	5,793,853	15,590
Machinery, equipment, and vehicles	1,803,778	1,451,650	1,241,575	142,251
Infrastructure and network	10,639,122	5,140,843	68,290,466	-
Total noncurrent assets	<u>26,516,670</u>	<u>24,131,103</u>	<u>79,443,110</u>	<u>857,495</u>
Total Assets	<u>46,271,713</u>	<u>32,817,300</u>	<u>94,741,627</u>	<u>9,123,064</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred outflow of resources related to pension	1,486,221	609,491	789,526	112,521
Total deferred outflows of resources	<u>1,486,221</u>	<u>609,491</u>	<u>789,526</u>	<u>112,521</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	535,945	631,844	450,600	7,219
Accrued payroll liabilities	86,172	40,690	50,478	11,186
Interest payable	10,156	151,173	928,726	-
Deposits payable	-	-	-	-
Compensated absences, current	10,448	5,518	7,410	117
Due within one year	1,950,000	515,153	2,090,000	-
Due to other funds	-	-	-	-
Total current liabilities	<u>2,592,721</u>	<u>1,344,378</u>	<u>3,527,214</u>	<u>18,522</u>
Noncurrent liabilities:				
Compensated absences, noncurrent	94,030	49,659	66,694	1,054
Advances from other funds	-	745,000	-	-
Due in more than one year	-	11,623,734	63,804,310	14,700,370
Net pension liability	6,412,966	2,629,923	3,406,762	485,524
Total noncurrent liabilities	<u>6,506,996</u>	<u>15,048,316</u>	<u>67,277,766</u>	<u>15,186,948</u>
Total liabilities	<u>9,099,717</u>	<u>16,392,694</u>	<u>70,804,980</u>	<u>15,205,470</u>
DEFERRED INFLOW OF RESOURCES				
Deferred inflow of resources related to pension	742,808	304,622	394,602	56,238
Total deferred outflows of resources	<u>742,808</u>	<u>304,622</u>	<u>394,602</u>	<u>56,238</u>
NET POSITION				
Net investment in capital assets	24,566,670	11,992,216	18,319,610	-
Restricted:				
Debt service reserve	-	-	-	-
Unrestricted	13,348,739	4,737,259	6,011,961	(6,026,123)
Total Net Position	<u>\$ 37,915,409</u>	<u>\$ 16,729,475</u>	<u>\$ 24,331,571</u>	<u>\$ (6,026,123)</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

Net position of business-type activities

The accompanying notes are integral part of these financial statements.

Business-Type Activities		Governmental Activities
Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Fund
\$ 382,898	\$ 32,607,073	\$ 2,614,671
-	6,847,920	-
232,399	5,036,851	14,380
-	18,279	30,563
-	7,046,181	-
-	1,064,319	760
-	-	745,000
32,500	32,500	-
<u>647,797</u>	<u>52,653,123</u>	<u>3,405,374</u>
1,829,928	5,233,575	-
982,391	9,185,475	-
1,928,988	32,560,950	160,286
473,171	5,112,425	85,552
62,146	84,132,577	-
<u>5,276,624</u>	<u>136,225,002</u>	<u>245,838</u>
<u>5,924,421</u>	<u>188,878,125</u>	<u>3,651,212</u>
456,182	3,453,941	-
<u>456,182</u>	<u>3,453,941</u>	<u>-</u>
108,074	1,733,682	191,506
29,462	217,988	111,867
2,390	1,092,445	-
7,075	7,075	-
3,683	27,176	11,475
9,717	4,564,870	-
-	-	14,777
<u>160,401</u>	<u>7,643,236</u>	<u>329,625</u>
33,144	244,581	103,281
930,200	1,675,200	-
190,166	90,318,580	-
1,968,396	14,903,571	-
<u>3,121,906</u>	<u>107,141,932</u>	<u>103,281</u>
<u>3,282,307</u>	<u>114,785,168</u>	<u>432,906</u>
227,996	1,726,266	-
<u>227,996</u>	<u>1,726,266</u>	<u>-</u>
5,076,741	59,955,237	245,838
-	-	-
<u>(2,206,441)</u>	<u>15,865,395</u>	<u>2,972,468</u>
<u>\$ 2,870,300</u>	<u>75,820,632</u>	<u>\$ 3,218,306</u>
	1,867,698	
	<u>\$ 77,688,330</u>	

City of Ukiah, California
Statement of Revenue, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2017

	Business-Type Activities			
	Electric	Water	Sewer	Landfill
OPERATING REVENUE				
Charges for service	\$ 15,085,258	\$ 5,785,568	\$ 6,962,521	\$ 362,018
Expansion fees	-	-	532,137	-
Commodity sales	-	-	-	-
Rents	-	-	-	-
Concessions	-	-	-	-
Fines and penalties	-	-	-	-
Other operating income	1,248	1,680	-	7,885
Total operating revenue	<u>15,086,506</u>	<u>5,787,248</u>	<u>7,494,658</u>	<u>369,903</u>
OPERATING EXPENSES				
Power purchases	7,225,649	-	-	-
Maintenance and operations	5,736,539	1,394,315	3,833,368	982,457
General and administration	2,999,983	1,228,407	1,206,144	-
Fuel	-	-	-	-
Insurance premiums	-	-	-	-
Depreciation	1,136,473	698,215	1,951,114	12,603
Total operating expenses	<u>17,098,644</u>	<u>3,320,937</u>	<u>6,990,626</u>	<u>995,060</u>
Operating income (loss)	<u>(2,012,138)</u>	<u>2,466,311</u>	<u>504,032</u>	<u>(625,157)</u>
NONOPERATING REVENUE (EXPENSES)				
Property taxes	-	-	-	-
Cap and trade and renewable energy	885,952	-	-	-
Grants and other intergovernmental	-	-	-	-
Gain (loss) on disposition of property	3,300	21,505	21,193	-
Interest income	137,499	30,661	83,088	29,823
Interest (expense)	(264,024)	(423,616)	(2,779,962)	-
Total nonoperating revenue (expense)	<u>762,727</u>	<u>(371,450)</u>	<u>(2,675,681)</u>	<u>29,823</u>
Income (loss) before capital contributions and operations transfers	(1,249,411)	2,094,861	(2,171,649)	(595,334)
Special items	-	-	(4,984,310)	-
Capital contributions	32	-	-	-
Contributions from other agencies	-	-	2,595,873	-
Transfers in	72,900	77,687	201,148	90,526
Transfers (out)	-	(86,679)	-	-
Change in net position	(1,176,479)	2,085,869	(4,358,938)	(504,808)
Beginning net position	<u>39,091,888</u>	<u>14,643,606</u>	<u>28,690,510</u>	<u>(5,521,315)</u>
Ending net position	<u>\$ 37,915,409</u>	<u>\$ 16,729,475</u>	<u>\$ 24,331,572</u>	<u>\$ (6,026,123)</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

Changes in net position of business-type activities

The accompanying notes are integral part of these financial statements.

Business-Type Activities		Governmental Activities
Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 488,670	\$ 28,684,035	\$ 5,750,858
-	532,137	-
735,068	735,068	-
391,964	391,964	-
56,856	56,856	-
59,188	59,188	141,970
58,731	69,544	4,352
<u>1,790,477</u>	<u>30,528,792</u>	<u>5,897,180</u>
-	7,225,649	-
3,583,355	15,530,034	4,616,135
128,083	5,562,617	-
-	-	-
-	-	1,454,880
124,730	3,923,135	38,324
<u>3,836,168</u>	<u>32,241,435</u>	<u>6,109,339</u>
<u>(2,045,691)</u>	<u>(1,712,643)</u>	<u>(212,159)</u>
13,146	13,146	-
-	885,952	-
254,821	254,821	-
-	45,998	-
3	281,074	(11,652)
-	(3,467,602)	-
<u>267,970</u>	<u>(1,986,611)</u>	<u>(11,652)</u>
(1,777,721)	(3,699,254)	(223,811)
-	(4,984,310)	-
-	32	-
-	2,595,873	-
153,779	596,040	240,405
-	(86,679)	(32,325)
(1,623,942)	(5,578,298)	(15,731)
<u>4,494,242</u>	<u>81,398,931</u>	<u>3,234,037</u>
<u>\$ 2,870,300</u>		<u>\$ 3,218,306</u>
	(109,031)	
	<u>\$ (5,687,329)</u>	

City of Ukiah, California
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2017

CASH FLOWS PROVIDED BY (USED FOR)	Business-type Activities			
	Electric	Water	Sewer	Landfill
OPERATING ACTIVITIES				
Received from customers	\$ 14,540,102	\$ 5,658,661	\$ 7,538,376	\$ 288,147
Received from interfund services provided	-	-	-	-
Payment for interfund services provided	(1,443,830)	(206,488)	(264,520)	-
Payments to suppliers of goods and services	(9,192,452)	(1,179,943)	(2,676,352)	(269,902)
Payments to City of Ukiah team members for services	(2,278,879)	(1,375,488)	(1,629,637)	(285,681)
Net cash provided (used)	<u>1,624,941</u>	<u>2,896,742</u>	<u>2,967,867</u>	<u>(267,436)</u>
NONCAPITAL & RELATED FINANCING ACTIVITIES				
Interfund amounts received	72,900	77,687	201,148	90,526
Interfund amounts paid	-	(86,679)	-	-
Cap and trade received	885,952	-	-	-
Renewable energy credits received	-	-	-	-
Property tax and assessments	-	-	-	-
Net cash provided (used)	<u>958,852</u>	<u>(8,992)</u>	<u>201,148</u>	<u>90,526</u>
CAPITAL & RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(618,535)	(3,670,003)	(1,522,356)	(15,589)
Proceeds from notes receivable	-	-	-	-
Proceeds from issuance of capital debt	-	-	-	-
Contributions received for capital purposes	32	-	2,595,873	-
Capital grants	-	-	-	-
Principal paid on capital debt	(1,825,000)	(475,000)	(2,010,000)	-
Interest paid on capital debt	(243,283)	(448,769)	(2,809,027)	-
Issuance costs paid on capital debt	-	-	-	-
Proceeds from sales of property	3,300	21,505	21,193	-
Net cash provided (used)	<u>(2,683,486)</u>	<u>(4,572,267)</u>	<u>(3,724,317)</u>	<u>(15,589)</u>
INVESTING ACTIVITIES				
Loans made	-	-	-	-
Amounts paid to NCPA reserves	-	-	-	-
Amounts received from NCPA reserves	-	-	-	-
Investment income received	135,217	30,661	83,088	29,823
Net cash provided (used)	<u>135,217</u>	<u>30,661</u>	<u>83,088</u>	<u>29,823</u>
Net increase (decrease) in cash and cash equivalents	<u>35,524</u>	<u>(1,653,856)</u>	<u>(472,214)</u>	<u>(162,676)</u>
Cash and cash equivalents - beginning	<u>16,059,262</u>	<u>9,043,772</u>	<u>14,957,315</u>	<u>8,311,149</u>
Cash and cash equivalents - end of year	<u>\$ 16,094,786</u>	<u>\$ 7,389,916</u>	<u>\$ 14,485,101</u>	<u>\$ 8,148,473</u>
Presentation in Statement of Net Position:				
Cash and investments	\$ 6,971,456	\$ 7,389,955	\$ 9,714,291	\$ 8,148,473
Restricted cash and investments	2,077,149	(39)	4,770,810	-
Cash held in reserve with NCPA	7,046,181	-	-	-
Total cash and investments	<u>\$ 16,094,786</u>	<u>\$ 7,389,916</u>	<u>\$ 14,485,101</u>	<u>\$ 8,148,473</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating Income (Loss)	\$ (2,012,138)	\$ 2,466,311	\$ 504,032	\$ (625,157)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation and amortization, a noncash expense	1,136,473	698,215	1,951,114	12,603
(Increase) decrease in accounts receivable	(307,373)	(101,728)	(6,589)	(81,756)
(Increase) decrease in inventory and prepaids	148,982	(3,896)	-	-
(Increase) decrease in deferred outflows - pensions	(721,473)	(166,720)	(317,881)	(112,521)
Increase (decrease) in accounts payable	393,351	3,573	(16,427)	(4,538)
Increase (decrease) in accrued payroll liabilities	15,029	(5,323)	(4,224)	6,742
Increase (decrease) in landfill closure/postclosure liability	-	-	-	-
Increase (decrease) in deferred inflows - pensions	147,749	(93,977)	(14,526)	56,238
Increase (decrease) in net pension liability	3,040,875	140,722	908,760	485,524
Increase (decrease) in customer deposits	(239,031)	(26,859)	-	-
Increase (decrease) in compensated absences	22,497	(13,576)	(36,392)	(4,571)
Increase (decrease) in intergovernmental payable	-	-	-	-
Net cash provided (used)	<u>\$ 1,624,941</u>	<u>\$ 2,896,742</u>	<u>\$ 2,967,867</u>	<u>\$ (267,436)</u>

The accompanying notes are integral part of these financial statements.

Business-type Activities		Governmental Activities
Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 1,643,235	\$ 29,668,521	\$ 465,690
-	-	5,427,765
(125,838)	(2,040,676)	(184,181)
(1,002,352)	(14,321,001)	(2,676,463)
<u>(774,644)</u>	<u>(6,344,329)</u>	<u>(3,137,156)</u>
<u>(259,599)</u>	<u>6,962,515</u>	<u>(104,345)</u>
153,779	596,040	255,182
(6,250)	(92,929)	(32,325)
-	885,952	-
-	-	-
13,146	13,146	-
<u>160,675</u>	<u>1,402,209</u>	<u>222,857</u>
(309,830)	(6,136,313)	-
4,000	4,000	-
199,883	199,883	-
-	2,595,905	-
254,821	254,821	-
-	(4,310,000)	-
-	(3,501,079)	-
-	-	-
-	45,998	-
<u>148,874</u>	<u>(10,846,785)</u>	<u>-</u>
-	-	185,203
-	-	-
-	-	-
3	278,792	(11,051)
<u>3</u>	<u>278,792</u>	<u>174,152</u>
49,953	(2,203,269)	292,664
332,945	48,704,443	2,322,007
<u>\$ 382,898</u>	<u>\$ 46,501,174</u>	<u>\$ 2,614,671</u>
\$ 382,898	\$ 32,607,073	\$ 2,614,671
-	6,847,920	-
-	7,046,181	-
<u>\$ 382,898</u>	<u>\$ 46,501,174</u>	<u>\$ 2,614,671</u>
\$ (2,045,691)	\$ (1,712,643)	\$ (212,159)
-	-	-
-	-	-
124,730	3,923,135	38,323
(147,842)	(645,288)	(3,725)
-	145,086	-
(456,182)	(1,774,777)	(2)
57,417	433,376	80,102
6,637	18,861	14,608
-	-	-
227,996	323,480	-
1,968,396	6,544,277	-
600	(265,290)	-
4,340	(27,702)	(21,492)
-	-	-
<u>\$ (259,599)</u>	<u>\$ 6,962,515</u>	<u>\$ (104,345)</u>

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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.

AGENCY 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, 2017

	URIAH Redevelopment Successor Agency Private Purpose Trust	Agency Funds
ASSETS		
Cash and investments	\$ 2,655,993	\$ 7,524,703
Restricted cash and investments	-	-
Cash with fiscal agent	5,756,650	357,930
Receivables:		
Accounts	-	757,909
Interest	7,265	21,677
Taxes	-	-
Notes	-	-
Other	-	-
Inventory and prepaids	-	-
Land held for resale	3,846,870	-
Other assets held for resale	25,663	-
Total Assets	<u>12,292,441</u>	<u>8,662,219</u>
LIABILITIES		
Accounts payable	3,505	241,544
Accrued payroll liabilities	611	231,276
Interest payable	119,077	9,928
Deposits payable	-	872,545
Compensated absences, current	-	-
Due within one year	515,000	66,276
Due in more than one year	7,350,000	-
Due to other agencies	-	7,240,650
Total liabilities	<u>7,988,193</u>	<u>8,662,219</u>
NET POSITION (DEFICIT)		
Net investment in capital assets	-	
Restricted:		
Held in trust for the benefit of the State	4,304,248	
Total net position (deficit)	<u>\$ 4,304,248</u>	

The accompanying notes are integral part of these financial statements.

City of Ukiah, California
Statement of Changes in Fiduciary Net Position
Fiduciary Activities
Year Ended June 30, 2017

	UNFID Redevelopment Successor Agency Private Purpose Trust
ADDITIONS	
Taxes	\$ 1,335,922
Assessments	-
Fees	-
Investment earnings	54,352
Gain on disposition of property	-
Other	-
Total additions	<u>1,390,274</u>
DEDUCTIONS	
Maintenance and operations	-
General and administration	153,852
Enforceable obligations	128,404
Interest and fiscal charges	527,445
Loss on disposition of property	-
Total deductions	<u>809,701</u>
CHANGE IN FIDUCIARY NET POSITION	580,573
NET POSITION (deficit)	
Beginning of year	<u>3,723,675</u>
End of year	<u>\$ 4,304,248</u>

The accompanying notes are integral part of these financial statements.

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NOTES TO THE BASIC FINANCIAL STATEMENTS INDEX

June 30, 2017

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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Notes to the Basic Financial Statements

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 of 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.

Notes to the Basic Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 particular function. Taxes, and other items not properly included among program revenues are reported instead as general revenues.

The accounts of the City are organized on the basis of 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:

Governmental Funds

The **General** Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust of major capital projects) that are legally restricted to expenditures for specific purposes.

Capital Project Funds are used to account for revenue and expenditures restricted to the acquisition or major capital facilities (other than those financed by proprietary or trust funds).

Debt Service Funds are used to account for the accumulation of resources for, and the payment to, governmental long-term debt, both principal and interest.

Proprietary Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprise –the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis, be financed or recovered primarily through user charges. The City accounts for the operation of its electric, water, and sewer utility funds on this basis, as well as golf, airport, landfill, parking enforcement, and conference center.

Notes to the Basic Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Internal Service funds are used to account for operations similar to enterprise funds. The difference between the two is that internal service funds provide goods and services to departments and agencies under the primary government.

Fiduciary Funds

Agency Funds are used to account for assets administered by the City in a trustee capacity or as an agent for other governments and other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

As a general rule 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.

Notes to the Basic Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City reports the following major funds:

- General Fund
- Electric
- Water
- Sewer
- Landfill

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.

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 statement. 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 government 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). 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 is 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.

Notes to the Basic Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

E. Cash and Investments

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

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.

City of Ukiah, California

Notes to the Basic Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 measureable 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 occur.

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 aforementioned reuse guidelines.

G. Allowance for Doubtful Accounts

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

H. Prepaid Expenses

The prepaid expenses consist of expendables supplies held for consumption and are recorded as expenses when consumed. Materials and supplies used by governmental funds are recorded as expenditures at the time they are purchases or obtained.

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.

Notes to the Basic Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Inflow 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 two items that qualify for reporting in this category. One item is a result of the City's implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. See Note 9 – Pension Plans for more information. The other is related to the deferred amounts on refunding of debt.

Notes to the Basic Financial Statements (Continued)

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 considered to be 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.

Notes to the Basic Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.”

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).
- 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 automatically are reported as assigned fund balance and are done so by the City Manager through the budget process.

Notes to the Basic Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, committee, 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.

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% 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.

Notes to the Basic Financial Statements (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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% 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.

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.

Notes to the Basic Financial Statements (Continued)

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. New or Closed Funds

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

- Prop 172 (City)
- Ukiah Transfer Station
- Ukiah Valley Fire District Private Purpose Trust Fund

S. Restatements

The City recharacterized two internal service funds, the Liability Fund and Billing and Collections Fund, as business-type activities in this reporting period, as the predominant users of those two funds were enterprise funds. The following is a reconciliation of the total net position as previously reported at July 1, 2016, to the restated net position.

Reconciliation of Net Position

	Total Net Position
Governmental	
Net position at June 30, 2016	\$ 20,704,795
Adjustments:	
Recharacterization of internal service funds as business-type activities	<u>(1,976,729)</u>
Total adjustments	<u>(1,976,729)</u>
Net position at June 30, 2016, as restated	<u>\$ 18,728,066</u>
Proprietary	
Net position at June 30, 2016	\$ 81,398,931
Adjustments:	
Recharacterization of internal service funds as business-type activities	<u>1,976,729</u>
Total adjustments	<u>1,976,729</u>
Net position at June 30, 2016, as restated	<u>\$ 83,375,660</u>

T. Special Items

A special item is one that is either unusual in nature or infrequent in occurrence. It also must be within the control of management. For the year ended June 30, 2017 management recorded a settlement amount in the lawsuit with the Ukiah Valley Sanitation District. The amount of \$4,984,310 is an obligation of the City to be paid in installments beginning in the 2018-19 fiscal year.

Notes to the Basic Financial Statements (Continued)

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Revenue Limitations Imposed by California Propositions 218 and 26

Proposition 218, approved by the voters in November 1996, regulates the City's ability to impose, increase, and extend taxes, assessments, and fees. It was enhanced further by the passage of Proposition 26 in 2010, which revised to the definitions of taxes and fees. Any new, increased, or extended taxes, assessments, and fees subject to the provisions of Proposition 218 require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments, and fees be subject to the voter initiative process and may be rescinded in future years by the voters.

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, 2017 are classified in the accompanying financial statements as follows:

Cash and Investments

	Total
<u>Cash equivalents and investments pooled</u>	
Pooled cash, at fair value	
Cash in bank	\$ 5,206,020
Cash in investment portfolio, excluding LAIF	48,808,380
Cash with LAIF	2,581,410
Petty cash	1,150
Cash with fiscal agent	18,160,391
Cash in drawer	1,750
Total pooled items	<u>\$ 74,759,101</u>

Investment Portfolio Analysis

PAR		% of Portfolio	Policy	In compliance Permitted by with investment policy	Maturities (in years)				
					<1	1 to 2	>2		
					\$	5,500,000	US Treasury notes		10.67%
	17,675,000	Federal agency/GSE	34.30%	100%	Yes	597,569	16,453,657	483,729	17,534,955
	1,518,699	Federal agency/CMO	2.95%	100%	Yes	250,789	-	1,268,266	1,519,055
	1,290,000	Supra-National agency	2.50%	30%	Yes	788,606	488,724	-	1,277,330
	8,175,000	Corporate notes	15.86%	30%	Yes	3,389,781	1,084,207	3,711,033	8,185,021
	8,465,000	COD's	16.43%	30%	Yes	5,585,430	2,888,325	-	8,473,755
	6,285,810	Asset-backed securities	12.20%	20%	Yes	-	256,498	6,025,520	6,282,018
	2,581,410	LAIF	5.01%	\$ 65,000,000	Yes	2,581,410	-	-	2,581,410
	46,352	Money market	0.09%	20%	Yes	-	-	46,352	46,352
	Total pooled investments		<u>100.00%</u>			<u>\$ 13,243,605</u>	<u>\$ 21,334,967</u>	<u>\$ 16,811,218</u>	<u>\$ 51,389,790</u>

Amounts reported in:

Governmental activities	\$ 8,020,483
Governmental activities - Restricted	2,759,989
Business-type activities	45,606,245
Business-type activities - restricted	2,077,108
Fiduciary activities	10,180,696
Fiduciary activities - restricted	6,114,580
Total	<u>\$ 74,759,101</u>

Notes to the Basic Financial Statements (Continued)

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Collateral and Categorization Requirements

At the fiscal year end, the City's carrying amount of demand deposits was \$5,206,020 and the bank account balance was \$5,541,053. The difference of \$335,033 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 6, 2010), 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.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
City of Ukiah Bonds	5 Years	Unlimited	10%
Local Agency Investment Fund (LAIF)	N/A	\$65m	\$65m
U.S. Treasury Securities	5 Years	100%	None
Local Agency Obligations	5 Years	None	10%
U.S. Government Securities	5 Years	None	None
Obligations of the State of California	6 Years	None	10%
Repurchase Agreements	365 Days	None	10%
Reverse Repurchase Agreements (1)	92 Days	20%	10%
Bankers Acceptances	180 Days	40%	10%
Commercial Paper	270 Days	25%	10%
Negotiable Certificates of Deposit	5 Years	30%	10%
Corporate Medium-term Notes	5 Years	30%	10%
Money Market Funds (highest rating)	n/a	20%	10%
Time deposits	5 Years	25%	10%
Mortgage-backed and Asset-backed securities (rated "AA" or better)	6 Years	20%	10%

(1) Requires prior City Council approval.

Notes to the Basic Financial Statements (Continued)

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 Ukiah manages its exposure to interest rate risk is by investing in 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

With the exception of 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% of the total portfolio.

Concentration of Credit Risk

Issuer	Amount Invested	Percentage of Portfolio
Federal National Mortgage Association	\$ 9,834,306	15.87%
Federal Home Loan Bank	5,158,696	8.32%
Federal Home Loan Mortgage Corp	4,061,009	6.55%

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% 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% of the secured public deposits.

Notes to the Basic Financial Statements (Continued)

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

At June 30, 2017, the City had \$4,706,020 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 through the use of mutual funds or government investment pools (such as LAIF).

Credit Risk Schedule

Investment Type	Total Investment	Minimum Legal	Rating as of Fiscal Year End		
			AAA	AA+ /A+ /BBB+	Unrated
US Treasury notes	\$ 5,489,894	N/A	\$ -	\$ 5,489,894	\$ -
Federal agency/GSE	17,534,955	N/A	-	17,534,955	-
Federal agency/CMO	1,519,055	N/A	-	1,519,055	-
Supra-National agency	1,277,330	N/A	1,277,330	-	-
Corporate notes	8,185,021	N/A	-	8,185,021	-
COD's	8,473,755	N/A	-	8,473,755	-
Asset-backed securities	6,282,018	N/A	4,117,007	-	2,165,011
LAIF	2,581,410	N/A	-	-	2,581,410
Money market	46,352	N/A	46,352	-	-
Held by fiscal agent:					
Money market	18,160,391	N/A	18,160,391	-	-
Total	\$69,550,181	\$ -	\$23,601,080	\$41,202,680	\$ 4,746,421

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 significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Notes to the Basic Financial Statements (Continued)

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Fair Value Schedule

Investment Type	Total Investment	Investments Not Measured at Fair Value	Level	
			1	2
US Treasury notes	\$ 5,489,894		\$ -	\$ 5,489,894
Federal agency/GSE	17,534,955		-	17,534,955
Federal agency/CMO	1,519,055		-	1,519,055
Supra-National agency	1,277,330		-	1,277,330
Corporate notes	8,185,021		-	8,185,021
COD's	8,473,755		-	8,473,755
Asset-backed securities	6,282,018		-	6,282,018
LAIF	2,581,410	2,581,410	-	-
Money market	46,352	46,352	-	-
Held by fiscal agent:				
Money market	18,160,391	18,160,391	-	-
Total	<u>\$69,550,181</u>	<u>\$20,788,153</u>	<u>\$ -</u>	<u>\$48,762,028</u>

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, 2017, the City's investment in LAIF was 2,581,410. The total amount invested by all public agencies at that date was \$21.81 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2017 has a balance of \$78.34 billion. Financial Statements of LAIF and PMIA may be obtained from the California Treasurer's web site at www.treasurer.ca.gov.

Notes to the Basic Financial Statements (Continued)

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30, 2017:

Receivables: Accounts and Due from other Governments

	Receivables	Allowance	Net
Governmental Activities			
Interest	\$ 59,421	\$ -	\$ 59,421
Taxes	2,019,378	-	2,019,378
Grants and subventions	755,562	-	755,562
Accounts receivable:			
Customers and other	110,772	-	110,772
	<u>\$ 2,945,133</u>	<u>\$ -</u>	<u>\$ 2,945,133</u>
Business-type activities			
Interest	\$ 18,279	\$ -	\$ 18,279
Accounts receivable:			
Customers and other	5,181,393	144,542	5,036,851
	<u>\$ 5,199,672</u>	<u>\$ 144,542</u>	<u>\$ 5,055,130</u>
Total receivables	\$ 8,144,805	\$ 144,542	\$ 8,000,263

These amounts resulted in the following concentrations in receivables:

Other governments	35.4%
Individuals/businesses	64.6%

Amounts do not indicate a significant concentration (greater than 25%) with any single individual, business or agency.

Notes to the Basic Financial Statements (Continued)

NOTE 5 – LOANS AND NOTES RECEIVABLES

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, 2017, consisted of the following:

Loans and Notes Receivable	Beginning 7/1/2016	Additions	Deletions	Ending 6/30/2017
Major governmental funds:				
General fund	\$ 660	\$ 65	\$ -	\$ 725
Nonmajor governmental funds:				
Special revenue funds:				
LMIHF Housing Asset Fund	1,751,328	13,171	-	1,764,499
Summercreek (00-HOME-0452)	1,684,500	-	54,010	1,630,490
08-HOME-4688 Fund	841,891	-	102,230	739,661
11-HOME-7654 Fund	737,250	20,625	-	757,875
CDBG Grant 10-EDEF-7261 Fund	320,616	-	29,468	291,148
Total governmental funds	<u>5,336,245</u>	<u>33,861</u>	<u>185,708</u>	<u>5,184,398</u>
Enterprise funds:				
Golf Fund	36,500	-	4,000	32,500
Total enterprise funds	<u>36,500</u>	<u>-</u>	<u>4,000</u>	<u>32,500</u>
Total loans/notes receivable	<u>\$ 3,169,418</u>	<u>\$ 33,861</u>	<u>\$ 189,708</u>	<u>\$ 5,216,898</u>

Notes to the Basic Financial Statements (Continued)

NOTE 6 - CAPITAL ASSETS

Governmental capital asset activity for the year ended June 30, 2017, was as follows:

Capital Assets - Governmental

	Balance July 1, 2016	Additions	Deletions	Transfers	Balance June 30, 2017
Governmental activities:					
Nondepreciable assets:					
Land	\$ 495,340	\$ -	\$ -	\$ -	\$ 495,340
Construction in progress	5,275,925	272,623	-	(105,358)	5,443,190
Total nondepreciable assets	<u>5,771,265</u>	<u>272,623</u>	<u>-</u>	<u>(105,358)</u>	<u>5,938,530</u>
Depreciable assets:					
Buildings and improvements	12,425,337	5,443,018	-	105,358	17,973,713
Machinery, equipment, and vehicles	8,850,594	333,926	-	-	9,184,520
Infrastructure and network	35,748,228	-	-	-	35,748,228
Total depreciable assets	<u>57,024,159</u>	<u>5,776,944</u>	<u>-</u>	<u>105,358</u>	<u>62,906,461</u>
Total	<u>62,795,424</u>	<u>6,049,567</u>	<u>-</u>	<u>-</u>	<u>68,844,991</u>
Accumulated depreciation:					
Buildings and improvements	(4,701,801)	(478,913)	-	-	(5,180,714)
Machinery, equipment, and vehicles	(6,902,445)	(424,797)	-	-	(7,327,242)
Infrastructure and network	(22,099,529)	(568,596)	-	-	(22,668,125)
Total accumulated depreciation	<u>(33,703,775)</u>	<u>(1,472,306)</u>	<u>-</u>	<u>-</u>	<u>(35,176,081)</u>
Net depreciable assets	<u>23,320,384</u>	<u>4,304,638</u>	<u>-</u>	<u>105,358</u>	<u>27,730,380</u>
Total governmental capital assets, net	<u>\$ 29,091,649</u>	<u>\$ 4,577,261</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,668,910</u>

Depreciation expense was allocated to each of the following governmental activities in the Statement of Activities.

Governmental Activities:

General and administrative	-
General government	\$ 269,167
Community development	-
Roads and infrastructure	677,564
Housing and support programs	21,984
Redevelopment/economic development	-
Public safety	357,654
Culture and recreation	145,937
	-
Total Depreciation Expense	<u>\$ 1,472,306</u>

Notes to the Basic Financial Statements (Continued)

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Business-type capital asset activity for the year ended June 30, 2017, was as follows:

Capital Assets - Business-type

	Balance July 1, 2016	Additions	Deletions	Transfers	Balance June 30, 2017
Business-type activities:					
Nondepreciable assets:					
Land	\$ 5,233,575	\$ -	\$ -	\$ -	\$ 5,233,575
Construction in progress	6,642,589	2,542,886	-	-	9,185,475
Total nondepreciable assets	<u>11,876,164</u>	<u>2,542,886</u>	<u>-</u>	<u>-</u>	<u>14,419,050</u>
Depreciable assets:					
Buildings and improvements	59,359,976	2,196,642	-	-	61,556,618
Machinery, equipment, and vehicles	11,118,530	1,351,938	-	-	12,470,468
Infrastructure and network	111,546,641	-	-	-	111,546,641
Total depreciable assets	<u>182,025,147</u>	<u>3,548,580</u>	<u>-</u>	<u>-</u>	<u>185,573,727</u>
Total	<u>193,901,311</u>	<u>6,091,466</u>	<u>-</u>	<u>-</u>	<u>199,992,777</u>
Accumulated depreciation:					
Buildings and improvements	(27,816,169)	(1,179,499)	-	-	(28,995,668)
Machinery, equipment, and vehicles	(6,899,847)	(455,075)	-	-	(7,354,922)
Infrastructure and network	(25,110,003)	(2,304,061)	-	-	(27,414,064)
Total accumulated depreciation	<u>(59,826,019)</u>	<u>(3,938,635)</u>	<u>-</u>	<u>-</u>	<u>(63,764,654)</u>
Net depreciable assets	<u>122,199,128</u>	<u>(390,055)</u>	<u>-</u>	<u>-</u>	<u>121,809,073</u>
Total governmental capital assets, net	<u>\$ 134,075,292</u>	<u>\$ 2,152,831</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,228,123</u>

Business-type Activities:

Water utility	\$ 698,215
Sewer utility	1,951,114
Electric utility	1,136,473
Solid waste disposal site	12,603
Parking	1,195
Amount attributed to internal service funds classified as business-type	(59,491)
Airport	74,991
Conference Center	46,308
Golf course	2,236
Total Depreciation Expense	<u>\$ 3,938,635</u>

Notes to the Basic Financial Statements (Continued)

NOTE 7 - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2017.

Long-term Obligations

	Beginning Balance July 1, 2016	Additions	Reductions	Ending Balance June 30, 2017	One Year
Governmental Activities					
Net pension liability	\$ 31,579,796	\$ -	\$ 971,269	\$ 30,608,527	\$ -
Compensated absences	827,640	-	214,831	612,809	61,281
Total	\$ 32,407,436	\$ -	\$ 1,186,100	\$ 31,221,336	\$ 61,281
Business-Type Activities					
2017 Caltrans Aeronautics Loan - Airport	\$ -	\$ 199,883	\$ -	\$ 199,883	\$ 9,717
Electric Revenue Bonds	3,718,054	-	1,768,054	1,950,000	1,950,000
2016 Water Revenue Refunding Bonds	11,155,000	-	475,000	10,680,000	490,000
2016 unamortized premium	1,484,040	-	25,153	1,458,887	25,153
2006 Wastewater Revenue Bonds	62,920,000	-	2,010,000	60,910,000	2,090,000
2006 unamortized premium	44,537	-	44,537	-	-
Lawsuit settlement liability	-	4,984,310	-	4,984,310	-
Net pension liability	8,359,294	6,544,277	-	14,903,571	-
Compensated absences	321,622	-	31,235	290,387	29,039
Landfill closure and post-closure	14,700,370	-	-	14,700,370	-
Total	\$ 102,702,917	\$ 11,728,470	\$ 4,353,979	\$ 110,077,408	\$ 4,593,909

BUSINESS-TYPE ACTIVITIES

2017 Caltrans Aeronautics Loan - Airport

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%, are due February each year. Revenues generated by airport operations secure payments.

Balance due \$ 199,883

Electric Revenue Bonds

The City has issued Electric Revenue Refunding Series 1992 bonds where the City pledges revenue derived from the acquired or constructed assets of the City's electric system to pay debt service. The bonds mature on June 1 of each year and shall pay interest ranging from 3.20% to 5.90%. Revenue bonds outstanding were as follows:

Balance due \$ 1,950,000

Notes to the Basic Financial Statements (Continued)

NOTE 7 – LONG TERM LIABILITIES (CONTINUED)

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% to 3.125%. 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

Balance due	\$ 10,680,000
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2006 Wastewater Revenue Bonds

Dated March 1, 2006 the original amount of the obligation was \$75,060,000 and is secured with a pledge of net revenues from the City’s wastewater system. The obligation principal is payable in annual installments beginning March 1, 2009 ranging from \$400,000 to \$4,690,000 through March 1, 2036. Interest payments commence September 1, 2006 and are payable semiannually on September 1st and March 1st and pay interest ranging from 4.00% to 4.75%.

Balance due	\$ 60,910,000
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Various bond indentures contain limitations and restrictions, with which, in the opinion of management, the City is in compliance.

Compensated Absences

The City records employee absences, such as vacation and deferred overtime, for which it is expected that employees will be paid as compensated absences. Compensated absences had a balance of \$1,361,194 at June 30, 2017; of that amount, \$136,120 is expected to be paid within a year.

Notes to the Basic Financial Statements (Continued)

NOTE 7 - LONG-TERM LIABILITIES (CONTINUED)

Future Debt Service

Future debt service for Business-type activities at June 30, 2017 is as follows for all debt except compensated absences, claims liabilities, and net pension liability:

**Debt Service Schedule
Business-type**

Year Ending June 30,	Business-type Activities					
	2017 CalTrans Aeronautics Loan - Airport		Electric Revenue Bonds		2016 Water Revenue Refunding Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 9,717	\$ 4,657	\$ 1,950,000	\$ 121,875	\$ 490,000	\$ 436,669
2019	9,944	4,431	-	-	500,000	419,319
2020	10,175	4,199	-	-	530,000	398,718
2021	10,412	3,962	-	-	540,000	377,319
2022	10,655	3,719	-	-	565,000	355,219
2023-2027	57,116	14,755	-	-	2,295,000	1,462,643
2028-2032	64,088	7,784	-	-	2,935,000	813,969
2033-2037	27,776	976	-	-	2,825,000	178,197
2038-2042	-	-	-	-	-	-
2043-2047	-	-	-	-	-	-
2048-2052	-	-	-	-	-	-
Total	<u>\$ 199,883</u>	<u>\$ 44,483</u>	<u>\$ 1,950,000</u>	<u>\$ 121,875</u>	<u>\$ 10,680,000</u>	<u>\$ 4,442,053</u>
Due within one year	\$ 9,717	\$ 4,657	\$ 1,950,000	\$ 121,875	\$ 490,000	\$ 436,669
Due after one year	190,166	39,826	-	-	10,190,000	4,005,384
Total	<u>\$ 199,883</u>	<u>\$ 44,483</u>	<u>\$ 1,950,000</u>	<u>\$ 121,875</u>	<u>\$ 10,680,000</u>	<u>\$ 4,442,053</u>

Year Ending June 30,	2006 Wastewater Revenue Bonds		Lawsuit settlement liability		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2018	\$ 2,090,000	\$ 2,770,900	\$ -	\$ -	\$ 4,539,717
2019	2,180,000	2,687,300	984,310	-	3,674,254	3,111,050
2020	2,280,000	2,597,375	1,000,000	-	3,820,175	3,000,292
2021	2,370,000	2,500,475	1,000,000	90,000	3,920,412	2,971,756
2022	2,480,000	2,399,750	1,000,000	60,000	4,055,655	2,818,688
2023-2027	14,190,000	10,259,413	1,000,000	30,000	17,542,116	11,766,811
2028-2032	17,800,000	6,707,062	-	-	20,799,088	7,528,815
2033-2037	17,520,000	2,128,950	-	-	20,372,776	2,308,123
2038-2042	-	-	-	-	-	-
2043-2047	-	-	-	-	-	-
2048-2052	-	-	-	-	-	-
Total	<u>\$ 60,910,000</u>	<u>\$ 32,051,225</u>	<u>\$ 4,984,310</u>	<u>\$ 180,000</u>	<u>\$ 78,724,193</u>	<u>\$ 36,839,636</u>
Due within one year	\$ 2,090,000	\$ 2,770,900	\$ -	\$ -	\$ 4,539,717	\$ 3,334,101
Due after one year	58,820,000	29,280,325	4,984,310	180,000	74,184,476	33,505,535
Total	<u>\$ 60,910,000</u>	<u>\$ 32,051,225</u>	<u>\$ 4,984,310</u>	<u>\$ 180,000</u>	<u>\$ 78,724,193</u>	<u>\$ 36,839,636</u>

Notes to the Basic Financial Statements (Continued)

NOTE 8 - NET POSITION/FUND BALANCES

This schedule relates to the Government-wide statement of net position.

Restricted Net Position Detail

	Governmental Activities	Business-type Activities
Restricted for:		
Law enforcement	\$ 285,155	\$ -
Housing programs	10,693,813	-
Transportation infrastructure	719,296	-
Debt service reserve	-	-
Total	\$ 11,698,264	\$ -

- Law enforcement. These amounts consist of asset forfeiture proceeds and other state subventions for law enforcement purposes.
- Housing programs. Restricted for unspent former Ukiah Redevelopment Agency housing bond proceeds, as well as outstanding loans issued for grant financed housing activities.
- Transportation infrastructure. Amounts provided to the City and restricted through state subventions, principally state highway user taxes (HUTA), signalization programs, and traffic congestion relief.

(continued)

Notes to the Basic Financial Statements (Continued)

NOTE 8 - NET POSITION/FUND BALANCES (CONTINUED)

This schedule relates to the governmental fund-based statements. Restricted amounts reported here are found also in the schedule of restricted net position above.

Fund Balance Detail

Nonspendable:	
Prepaid items	\$ -
Land	-
Loans receivable	-
Long-term interfund advances	1,131,868
Total nonspendable	<u>1,131,868</u>
Restricted:	
Law enforcement	285,155
Parks and recreation	-
Housing programs	10,693,813
Economic development programs	-
Roads and infrastructure	719,296
Total restricted	<u>11,698,264</u>
Committed:	
Revenue stabilization	-
Total committed	<u>-</u>
Assigned:	
Capital	1,559,350
General reserves	4,021,665
Subsequent year's budget: appropriation of fund balance	1,500,760
Redevelopment and economic development	36,228
Housing and community programs	-
Debt service reserve	-
Culture and recreation	74,076
Parks	51,917
Sanitation	35,137
Total assigned	<u>7,279,133</u>
Unassigned (deficit)	<u>(1,180,548)</u>
Total fund balance	<u>#####</u>

Notes to the Basic Financial Statements (Continued)

NOTE 8 - NET POSITION/FUND BALANCES (CONTINUED)

The following describes the purpose of each nonspendable, restricted, committed, assigned and unassigned category used by the City:

Nonspendable

- **Long-term interfund advances** – cash transfers to other governmental or proprietary funds to provide intermediate to long-term financing for those activities.

Restricted

- **Law enforcement** – comprised of asset forfeiture money and subventions received from the state for the use in police activities.
- **Housing programs** – consists of cash and notes receivable expressly reserved for the use in providing housing for low and moderate income residents.
- **Roads and infrastructure** – reserved in special revenue funds to finance transportation projects funded by state sources.

Assigned

- **Capital projects** – funds assigned for infrastructure improvement projects.
- **General reserves** – funds identified as operating reserves by management and the City Council.
- **Subsequent year's budget: appropriation of fund balance** – amount appropriated from prior budgetary surpluses in the general fund to finance one-time uses, primarily capital projects.
- **Redevelopment and economic development** – resources reserved for economic development programs, including Visit Ukiah.
- **Culture and recreation** – funds reserved primarily for capital projects in public recreation facilities.
- **Parks** – amounts reserved for capital projects in City parks.
- **Sanitation** – amounts held in reserve for the Ukiah Transfer Station.

Unassigned

- Balance here are those that are neither nonspendable, restricted, committed, or assigned. Further information on deficit unassigned fund balance is presented below.

Notes to the Basic Financial Statements (Continued)

NOTE 8 - NET POSITION/FUND BALANCES (CONTINUED)

Fund Deficits

Deficit fund balances/net position consisted of the following:

Non-major Governmental Funds

Fund Name	Deficit Amount	Discussion/Explanation
Special Revenue Fund	\$ (802)	This amount results from short-term borrowing between funds.
Museum Grant Fund	(835,584)	The deficit in this fund represents amounts due, but not yet available, to the City from grantors and other benefactors.
ARRC General Operating Fund	(63,595)	The deficit in this fund has resulted from funding deficiencies for operations. The City is working with stakeholders and other benefactors in developing a sustainable funding strategy. Until such time, the City's general fund will advance resources to the fund to finance its activities with the intent of being reimbursed.
Downtown Business Improvement	(1,187)	The fund experienced a net operating loss in the current period. The resulting fund deficit is scheduled to be corrected in the next period.
13-CDBG-8940	(5,603)	This fund deficit resulted from activities that exceeded available resources. Future activities, including potential program income in the fund, will correct the deficit.
Museum Fund	(32,431)	Expenditures for the period exceeded available operating revenues and transfers from the general fund.
Swimming Pool Fund	(136,167)	The deficit in this fund is from expenditures related to improvements to the Ukiah Municipal Swimming Pool. Council authorized an interfund loan from the general fund with the intention that revenue from the pool would repay it. Council will evaluate the loan and repayment in the next period.

Major and Non-major Proprietary Funds

Fund Name	Deficit Amount	Discussion/Explanation
Landfill	\$(6,026,123)	Total estimated costs for closure, post-closure, and corrective action plan exceed available resources by \$5.6 million. Recently enacted surcharges collected at the Ukiah Transfer Station are expected to fund the difference. Those amounts are reported as transfers into the landfill enterprise fund.
Street Lighting Fund	(44,315)	Results primarily from net pension liability booked to the fund.
Recycled Water Fund	(125,761)	Results primarily from net pension liability booked to the fund.

Notes to the Basic Financial Statements (Continued)

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 2017 were as follows:

<u>Interfund Transfers</u>	Transfers in	Transfers (out)
Governmental Funds		
Major funds:		
GENERAL FUND	\$ 415,601	\$ (544,719)
Total major funds	<u>415,601</u>	<u>(544,719)</u>
Non-major funds:		
Special revenue funds:		
SPECIAL REVENUE FUND	106,019	-
2106 GAS TAX FUND	-	(53,806)
2107 GAS TAX FUND	15,280	(107,620)
2107.5 GAS TAX FUND	-	(4,000)
2105 GAS TAX FUND	-	(115,679)
SPECIAL REVENUE POLICE	-	(125,000)
MUSEUM FUND	329,733	(2,609)
TRANSFER STATION FUND	-	(90,526)
VISIT UKIAH FUND	108,967	-
FED. EMERGENCY SHELTER PROG	-	(24,776)
Total special revenue funds	<u>559,999</u>	<u>(524,016)</u>
Non-major funds:		
Capital project funds:		
EQUIPMENT RESERVE FUND	34,934	(577,261)
SPECIAL PROJECTS RESERVE	-	(81,979)
Total capital project funds	<u>34,934</u>	<u>(659,240)</u>
Total non-major funds	<u>594,933</u>	<u>(1,183,256)</u>
Total governmental funds	<u>1,010,534</u>	<u>(1,727,975)</u>
Proprietary Funds		
Major enterprise funds:		
ELECTRIC FUND	72,900	-
WATER FUND	77,687	(86,679)
CITY WASTEWATER OPERATIONS FUND	201,148	-
Total major proprietary funds	<u>351,735</u>	<u>(86,679)</u>
Non-major funds:		
Enterprise funds:		
SANITARY DISPOSAL SITE FUND	90,526	-
STREET LIGHTING FUND	67,100	-
RECYCLED WATER FUND	86,679	-
Total non-major enterprise funds	<u>244,305</u>	<u>-</u>
Non-major funds:		
Internal service funds:		
GARAGE FUND	-	-
BILLING AND COLLECTION FUND	130,458	-
PUBLIC SAFETY DISPATCH FUND	5,630	-
IT FUND	104,317	(32,325)
Total non-major internal service funds	<u>240,405</u>	<u>(32,325)</u>
Total non-major proprietary service funds	<u>484,710</u>	<u>(32,325)</u>
Total proprietary funds	<u>836,445</u>	<u>(119,004)</u>
 Total Transfers	 <u>\$ 1,846,979</u>	 <u>\$ (1,846,979)</u>

Notes to the Basic Financial Statements (Continued)

NOTE 9 – INTERFUND TRANSACTIONS AND INTERFUND BORROWING (CONTINUED)

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.

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.

Interfund Borrowing and Internal Balances

Borrowing Fund (Due To)			Lending Fund (Due From)		
Fund Number	Fund Name	Amount	Fund Number	Fund Name	Amount
310	MUSEUM GRANT FUND	636,634	100	GENERAL FUND	636,634
250	SPECIAL REVENUE FUND	96,094	100	GENERAL FUND	96,094
203	GARAGE FUND	14,777	100	GENERAL FUND	14,777
609	13-CDBG-8940	187,761	100	GENERAL FUND	187,761
Total Due To		<u>\$ 935,266</u>	Total Due From		<u>\$ 935,266</u>

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.

Borrowing Fund (Advances From)			Lending Fund (Advances To)		
Fund Number	Fund Name	Amount	Fund Number	Fund Name	Amount
720	GOLF FUND	930,200	100	GENERAL FUND	930,200
304	SWIMMING POOL FUND	136,166	100	GENERAL FUND	136,166
311	ARRC GENERAL OPERATING FUND	49,601	100	GENERAL FUND	49,601
822	WATER CONNECTION FEE FUND	745,000	202	LIABILITY FUND	745,000
Total Advances To		<u>\$ 1,860,967</u>	Total Advances From		<u>\$ 1,860,967</u>
Total Interfund Borrowing		<u>\$ 2,796,233</u>	Total Interfund Borrowing		<u>\$ 2,796,233</u>

Notes to the Basic Financial Statements (Continued)

NOTE 10 - RISK MANAGEMENT

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% 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 \$500,000 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 \$39,500,000 liability insurance coverage over and above REMIF retention level of \$500,000.

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% 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 \$10,000 and a coverage limit of \$400,000,000 declared value.

Notes to the Basic Financial Statements (Continued)

NOTE 10 - RISK MANAGEMENT (CONTINUED)

Risk Management Coverage

Amount	Coverage Provider	Payment Source
General Liability Claims:		
\$0 - \$25,000	Self-insured retention	City funds
25,001 - 500,000	Public Agency Risk Sharing Authority	Shared risk pool
500,001 - 9,500,000	California Affiliated Risk Management Authorities	Shared risk pool
5,000,001 - 15,000,000	Commercial reinsurance	
15,000,001 - 25,000,000	California Affiliated Risk Management Authorities	Shared risk pool
Workers' Compensation Claims:		
\$0 - \$10,000	Self-insured retention	City funds
10,001 - 300,000	Public Agency Risk Sharing Authority	Shared risk pool
300,000 +	Local Agency Workers' Compensation Excess Pool	Shared risk pool
5,000,001 - 50,000,000	Commercial reinsurance	
50,000,001 - 300,000,000	Insurance	
Property Insurance Claims		
\$0 - \$10,000	Deductible	City funds
10,001 - 300,000,000	REMIF coverage of declared value	Shared risk pool

The City did not have any settlements which exceeded its liability coverage. The City does not have any accrued liability or reserves for fiscal year 2017.

The following is a summary of the most recent financial statements of REMIF as of and for the fiscal year ended June 30, 2017:

REMIF Equity

Total assets	\$21,917,772
Total deferred outflows of resources	851,545
Total liabilities	26,887,778
To deferred inflow of resources	105,039
Members' equity	<u>\$ (4,223,500)</u>
Net operating revenues	\$24,020,234
Total operating expenses	25,618,977
Operating income (loss)	<u>\$ (1,598,743)</u>

REMIF issues a separate comprehensive annual financial report. Copies of that report may be obtained from REMIF at Post Office Box 885, Sonoma, California 95476.

Notes to the Basic Financial Statements (Continued)

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.

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. The Plans' provisions and benefits in effect at June 30, 2017, are summarized as follows:

Employer Rate Plans in the Safety Risk Pool

Employer rate plan	PEPRA Safety			
	Fire	Police	Fire	PEPRA Police
Hire Date	Prior to January 01, 2013	Prior to January 01, 2013	On or after January 01, 2013	On or after January 01, 2013
Benefit formula	3.0% @ 55	3.0% @ 50	2.7% @ 57	2.7% @ 57
Benefit vesting schedule	5 years of service	5 years of service	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50	50	50
Monthly benefits, as of % of eligible compensation	2.4% to 3.0%	3.0%	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rates	8.981%	8.987%	12.25%	12.25%
Required employer contribution rates	19.334%	21.23%	12.821%	12.821%

Notes to the Basic Financial Statements (Continued)

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, 2017, were as follows:

	Contributions
Miscellaneous Risk Pool	\$0
Safety Risk Pool	<u>1,575,086</u>
Total contributions	<u>\$1,575,086</u>

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

As of June 30, 2017, City of Ukiah reported net pension liabilities for its proportionate shares of the net pension liability of each risk pool as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous Risk Pool	\$0
Safety Risk Pool	<u>15,292,260</u>
Total net pension liability	<u>\$15,292,260</u>

Notes to the Basic Financial Statements (Continued)

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 of the net pension liability as of June 30, 2015, the valuation date, was calculated as follows:

In determining an employer's proportionate share, the employer rate plans included in the Plan were assigned to either the Miscellaneous or Safety risk pool. Estimates of the total pension liability and the fiduciary net position were first determined for the individual rate plans and each risk pool as of the valuation date, June 30, 2015. Each employer rate plan's fiduciary net position was subtracted from its total pension liability to obtain its net pension liability as of the valuation date. The City of Ukiah's proportionate share percentage for each risk pool at the valuation date was calculated by dividing the City of Ukiah's net pension liability for each of its employer rate plans within each risk pool by the net pension liability of the respective risk pool as of the valuation date.

The City of Ukiah's proportionate share of the net pension liability as of June 30, 2016, the measurement date, was calculated as follows:

Each risk pool's total pension liability was computed at the measurement date, June 30, 2016, 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, 2016, 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, 2016, 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, 2016, to obtain the total pension liability and fiduciary net position as of June 30, 2016. The fiduciary net position was then subtracted from total pension liability to obtain the net pension liability as of the measurement date.

Notes to the Basic Financial Statements (Continued)

NOTE 11 – PUBLIC EMPLOYEE RETIREMENT PLAN (CONTINUED)

The City of Ukiah’s proportionate share percentage of the net pension liability for each risk pool as of June 30, 2015, and June 30, 2016, was as follows:

	Safety Risk Pool
Proportion at measurement date – June 30, 2015	0.300843%
Proportion at measurement date – June 30, 2016	0.295262%
Change – increase (decrease)	<u>(0.005581)%</u>

For the year ended June 30, 2017, the City of Ukiah recognized pension expense of \$1,626,631. At June 30, 2017, the City of Ukiah reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$-	(\$98,498)
Changes of Assumptions	-	(429,366)
Net Difference between Projected and Actual Earnings on Pension Plan	2,068,711	-
Adjustment due to Differences in Proportions	2,871	(46,701)
Differences between Actual and Required Contributions	76,212	(87,502)
Contributions after Measurement Date	1,575,086	-
Total	<u>\$3,722,880</u>	<u>(\$662,067)</u>

Notes to the Basic Financial Statements (Continued)

NOTE 11 – PUBLIC EMPLOYEE RETIREMENT PLAN (CONTINUED)

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:

Measurement Date June 30:	Deferred Outflows/(Inflows) of Resources
2017	(\$53,231)
2018	41,660
2019	958,086
2020	539,212
2021	-
2022	-
Total	\$1,485,727

Actuarial Assumptions

The total pension liabilities in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions:

	Safety
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase ⁽¹⁾	Varies By Age & Length of Service
Investment Rate of Return	7.65%
Mortality Rate Table ⁽²⁾	Derived Using CalPERS' Membership Data

Notes to the Basic Financial Statements (Continued)

NOTE 11 – PUBLIC EMPLOYEE RETIREMENT PLAN (CONTINUED)

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

(2) The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

Discount Rate

The discount rate used to measure the total pension liability was 7.65%. 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 7.65% 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, 2016 based on June 30, 2015 Valuations*, that can be obtained from the CalPERS website.

CalPERS is scheduled to review all actuarial assumptions as part of its regular asset liability management review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the year ended 2017-18. CalPERS will continue to check the materiality of the difference in calculation until such time as CalPERS has changed their methodology.

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.

Notes to the Basic Financial Statements (Continued)

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. 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 (11-60 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.

Asset Class	New Strategic Allocation	Real Return Years 1-10 ^(a)	Real Return Years 11+ ^(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	20.0	0.99	2.43
Inflation Sensitive	6.0	0.45	3.36
Private Equity	10.0	6.83	6.95
Real Estate	10.0	4.5	5.13
Infrastructure and Forestland	2.0	4.5	5.09
Liquidity	1.0	(0.55)	(1.05)

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

Notes to the Basic Financial Statements (Continued)

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 the 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:

	Discount Rate -1% (6.65%)	Current Discount Rate (7.65%)	Discount Rate +1% (8.65%)
City of Ukiah’s proportionate share of the Safety Risk Pool’s net pension liability	\$22,470,018	\$15,292,260	\$9,400,056

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, 2015 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. This report is a publically available valuation report that can be obtained at CalPERS’ website under Forms and Publications.

Notes to the Basic Financial Statements (Continued)

NOTE 11 – PUBLIC EMPLOYEE RETIREMENT PLAN (CONTINUED)

The Plan's provisions and benefits in effect at June 30, 2017, are summarized as follows:

Benefits Provided

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Retirement age	55	62
Monthly benefits, as a % of eligible compensation	Depending on years of service	
Required employee contribution rates	8%	7%
Required employer contribution rates	32.487%	6.75%

Employees Covered – At June 30, 2017, the following employees were covered by the benefit terms for the Plan:

Employees Covered by Plan

Inactive employees or beneficiaries currently receiving benefits	168
Inactive employees entitled to but not yet receiving benefits	113
Active employees	134

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, 2016, using an annual actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

City of Ukiah, California

Financial Section: Basic Financial Statements

Notes to the Basic Financial Statements (Continued)

NOTE 11 – PUBLIC EMPLOYEE RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions – The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

Actuarial Assumptions

	Miscellaneous	
	6/30/2015	6/30/2016
Valuation Date	6/30/2015	
Measurement	6/30/2016	
Actuarial Cost Method	Entry-Age Normal Cost Method	
Discount Rate		7.65%
Inflation		2.75%
Payroll Growth		3.00%
Projected Salary Increase	3.3% - 14.2%	(1)
Investment Rate of Return		7.65%
Mortality	Derived from CalPERS data (2)	

(1) Depending on entry age and service

(2) Derived using CalPERS' membership data for all funds. The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2015 valuation were based on the results of a January 2015 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Discount Rate - The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

Notes to the Basic Financial Statements (Continued)

NOTE 11 – PUBLIC EMPLOYEE RETIREMENT PLAN (CONTINUED)

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, staff took into account 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 funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 each fund. 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 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.

Rates of Return

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	51.00%	5.25%	5.71%
Global Fixed Income	20.00%	99.00%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure and Forestland	2.00%	4.50%	5.09%
Liquidity	1.00%	-0.55%	-1.05%
Total	100.00%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

Notes to the Basic Financial Statements (Continued)

NOTE 11 – PUBLIC EMPLOYEE RETIREMENT PLAN (CONTINUED)

Changes in Net Pension Liability

The changes in the Net Pension Liability for the Miscellaneous Plan follows:

	Increase (Decrease)		
	Pension Plan Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2015	\$ 77,005,292	\$ 49,462,255	\$ 27,543,037
Change in the year:			
Service Cost	1,572,047	-	1,572,047
Interest on Total Pension Liability	5,696,580	-	5,696,580
Changes in Benefit Terms	56,535	-	56,535
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	(1,392,062)	-	(1,392,062)
Net Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	2,391,847	(2,391,847)
Contributions - Employees	-	648,121	(648,121)
Net Investment Income	-	246,475	(246,475)
Benefit Payments	(3,981,386)	(3,981,386)	-
Administrative Expenses	-	(30,145)	30,145
Other Miscellaneous Income	-	-	-
Net Changes	1,951,714	(725,088)	2,676,802
Balance at June 30, 2016	\$ 78,957,006	\$ 48,737,167	\$ 30,219,839

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 7.65 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 (6.65 percent) or 1 percentage-point higher (8.65 percent) than the current rate:

Sensitivity	
	Miscellaneous
1% Decrease	6.65%
Net Pension Liability	\$ 40,322,594
Current Discount Rate	7.65%
Net Pension Liability	\$ 30,219,839
1% Increase	8.65%
Net Pension Liability	\$ 21,845,644

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

Notes to the Basic Financial Statements (Continued)

NOTE 11 – PUBLIC EMPLOYEE RETIREMENT PLAN (CONTINUED)

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

For the year ended June 30, 2017, the City recognized pension expense for the Miscellaneous Plan of \$2,022,204. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources for the Miscellaneous Plan from the following sources:

Pension Expense and Deferred Outflows/Inflows

	Deferred Outflows of Resources	Deferred Inflow of Resources
Pension contributions subsequent to measurement date	\$ 2,652,461	\$ -
Differences between actual and expected experience	-	(1,354,752)
Changes of assumptions	-	(439,616)
Net differences between projected and actual earning on plan investments	4,351,064	(1,705,968)
Total	<u>\$ 7,003,525</u>	<u>\$ (3,500,336)</u>

\$2,652,461 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Amortization	
Year Ended June 30,	
2018	(98,244)
2019	1,218,758
2020	694,788
2021	-
Therafter	-

Payable to the Pension Plan

At June 30, 2017, the City reported a payable of \$ -0- for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2017.

Notes to the Basic Financial Statements (Continued)

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 sufficient 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, 2017, the City paid \$7,225,649 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, 2017, the City's balance held in the reserve was \$7,046,181, of which \$354,795 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.

Notes to the Basic Financial Statements (Continued)

NOTE 12 – RELATED ORGANIZATIONS (CONTINUED)

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.

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 \$1,260,848. 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%) 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.

Notes to the Basic Financial Statements (Continued)

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Grants and Allocations

The City receives funding from a number of 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.

NOTE 14 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER 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

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.

Notes to the Basic Financial Statements (Continued)

NOTE 14 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY
(CONTINUED)

Enforceable Obligations - Bonds

The following is a summary of changes in long-term liabilities for the year ended June 30, 2017:

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

	Balance July 1, 2016	Transfers/ Additions	Retirements	Balance June 30, 2017	Due Within One Year
Trust Activities:					
Series 2007 Tax Allocation Bonds	\$ 3,075,000	\$ -	\$ 325,000	\$ 2,750,000	\$ 340,000
Series 2011A Tax Allocation Bonds	3,015,000	-	620,000	2,395,000	15,000
Series 2011B Tax Allocation Bonds	2,860,000	-	140,000	2,720,000	160,000
Total trust fund debt	\$ 8,950,000	\$ -	\$ 1,085,000	\$ 7,865,000	\$ 515,000

Series 2007 Tax Allocation Bonds

On April 18, 2007, the former RDA issued \$5,595,000 in tax allocation bonds to refinance a loan agreement between the RDA and the Redwood Empire Financing Authority. The bond series is comprised of \$4,310,000 in serial bonds maturing annually on December 1st through the year 2020, and \$1,285,000 in term bonds maturing on December 1, 2023. The serial bonds require annual principal payments ranging from \$230,000 to \$390,000. Interest rates on the serial bonds range from 3.75% to 4.70%, and the term bonds carry an interest rate of 4.75%. Interest is paid semi-annually on June 1st and December 1st.

Balance due \$ 2,750,000

Series 2011A Tax Allocation Bonds

On March 8, 2011, the former RDA issued \$5,180,000 Tax Allocation Bonds, 2011 Series A. The bonds were a special obligation of the RDA payable solely from and secured by a pledge of Agency tax revenues. The bonds carry an interest rate ranging from 3.0% to 6.5%. The bond series is comprised of \$2,840,000 in serial bonds maturing annually on December 1st through the year 2021, and \$2,340,000 in term bonds maturing on December 1, 2028. The serial bonds require annual principal payments ranging from \$10,000 to \$620,000. Proceeds of the bonds were to be used to finance redevelopment activities, fund a reserve account for the bond issue and provide for the cost of issuing the bonds.

Balance due \$ 2,395,000

Notes to the Basic Financial Statements (Continued)

NOTE 14 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY
(CONTINUED)

Series 2011B Tax Allocation Bonds

On March 8, 2011, the former RDA issued \$3,250,000 Taxable Tax Allocation Bonds, 2011 Series B. The bonds were a special obligation of the RDA payable solely from RDA housing tax revenues. The bonds carry an interest rate ranging from 3.25% to 9.0%. The bond series is comprised of \$1,585,000 in serial bonds maturing annually on August 1st through the year 2021, and \$1,665,000 in term bonds maturing on August 1, 2026. The serial bonds require annual principal payments ranging from \$75,000 to \$270,000. Proceeds of the bonds were to be used to finance redevelopment activities benefiting low and moderate income housing, fund a reserve account for the bond issue and provide for the cost of issuing the bonds.

Balance due \$ 2,720,000

Future debt service for Fiduciary Activities at June 30, 2017, is as follows:

**Debt Service Schedule
Redevelopment Successor Agency**

Year Ending June 30,	Business-type Activities					
	Series 2007 Tax Allocation Bonds		Series 2011A Tax Allocation Bonds		Series 2011B Tax Allocation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 340,000	\$ 117,230	\$ 15,000	\$ 154,606	\$ 160,000	\$ 224,450
2019	360,000	101,740	10,000	154,000	180,000	212,525
2020	375,000	85,292	10,000	153,487	210,000	198,125
2021	390,000	67,983	10,000	152,950	235,000	180,850
2022	405,000	49,795	10,000	152,388	270,000	160,650
2023-2027	880,000	40,940	1,330,000	633,750	1,665,000	366,075
2028-2032	-	-	1,010,000	66,299	-	-
2033-2037	-	-	-	-	-	-
2038-2042	-	-	-	-	-	-
2043-2047	-	-	-	-	-	-
2048-2052	-	-	-	-	-	-
Total	<u>\$ 2,750,000</u>	<u>\$ 462,980</u>	<u>\$ 2,395,000</u>	<u>\$ 1,467,480</u>	<u>\$ 2,720,000</u>	<u>\$ 1,342,675</u>
Due within one year	\$ 340,000	\$ 117,230	\$ 15,000	\$ 154,606	\$ 160,000	\$ 224,450
Due after one year	2,410,000	345,750	2,380,000	1,312,874	2,560,000	1,118,225
Total	<u>\$ 2,750,000</u>	<u>\$ 462,980</u>	<u>\$ 2,395,000</u>	<u>\$ 1,467,480</u>	<u>\$ 2,720,000</u>	<u>\$ 1,342,675</u>

Notes to the Basic Financial Statements (Continued)

NOTE 14 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY
(CONTINUED)

Year Ending June 30,	Total	
	Principal	Interest
2018	\$ 515,000	\$ 496,286
2019	550,000	468,265
2020	595,000	436,904
2021	635,000	401,783
2022	685,000	362,833
2023-2027	3,875,000	1,040,765
2028-2032	1,010,000	66,299
2033-2037	-	-
2038-2042	-	-
2043-2047	-	-
2048-2052	-	-
Total	<u>\$ 7,865,000</u>	<u>\$ 3,273,135</u>
Due within one year	\$ 515,000	\$ 496,286
Due after one year	7,350,000	2,776,849
Total	<u>\$ 7,865,000</u>	<u>\$ 3,273,135</u>

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 83, Certain Asset Retirement Obligations: This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

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, 2017.

Notes to the Basic Financial Statements (Continued)

NOTE 15 – NEW PRONOUNCEMENTS (CONTINUED)

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. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

NOTE 16 – 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 \$14,700,370 (including \$634,925 for corrective action liability) as of June 30, 2017, which is based on 100.0% 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, 2017, 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 is in compliance with these requirements, and at June 30, 2017, held \$8,311,150 within its pooled investments designated for these purposes. 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).

Notes to the Basic Financial Statements (Continued)

NOTE 17 – 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. The interim agreement commenced January 1, 2014 and terminated June 30, 2017. For the year ended June 30, 2017, the City paid \$243,775 under the term of the interim agreement.

Under the terms of a new agreement, entered into July 1, 2017, the City will provide 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, 2017, the City received \$33,250 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:

Notes to the Basic Financial Statements (Continued)

NOTE 17 – SERVICE CONTRACTS (CONTINUED)

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

Asset	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Carrying Value</u>
Land	\$ 1,001,350	\$ -	\$ 1,001,350
Land improvements	308,753	304,253	4,500
Infrastructure systems	178,259	178,259	-
Buildings and improvements	105,992	88,388	17,604
Rolling equipment	28,006	28,006	-
Machinery and equipment	30,390	30,390	-
Total trust fund debt	<u>\$ 1,652,750</u>	<u>\$ 629,296</u>	<u>\$ 1,023,454</u>

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 Agency 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 billing, collection and other direct maintenance services for the District. District assets held by the City are accounted for in the Agency funds.

Notes to the Basic Financial Statements (Continued)

NOTE 18 – SUBSEQUENT EVENTS

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

Financing Lease, I-Bank

In August, 2017, the City entered into an agreement with the California Infrastructure and Economic Development Bank (I-Bank) to finance roadway and other right-of-way improvements to the Redwood Business Park. The financing lease is an obligation of the City's general fund. The amount of the financing lease is for \$4,000,000 with an interest rate of 3.30%.

Capital Lease, Umpqua Bank

In October, 2017, the City entered into a capital lease with Umpqua Bank for the procurement of two Type-1 fire engines. Total principal amount of the capital lease is \$1,126,231 with an interest rate of 2.45%.

Capital Lease, IBM Credit, LLC

In August, 2017, the City entered into a capital lease with IBM Credit, LLC for the procurement of server and technology hardware and software. Total principal amount of the capital lease is \$285,260 with an interest rate of 2.20%.

Recycled Water Project, SRF Loan 2017

In July, 2017, the City entered into an agreement with the California State Revolving fund to finance the development and construction of a recycled water system. Total principal amount of the loan is \$21,809,000 with an interest rate of 1.00%.

Notes to the Basic Financial Statements (Continued)

NOTE 18 – SUBSEQUENT EVENTS (CONTINUED)

**Debt Service Schedule
Governmental**

Year Ending June 30,	Business-type Activities					
	I-Bank Financing Lease (2017)		Capital Lease, Fire Engines (2017)		IBM Credit Capital Lease	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ -	\$ 57,933	\$ 49,925	\$ 14,054	\$ 59,684	\$ 4,612
2019	80,069	142,679	101,726	26,231	54,639	5,041
2020	82,712	139,752	104,281	23,677	55,858	3,822
2021	85,441	136,730	106,899	21,057	57,104	2,576
2022	88,261	133,607	109,585	18,373	57,975	1,302
2023-2027	486,963	617,476	590,615	49,174	-	-
2028-2032	572,794	522,425	63,200	788	-	-
2033-2037	673,753	410,621	-	-	-	-
2038-2042	792,506	279,114	-	-	-	-
2043-2047	932,190	124,425	-	-	-	-
2048-2052	205,311	4,005	-	-	-	-
Total	<u>\$ 4,000,000</u>	<u>\$ 2,568,767</u>	<u>\$ 1,126,231</u>	<u>\$ 153,354</u>	<u>\$ 285,260</u>	<u>\$ 17,353</u>
Due within one year	\$ -	\$ 57,933	\$ 49,925	\$ 14,054	\$ 59,684	\$ 4,612
Due after one year	4,000,000	2,510,834	1,076,306	139,300	225,576	12,741
Total	<u>\$ 4,000,000</u>	<u>\$ 2,568,767</u>	<u>\$ 1,126,231</u>	<u>\$ 153,354</u>	<u>\$ 285,260</u>	<u>\$ 17,353</u>

Year Ending June 30,	Business-type Activities			
	2017 SRF Recycled Water Loan		Total	
	Principal	Interest	Principal	Interest
2018	\$ 479,233	\$ 123,636	\$ 588,842	\$ 200,235
2019	666,853	182,896	903,287	356,847
2020	643,121	206,629	885,972	373,880
2021	649,552	200,197	898,996	360,560
2022	656,048	193,702	911,869	346,984
2023-2027	3,379,968	868,780	4,457,546	1,535,430
2028-2032	3,552,381	696,369	4,188,375	1,219,582
2033-2037	3,733,588	515,161	4,407,341	925,782
2038-2042	3,924,038	324,710	4,716,544	603,824
2043-2047	4,124,218	124,558	5,056,408	248,983
2048-2052	-	-	205,311	4,005
Total	<u>\$ 21,809,000</u>	<u>\$ 3,436,638</u>	<u>\$ 27,220,491</u>	<u>\$ 6,176,112</u>
Due within one year	\$ 479,233	\$ 123,636	\$ 588,842	\$ 200,235
Due after one year	21,329,767	3,313,002	26,631,649	5,975,877
Total	<u>\$ 21,809,000</u>	<u>\$ 3,436,638</u>	<u>\$ 27,220,491</u>	<u>\$ 6,176,112</u>

OTHER 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	2016	2015	2014
TOTAL PENSION LIABILITY:			
Service Cost	\$1,572,047	\$1,612,003	\$1,788,902
Interest on Total Pension Liability	5,696,580	5,564,428	5,416,497
Changes of Benefit Terms	56,535	0	0
Changes of Assumptions	0	(1,318,850)	0
Difference between Expected and Actual Experience	(1,392,062)	(1,280,133)	0
Benefit Payments, Including Refunds of Employee Contributions	(3,981,386)	(4,205,497)	(3,795,124)
Net Change in Total Pension Liability	\$1,951,714	\$371,951	\$3,410,275
Total Pension Liability – Beginning	77,005,292	76,633,341	73,223,066
Total Pension Liability – Ending (a)	\$78,957,006	\$77,005,292	\$76,633,341
PLAN FIDUCIARY NET POSITION			
Contributions – Employer	\$2,391,847	\$2,156,759	\$2,193,059
Contributions – Employee	648,121	634,373	779,732
Net Investment Income	246,475	1,106,699	7,445,055
Benefit Payments, Including Refunds of Employee Contributions	(3,981,386)	(4,205,497)	(3,795,124)
Net Plan to Plan Resource Movement	0	0	0
Administrative Expense	(30,145)	(55,697)	0
Other Miscellaneous Income	0	0	0
Net Change in Fiduciary Net Position	\$(725,088)	\$(363,363)	\$6,622,722
Plan Fiduciary Net Position – Beginning	\$49,462,255	\$49,825,618	\$43,202,896
Plan Fiduciary Net Position – Ending (b)	48,737,167	49,462,255	49,825,618
Plan Net Pension Liability/(Asset) – (a)-(b)	\$30,219,839	\$27,543,037	\$26,807,723
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.73%	64.23%	65.02%
Covered Payroll	\$7,949,673	\$8,008,361	\$8,340,257
Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll	380.14%	343.93%	321.43%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2015 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

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

Employer Fiscal Year End	2016	2015	2014
Actuarially Determined Contribution ²	\$2,391,847	\$2,156,759	\$2,193,059
Contributions in Relation to the Actuarially Determined Contribution ²	(2,391,847)	(2,156,759)	(2,193,059)
Contribution Deficiency (Excess)	\$0	\$0	\$0
Covered Payroll ³	\$7,949,673	\$8,008,361	\$8,340,257
Contributions as a Percentage of Covered Payroll ³	30.09%	26.93%	26.29%

¹ 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.

² 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.

³ Includes one year's payroll growth using 3.00 percent payroll assumption.

* Fiscal Year 2015 was the first year of implementation, therefore only 3 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,

Safety Plan	Measurement Date June 30, 2014	Measurement Date June 30, 2015	Measurement Date June 30, 2016
Plan's Proportion of the PERF C Net Pension Liability/(Asset)	0.185181%	0.180597%	0.176726%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$11,522,849	\$12,396,052	\$15,292,260
Plan's Covered-Employee Payroll**	\$3,330,571	\$3,844,242	\$3,434,144
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered-Employee Payroll	345.97%	322.46%	445.30%
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%

Notes to Schedule:

Changes of benefit terms – In 2017, there were no changes to the benefit terms.

Changes in assumptions – In 2017, there were no changes in assumptions.

* Fiscal Year 2015 was the first year of implementation, therefore only 3 years are shown.

** Valuation year payroll increased by assumed 3% increase.

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,

Safety Plan	CalPERS	CalPERS	CalPERS
	Fiscal Year	Fiscal Year	Fiscal Year
	2014-15	2015-16	2016-17
Actuarially Determined Contributions	\$1,309,930	\$1,520,825	\$1,575,086
Actual Contributions During the Measurement Period	(\$1,309,930)	(\$1,520,825)	\$1,575,086
Contribution Deficiency (Excess)	\$0	\$0	\$0
Covered-Employee Payroll	\$3,330,571	\$3,844,242	\$3,268,640
Contributions as a Percentage of Covered-Employee	39.33%	39.56%	48.19%

Notes to Schedule:

Contribution Valuation Date: June 30, 2012 June 30, 2013 June 30, 2014

* Fiscal Year 2015 was the first year of implementation, therefore only 3 years are shown.

City of Ukiah, California
 General Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ 9,195,699	\$ 9,195,699	\$ 9,805,225	\$ 609,526
Property	1,445,249	1,445,249	1,470,323	25,074
Transient occupancy	1,232,048	1,232,048	1,302,336	70,288
Business license	361,244	361,244	382,825	21,581
Other taxes	100	100	249	149
Assessments	-	-	-	-
Licenses, permits, and franchises	1,864,912	1,864,912	1,792,595	(72,317)
Fines, forfeitures, and penalties	59,696	59,696	73,835	14,139
Grants, subventions, and contributions	101,194	101,194	83,390	(17,804)
Intergovernmental	-	-	-	-
Use of money and property	191,900	191,900	95,016	(96,884)
Charges for service	1,325,750	1,236,750	1,427,085	190,335
Other Revenue	10,500	10,500	7,519	(2,981)
Total revenue	<u>15,788,292</u>	<u>15,699,292</u>	<u>16,440,398</u>	<u>741,106</u>
EXPENDITURES				
Current:				
General government:				
Council	52,016	52,016	120,499	(68,483)
Manager	288,412	273,412	97,089	176,323
Clerk	97,397	97,398	34,056	63,342
Attorney	63,418	63,418	37,160	26,258
Finance	306,010	292,115	100,337	191,778
Human resources and risk	316,112	337,776	29,972	307,804
Other - unclassified	-	-	11,277	(11,277)
Community development:				
Planning	498,906	498,906	557,581	(58,675)
Building	307,671	319,612	264,585	55,027
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	1,024,744	1,006,244	954,039	52,205
Engineering	185,441	192,477	204,511	(12,034)
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	230,878	233,385	181,387	51,998
Public safety:				
Police	7,786,536	7,768,393	8,126,799	(358,406)
Fire	3,065,549	3,066,571	3,073,563	(6,992)
Parks, buildings, and grounds	1,180,633	1,186,083	1,312,208	(126,125)
Culture and recreation	1,012,121	1,012,392	1,036,260	(23,868)
Capital outlay	-	66,743	44,479	22,264
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	31,300	31,300	16,243	15,057
Debt issuance costs	-	-	-	-
Total expenditures	<u>16,447,144</u>	<u>16,498,241</u>	<u>16,202,045</u>	<u>296,196</u>
Excess of revenue over (under) expenditures	<u>(658,852)</u>	<u>(798,949)</u>	<u>238,353</u>	<u>1,037,302</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	422,625	422,625	415,601	(7,024)
Transfers (out)	-	-	(544,719)	(544,719)
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>422,625</u>	<u>422,625</u>	<u>(129,118)</u>	<u>(551,743)</u>
Net change in fund balance	<u>(236,227)</u>	<u>(376,324)</u>	<u>109,235</u>	<u>485,559</u>
Fund balance - beginning	5,213,001	5,213,001	5,213,001	-
Fund balance - ending	<u>\$ 4,976,774</u>	<u>\$ 4,836,677</u>	<u>\$ 5,322,236</u>	<u>\$ 485,559</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.

OTHER SUPPLEMENTARY INFORMATION

Combining and Individual Fund Financial Statements and Schedules

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.
2106 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.

2107 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, including section 2107 allocations.
2107.5 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, including section 2107.5 allocations.
2105 Gas Tax Fund	The 2105 Gas Tax Fund records the receipt and expenditure of gas tax funds allocated from the State of California. Funds must be used for engineering administration expenses.
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.
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.
Comm. Development. Block Grant	The Community Development Block Grant Fund is used to account for resources accumulated and held resulting from prior Community Development Block Grant activities.
Summercreek (00-HOME-0452)	The SUMMERCREEK (00-HOME-0452) Fund is used to account for resources accumulated and held resulting from prior affordable housing Community Development Block Grant activities.
08-HOME-4688 Fund	The 08-HOME-4688 Fund is used to account for resources accumulated and held resulting from prior federal HOME grant activities related to affordable housing.
11-HOME-7654 Fund	The 11-HOME-7654 Fund is used to account for resources accumulated and held resulting from prior federal HOME grant activities related to affordable housing.

CDBG Grant 10-EDEF-7261 Fund	The Community Development Block Grant 10-EDEF-7261 Fund is used to account for resources accumulated and held resulting from prior Community Development Block Grant economic development activities.
Prop. 84 Grant Fund	The Proposition 84 Grant Fund is used to account for resources accumulated and used for infrastructure projects, such as recycled water.
13-CDBG-8940	The 13-CDBG-8940 Fund is used to account for resources accumulated and held resulting from prior Community Development Block Grant activities related to affordable housing.
Asset Seizure Fund	The Asset Seizure fund is used to account for resources accumulated from adjudicated asset seizures in which the City participated.
Asset Seizure(Drug/Alcohol)	The Asset Seizure Drug alcohol) is used to account for resources accumulated from adjudicated asset seizure, specifically related to drug enforcement, in which the City participated.
H&S Education 11489(B)(2)(A1)	The Health & Safety Education 11489(b)(s)(A1) Fund is used to account for special resources available for police activities.
Federal Asset Seizure Grants	The Federal Asset Seizure Grants Fund is used to account for resources accumulated from adjudicated asset seizures.
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.
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 form state subventions.
Museum Fund	The Museum Fund is used to account for the operating activities of the City's parking district.
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.

City of Ukiah, California
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2017

	SPECIAL REVENUE			
	City Housing Bond Proceeds	Special Revenue Fund	Museum Grant Fund	ARRC General Operating Fund
ASSETS				
Cash and Investments	\$ -	\$ -	\$ -	\$ 988
Restricted cash and investments	2,759,989	-	-	-
Receivables, net of allowance for uncollectables:				
Interest	-	-	-	13
Taxes	-	-	-	-
Notes	-	-	-	-
Grants and subventions	-	140,000	600,000	-
Accounts and other	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Total assets	<u>\$ 2,759,989</u>	<u>\$ 140,000</u>	<u>\$ 600,000</u>	<u>\$ 1,001</u>
DEFERRED OUTFLOW OF RESOURCES				
Total deferred outflow or resources	-	-	-	-
LIABILITIES				
Accounts payable	\$ -	\$ 44,708	\$ 198,950	\$ 13,952
Accrued payroll liabilities	-	-	-	1,043
Due to other funds	-	96,094	636,634	-
Advances from other funds	-	-	-	49,601
Deposits payable	-	-	-	-
Interest payable	-	-	-	-
Total liabilities	<u>-</u>	<u>140,802</u>	<u>835,584</u>	<u>64,596</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable revenues	-	-	600,000	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflow or resources	<u>-</u>	<u>-</u>	<u>600,000</u>	<u>-</u>
FUND BALANCE				
Nonspendable:				
Prepaid items	-	-	-	-
Land	-	-	-	-
Loans receivable	-	-	-	-
Long-term interfund advances	-	-	-	-
Restricted:				
Law enforcement	-	-	-	-
Parks and recreation	-	-	-	-
Housing programs	2,759,989	-	-	-
Economic development programs	-	-	-	-
Roads and infrastructure	-	-	-	-
Committed:				
Revenue stabilization	-	-	-	-
Assigned:				
Capital	-	-	-	-
General reserves	-	-	-	-
Subsequent year's budget: appropriation of fund balance	-	-	30,858	-
Redevelopment and economic development	-	-	-	-
Housing and community programs	-	-	-	-
Debt service reserve	-	-	-	-
Culture and recreation	-	-	-	-
Parks	-	-	-	-
Sanitation	-	-	-	-
Unassigned (deficit)	-	(802)	(866,442)	(63,595)
Total Fund Balance	<u>2,759,989</u>	<u>(802)</u>	<u>(835,584)</u>	<u>(63,595)</u>
Total Liabilities and Fund Balance	<u>\$ 2,759,989</u>	<u>\$ 140,000</u>	<u>\$ 600,000</u>	<u>\$ 1,001</u>

City of Ukiah, California
 Combining Balance Sheet
 Nonmajor Governmental Funds (cont)
 June 30, 2017

	SPECIAL REVENUE			
	Downtown Business	LMHIF Housing Asset Fund	Winter Special Events	2106 Gas Tax Fund
ASSETS				
Cash and Investments	\$ 4,087	\$ 29,219	\$ 24,402	\$ 25,919
Restricted cash and investments	-	-	-	-
Receivables, net of allowance for uncollectables:				
Interest	12	61	57	171
Taxes	-	-	-	-
Notes	-	1,764,499	-	-
Grants and subventions	-	-	-	-
Accounts and other	-	1,500	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	2,435,114	-	-
Total assets	<u>\$ 4,099</u>	<u>\$ 4,230,393</u>	<u>\$ 24,459</u>	<u>\$ 26,090</u>
DEFERRED OUTFLOW OF RESOURCES				
Total deferred outflow or resources	-	-	-	-
LIABILITIES				
Accounts payable	\$ 5,286	\$ -	\$ 99	\$ -
Accrued payroll liabilities	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Deposits payable	-	-	-	-
Interest payable	-	-	-	-
Total liabilities	<u>5,286</u>	<u>-</u>	<u>99</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable revenues	-	13,171	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflow or resources	-	<u>13,171</u>	-	-
FUND BALANCE				
Nonspendable:				
Prepaid items	-	-	-	-
Land	-	-	-	-
Loans receivable	-	-	-	-
Long-term interfund advances	-	-	-	-
Restricted:				
Law enforcement	-	-	-	-
Parks and recreation	-	-	-	-
Housing programs	-	4,217,222	-	-
Economic development programs	-	-	-	-
Roads and infrastructure	-	-	-	26,090
Committed:				
Revenue stabilization	-	-	-	-
Assigned:				
Capital	-	-	-	-
General reserves	-	-	-	-
Subsequent year's budget: appropriation of fund balance	-	-	-	-
Redevelopment and economic development	-	-	-	-
Housing and community programs	-	-	-	-
Debt service reserve	-	-	-	-
Culture and recreation	-	-	24,360	-
Parks	-	-	-	-
Sanitation	-	-	-	-
Unassigned (deficit)	(1,187)	-	-	-
Total Fund Balance	<u>(1,187)</u>	<u>4,217,222</u>	<u>24,360</u>	<u>26,090</u>
Total Liabilities and Fund Balance	<u>\$ 4,099</u>	<u>\$ 4,230,393</u>	<u>\$ 24,459</u>	<u>\$ 26,090</u>

City of Ukiah, California
 Combining Balance Sheet
 Non-Major Governmental Funds (cont)
 June 30, 2017

	SPECIAL REVENUE			
	2107 Gas Tax Fund	2107.5 Gas Tax Fund	2105 Gas Tax Fund	Signalization Fund
ASSETS				
Cash and Investments	\$ -	\$ 225	\$ 3,180	\$ 437,266
Restricted cash and investments	-	-	-	-
Receivables, net of allowance for uncollectables:				
Interest	34	10	220	1,012
Taxes	-	-	-	-
Notes	-	-	-	-
Grants and subventions	-	-	-	-
Accounts and other	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Total assets	<u>\$ 34</u>	<u>\$ 235</u>	<u>\$ 3,400</u>	<u>\$ 438,278</u>
DEFERRED OUTFLOW OF RESOURCES				
Total deferred outflow or resources	-	-	-	-
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Deposits payable	-	-	-	-
Interest payable	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable revenues	-	-	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflow or resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable:				
Prepaid items	-	-	-	-
Land	-	-	-	-
Loans receivable	-	-	-	-
Long-term interfund advances	-	-	-	-
Restricted:				
Law enforcement	-	-	-	-
Parks and recreation	-	-	-	-
Housing programs	-	-	-	-
Economic development programs	-	-	-	-
Roads and infrastructure	34	235	3,400	438,278
Committed:				
Revenue stabilization	-	-	-	-
Assigned:				
Capital	-	-	-	-
General reserves	-	-	-	-
Subsequent year's budget: appropriation of fund balance	-	-	-	-
Redevelopment and economic development	-	-	-	-
Housing and community programs	-	-	-	-
Debt service reserve	-	-	-	-
Culture and recreation	-	-	-	-
Parks	-	-	-	-
Sanitation	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total Fund Balance	<u>34</u>	<u>235</u>	<u>3,400</u>	<u>438,278</u>
Total Liabilities and Fund Balance	<u>\$ 34</u>	<u>\$ 235</u>	<u>\$ 3,400</u>	<u>\$ 438,278</u>

City of Ukiah, California
 Combining Balance Sheet
 Nonmajor Governmental Funds (cont)
 June 30, 2017

	SPECIAL REVENUE		
	SB 325 Reimbursement	S.T.P.	Trans-Traffic Congest Relief
ASSETS			
Cash and Investments	\$ 106,801	\$ 75,947	\$ 618,430
Restricted cash and investments	-	-	-
Receivables, net of allowance for uncollectables:			
Interest	-	-	1,471
Taxes	-	-	-
Notes	-	-	-
Grants and subventions	6,593	-	-
Accounts and other	-	-	-
Prepays	-	-	-
Due from other funds	-	-	-
Advances to other funds	-	-	-
Land held for resale	-	-	-
Total assets	<u>\$ 113,394</u>	<u>\$ 75,947</u>	<u>\$ 619,901</u>
DEFERRED OUTFLOW OF RESOURCES			
Total deferred outflow or resources	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ 149,172
Accrued payroll liabilities	-	-	-
Due to other funds	-	-	-
Advances from other funds	-	-	-
Deposits payable	-	-	-
Interest payable	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>149,172</u>
DEFERRED INFLOW OF RESOURCES			
Unavailable revenues	-	-	-
Unavailable revenues - grants	-	-	-
Total deferred inflow or resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Nonspendable:			
Prepaid items	-	-	-
Land	-	-	-
Loans receivable	-	-	-
Long-term interfund advances	-	-	-
Restricted:			
Law enforcement	-	-	-
Parks and recreation	-	-	-
Housing programs	-	-	-
Economic development programs	-	-	-
Roads and infrastructure	75,532	75,947	99,760
Committed:			
Revenue stabilization	-	-	-
Assigned:			
Capital	-	-	-
General reserves	-	-	-
Subsequent year's budget: appropriation of fund balance	37,862	-	370,969
Redevelopment and economic development	-	-	-
Housing and community programs	-	-	-
Debt service reserve	-	-	-
Culture and recreation	-	-	-
Parks	-	-	-
Sanitation	-	-	-
Unassigned (deficit)	-	-	-
Total Fund Balance	<u>113,394</u>	<u>75,947</u>	<u>470,729</u>
Total Liabilities and Fund Balance	<u>\$ 113,394</u>	<u>\$ 75,947</u>	<u>\$ 619,901</u>

City of Ukiah, California
 Combining Balance Sheet
 Nonmajor Governmental Funds (cont)
 June 30, 2017

	SPECIAL REVENUE			
	Comm. Developmt.	Summercreek (00-HOME-0452)	08-HOME-4688 Fund	CDBG Grant 09-STBG-6417 Fund
ASSETS				
Cash and Investments	\$ 120,763	\$ 68,873	\$ 128,287	\$ 36
Restricted cash and investments	-	-	-	-
Receivables, net of allowance for uncollectables:				
Interest	280	139	-	-
Taxes	-	-	-	-
Notes	-	1,630,490	739,661	-
Grants and subventions	-	8,969	-	-
Accounts and other	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Total assets	<u>\$ 121,043</u>	<u>\$ 1,708,471</u>	<u>\$ 867,948</u>	<u>\$ 36</u>
DEFERRED OUTFLOW OF RESOURCES				
Total deferred outflow or resources	-	-	-	-
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Deposits payable	-	-	-	-
Interest payable	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable revenues	-	-	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflow or resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable:				
Prepaid items	-	-	-	-
Land	-	-	-	-
Loans receivable	-	-	-	-
Long-term interfund advances	-	-	-	-
Restricted:				
Law enforcement	-	-	-	-
Parks and recreation	-	-	-	-
Housing programs	121,043	1,708,471	867,948	36
Economic development programs	-	-	-	-
Roads and infrastructure	-	-	-	-
Committed:				
Revenue stabilization	-	-	-	-
Assigned:				
Capital	-	-	-	-
General reserves	-	-	-	-
Subsequent year's budget: appropriation of fund balance	-	-	-	-
Redevelopment and economic development	-	-	-	-
Housing and community programs	-	-	-	-
Debt service reserve	-	-	-	-
Culture and recreation	-	-	-	-
Parks	-	-	-	-
Sanitation	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total Fund Balance	<u>121,043</u>	<u>1,708,471</u>	<u>867,948</u>	<u>36</u>
Total Liabilities and Fund Balance	<u>\$ 121,043</u>	<u>\$ 1,708,471</u>	<u>\$ 867,948</u>	<u>\$ 36</u>

City of Ukiah, California
 Combining Balance Sheet
 Nonmajor Governmental Funds (cont)
 June 30, 2017

	SPECIAL REVENUE			
	11-HOME-7654 Fund	CDBG Grant 10- EDEF-7261 Fund	Prop. 84 Grant Fund	13-CDBG-8940
ASSETS				
Cash and Investments	\$ 54	\$ 38,564	\$ 20	\$ 181,872
Restricted cash and investments	-	-	-	-
Receivables, net of allowance for uncollectables:				
Interest	-	86	-	286
Taxes	-	-	-	-
Notes	757,875	291,148	-	-
Grants and subventions	-	-	-	-
Accounts and other	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Total assets	<u>\$ 757,929</u>	<u>\$ 329,798</u>	<u>\$ 20</u>	<u>\$ 182,158</u>
DEFERRED OUTFLOW OF RESOURCES				
Total deferred outflow or resources	-	-	-	-
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Due to other funds	-	-	-	187,761
Advances from other funds	-	-	-	-
Deposits payable	-	-	-	-
Interest payable	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,761</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable revenues	-	-	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflow or resources	-	-	-	-
FUND BALANCE				
Nonspendable:				
Prepaid items	-	-	-	-
Land	-	-	-	-
Loans receivable	-	-	-	-
Long-term interfund advances	-	-	-	-
Restricted:				
Law enforcement	-	-	-	-
Parks and recreation	-	-	-	-
Housing programs	757,929	266,778	-	(5,603)
Economic development programs	-	-	-	-
Roads and infrastructure	-	-	20	-
Committed:				
Revenue stabilization	-	-	-	-
Assigned:				
Capital	-	-	-	-
General reserves	-	-	-	-
Subsequent year's budget: appropriation of fund balance	-	63,020	-	-
Redevelopment and economic development	-	-	-	-
Housing and community programs	-	-	-	-
Debt service reserve	-	-	-	-
Culture and recreation	-	-	-	-
Parks	-	-	-	-
Sanitation	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total Fund Balance	<u>757,929</u>	<u>329,798</u>	<u>20</u>	<u>(5,603)</u>
Total Liabilities and Fund Balance	<u>\$ 757,929</u>	<u>\$ 329,798</u>	<u>\$ 20</u>	<u>\$ 182,158</u>

City of Ukiah, California
 Combining Balance Sheet
 Nonmajor Governmental Funds (cont)
 June 30, 2017

	SPECIAL REVENUE			
	Asset Seizure Fund	Asset Seizure(Drug/Alc)	H&S Education 11489(B)(2)(A1)	Federal Asset Seizure Grants
ASSETS				
Cash and Investments	\$ 131,700	\$ 8	\$ 20,644	\$ 25,092
Restricted cash and investments	-	-	-	-
Receivables, net of allowance for uncollectables:				
Interest	315	-	48	58
Taxes	-	-	-	-
Notes	-	-	-	-
Grants and subventions	-	-	-	-
Accounts and other	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Total assets	<u>\$ 132,015</u>	<u>\$ 8</u>	<u>\$ 20,692</u>	<u>\$ 25,150</u>
DEFERRED OUTFLOW OF RESOURCES				
Total deferred outflow or resources	-	-	-	-
LIABILITIES				
Accounts payable	\$ 5,963	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Deposits payable	-	-	-	-
Interest payable	-	-	-	-
Total liabilities	<u>5,963</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable revenues	-	-	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflow or resources	-	-	-	-
FUND BALANCE				
Nonspendable:				
Prepaid items	-	-	-	-
Land	-	-	-	-
Loans receivable	-	-	-	-
Long-term interfund advances	-	-	-	-
Restricted:				
Law enforcement	126,052	8	20,692	25,150
Parks and recreation	-	-	-	-
Housing programs	-	-	-	-
Economic development programs	-	-	-	-
Roads and infrastructure	-	-	-	-
Committed:				
Revenue stabilization	-	-	-	-
Assigned:				
Capital	-	-	-	-
General reserves	-	-	-	-
Subsequent year's budget: appropriation of fund balance	-	-	-	-
Redevelopment and economic development	-	-	-	-
Housing and community programs	-	-	-	-
Debt service reserve	-	-	-	-
Culture and recreation	-	-	-	-
Parks	-	-	-	-
Sanitation	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total Fund Balance	<u>126,052</u>	<u>8</u>	<u>20,692</u>	<u>25,150</u>
Total Liabilities and Fund Balance	<u>\$ 132,015</u>	<u>\$ 8</u>	<u>\$ 20,692</u>	<u>\$ 25,150</u>

City of Ukiah, California
 Combining Balance Sheet
 Nonmajor Governmental Funds (cont)
 June 30, 2017

	SPECIAL REVENUE			
	Sup.Law Enforce.Svc.Fd(\$)	Asset Forfeiture 11470.2 H&S	Special Revenue Police	Museum Fund
ASSETS				
Cash and Investments	\$ 40,021	\$ 50,745	\$ 456	\$ -
Restricted cash and investments	-	-	-	-
Receivables, net of allowance for uncollectables:				
Interest	111	118	290	-
Taxes	-	-	-	-
Notes	-	-	-	-
Grants and subventions	-	-	-	-
Accounts and other	15,147	-	31,000	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Total assets	<u>\$ 55,279</u>	<u>\$ 50,863</u>	<u>\$ 31,746</u>	<u>\$ -</u>
DEFERRED OUTFLOW OF RESOURCES				
Total deferred outflow or resources	-	-	-	-
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 5,766
Accrued payroll liabilities	2,953	-	-	26,665
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Deposits payable	-	-	-	-
Interest payable	-	-	-	-
Total liabilities	<u>2,953</u>	<u>-</u>	<u>-</u>	<u>32,431</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable revenues	-	-	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflow or resources	-	-	-	-
FUND BALANCE				
Nonspendable:				
Prepaid items	-	-	-	-
Land	-	-	-	-
Loans receivable	-	-	-	-
Long-term interfund advances	-	-	-	-
Restricted:				
Law enforcement	52,326	50,863	10,064	-
Parks and recreation	-	-	-	-
Housing programs	-	-	-	-
Economic development programs	-	-	-	-
Roads and infrastructure	-	-	-	-
Committed:				
Revenue stabilization	-	-	-	-
Assigned:				
Capital	-	-	-	-
General reserves	-	-	-	-
Subsequent year's budget: appropriation of fund balance	-	-	21,682	-
Redevelopment and economic development	-	-	-	-
Housing and community programs	-	-	-	-
Debt service reserve	-	-	-	-
Culture and recreation	-	-	-	-
Parks	-	-	-	-
Sanitation	-	-	-	-
Unassigned (deficit)	-	-	-	(32,431)
Total Fund Balance	<u>52,326</u>	<u>50,863</u>	<u>31,746</u>	<u>(32,431)</u>
Total Liabilities and Fund Balance	<u>\$ 55,279</u>	<u>\$ 50,863</u>	<u>\$ 31,746</u>	<u>\$ -</u>

City of Ukiah, California
 Combining Balance Sheet
 Nonmajor Governmental Funds (cont)
 June 30, 2017

	SPECIAL REVENUE		
	Transfer Station Fund	Visit Ukiah Fund	Fed. Emergency Shelter Prog
ASSETS			
Cash and Investments	\$ -	\$ 38,729	\$ -
Restricted cash and investments	-	-	-
Receivables, net of allowance for uncollectables:			
Interest	-	119	-
Taxes	-	-	-
Notes	-	-	-
Grants and subventions	-	-	-
Accounts and other	35,137	-	-
Prepays	-	-	-
Due from other funds	-	-	-
Advances to other funds	-	-	-
Land held for resale	-	-	-
Total assets	<u>\$ 35,137</u>	<u>\$ 38,848</u>	<u>\$ -</u>
DEFERRED OUTFLOW OF RESOURCES			
Total deferred outflow or resources	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES			
Accounts payable	\$ -	\$ 1,551	\$ -
Accrued payroll liabilities	-	1,069	-
Due to other funds	-	-	-
Advances from other funds	-	-	-
Deposits payable	-	-	-
Interest payable	-	-	-
Total liabilities	<u>-</u>	<u>2,620</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES			
Unavailable revenues	-	-	-
Unavailable revenues - grants	-	-	-
Total deferred inflow or resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Nonspendable:			
Prepaid items	-	-	-
Land	-	-	-
Loans receivable	-	-	-
Long-term interfund advances	-	-	-
Restricted:			
Law enforcement	-	-	-
Parks and recreation	-	-	-
Housing programs	-	-	-
Economic development programs	-	-	-
Roads and infrastructure	-	-	-
Committed:			
Revenue stabilization	-	-	-
Assigned:			
Capital	-	-	-
General reserves	-	-	-
Subsequent year's budget: appropriation of fund balance	-	-	-
Redevelopment and economic development	-	36,228	-
Housing and community programs	-	-	-
Debt service reserve	-	-	-
Culture and recreation	-	-	-
Parks	-	-	-
Sanitation	35,137	-	-
Unassigned (deficit)	-	-	-
Total Fund Balance	<u>35,137</u>	<u>36,228</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 35,137</u>	<u>\$ 38,848</u>	<u>\$ -</u>

City of Ukiah, California
 Combining Balance Sheet
 Nonmajor Governmental Funds (cont)
 June 30, 2017

	CAPITAL PROJECTS			
	Equipment Reserve Fund	Special Projects Reserve	Park Development	Anton Stadium Fund
ASSETS				
Cash and Investments	\$ 611,678	\$ 1,758,678	\$ 29,120	\$ 31,833
Restricted cash and investments	-	-	-	-
Receivables, net of allowance for uncollectables:				
Interest	2,611	4,069	66	74
Taxes	-	-	-	-
Notes	-	-	-	-
Grants and subventions	-	-	-	-
Accounts and other	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Total assets	<u>\$ 614,289</u>	<u>\$ 1,762,747</u>	<u>\$ 29,186</u>	<u>\$ 31,907</u>
DEFERRED OUTFLOW OF RESOURCES				
Total deferred outflow or resources	-	-	-	-
LIABILITIES				
Accounts payable	\$ 89,944	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Deposits payable	-	-	-	-
Interest payable	-	-	-	-
Total liabilities	<u>89,944</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable revenues	-	-	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflow or resources	-	-	-	-
FUND BALANCE				
Nonspendable:				
Prepaid items	-	-	-	-
Land	-	-	-	-
Loans receivable	-	-	-	-
Long-term interfund advances	-	-	-	-
Restricted:				
Law enforcement	-	-	-	-
Parks and recreation	-	-	-	-
Housing programs	-	-	-	-
Economic development programs	-	-	-	-
Roads and infrastructure	-	-	-	-
Committed:				
Revenue stabilization	-	-	-	-
Assigned:				
Capital	447,151	1,112,199	-	-
General reserves	-	-	-	-
Subsequent year's budget: appropriation of fund balance	157,118	650,548	-	-
Redevelopment and economic development	-	-	-	-
Housing and community programs	-	-	-	-
Debt service reserve	-	-	-	-
Culture and recreation	-	-	-	31,907
Parks	-	-	29,186	-
Sanitation	-	-	-	-
Unassigned (deficit)	(79,924)	-	-	-
Total Fund Balance	<u>524,345</u>	<u>1,762,747</u>	<u>29,186</u>	<u>31,907</u>
Total Liabilities and Fund Balance	<u>\$ 614,289</u>	<u>\$ 1,762,747</u>	<u>\$ 29,186</u>	<u>\$ 31,907</u>

City of Ukiah, California
 Combining Balance Sheet
 Nonmajor Governmental Funds (cont)
 June 30, 2017

	CAPITAL PROJECTS			
	Playground & Park Amenities	Swimming Pool Fund	Riverside Park Fund	Skate Park Fund
ASSETS				
Cash and Investments	\$ 2,546	\$ -	\$ 20,132	\$ 11,281
Restricted cash and investments	-	-	-	-
Receivables, net of allowance for uncollectables:				
Interest	6	-	47	26
Taxes	-	-	-	-
Notes	-	-	-	-
Grants and subventions	-	-	-	-
Accounts and other	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Total assets	<u>\$ 2,552</u>	<u>\$ -</u>	<u>\$ 20,179</u>	<u>\$ 11,307</u>
DEFERRED OUTFLOW OF RESOURCES				
Total deferred outflow or resources	-	-	-	-
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	136,167	-	-
Deposits payable	-	-	-	-
Interest payable	-	-	-	-
Total liabilities	<u>-</u>	<u>136,167</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable revenues	-	-	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflow or resources	-	-	-	-
FUND BALANCE				
Nonspendable:				
Prepaid items	-	-	-	-
Land	-	-	-	-
Loans receivable	-	-	-	-
Long-term interfund advances	-	-	-	-
Restricted:				
Law enforcement	-	-	-	-
Parks and recreation	-	-	-	-
Housing programs	-	-	-	-
Economic development programs	-	-	-	-
Roads and infrastructure	-	-	-	-
Committed:				
Revenue stabilization	-	-	-	-
Assigned:				
Capital	-	-	-	-
General reserves	-	-	-	-
Subsequent year's budget: appropriation of fund balance	-	-	-	-
Redevelopment and economic development	-	-	-	-
Housing and community programs	-	-	-	-
Debt service reserve	-	-	-	-
Culture and recreation	-	-	-	11,307
Parks	2,552	-	20,179	-
Sanitation	-	-	-	-
Unassigned (deficit)	-	(136,167)	-	-
Total Fund Balance	<u>2,552</u>	<u>(136,167)</u>	<u>20,179</u>	<u>11,307</u>
Total Liabilities and Fund Balance	<u>\$ 2,552</u>	<u>\$ -</u>	<u>\$ 20,179</u>	<u>\$ 11,307</u>

City of Ukiah, California
 Combining Balance Sheet
 Nonmajor Governmental Funds (cont)
 June 30, 2017

	CAPITAL PROJECTS Softball Complex Fund	Total Governmental
ASSETS		
Cash and Investments	\$ 6,487	\$ 4,644,083
Restricted cash and investments	-	2,759,989
Receivables, net of allowance for uncollectables:		
Interest	15	11,825
Taxes	-	-
Notes	-	5,183,673
Grants and subventions	-	755,562
Accounts and other	-	82,784
Prepays	-	-
Due from other funds	-	-
Advances to other funds	-	-
Land held for resale	-	2,435,114
Total assets	<u>\$ 6,502</u>	<u>\$ 15,873,030</u>
DEFERRED OUTFLOW OF RESOURCES		
Total deferred outflow or resources	<u>-</u>	<u>\$ -</u>
LIABILITIES		
Accounts payable	\$ -	\$ 515,391
Accrued payroll liabilities	-	31,730
Due to other funds	-	920,489
Advances from other funds	-	185,768
Deposits payable	-	-
Interest payable	-	-
Total liabilities	<u>-</u>	<u>1,653,378</u>
DEFERRED INFLOW OF RESOURCES		
Unavailable revenues	-	613,171
Unavailable revenues - grants	-	-
Total deferred inflow or resources	<u>-</u>	<u>613,171</u>
FUND BALANCE		
Nonspendable:		
Prepaid items	-	-
Land	-	-
Loans receivable	-	-
Long-term interfund advances	-	-
Restricted:		
Law enforcement	-	285,155
Parks and recreation	-	-
Housing programs	-	10,693,813
Economic development programs	-	-
Roads and infrastructure	-	719,296
Committed:		
Revenue stabilization	-	-
Assigned:		
Capital	-	1,559,350
General reserves	-	-
Subsequent year's budget: appropriation of fund balance	-	1,332,057
Redevelopment and economic development	-	36,228
Housing and community programs	-	-
Debt service reserve	-	-
Culture and recreation	6,502	74,076
Parks	-	51,917
Sanitation	-	35,137
Unassigned (deficit)	-	(1,180,548)
Total Fund Balance	<u>6,502</u>	<u>13,606,481</u>
Total Liabilities and Fund Balance	<u>\$ 6,502</u>	<u>\$ 15,873,030</u>

City of Ukiah, California
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 Nonmajor Governmental Funds
 Year Ended June 30, 2017

	SPECIAL REVENUE			
	City Housing Bond Proceeds	Special Revenue Fund	Museum Grant Fund	ARRC General Operating Fund
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Grants, subventions, and contributions	-	140,000	711,920	-
Intergovernmental	-	-	-	-
Use of money and property	11,082	(670)	-	60,021
Charges for service	-	-	-	30,804
Other Revenue	-	-	-	-
Total revenue	<u>11,082</u>	<u>139,330</u>	<u>711,920</u>	<u>90,825</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	1,754	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	339	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	10,500	-
Culture and recreation	-	-	-	103,592
Capital outlay	-	243,975	1,273,655	-
Total expenditures	<u>-</u>	<u>244,314</u>	<u>1,285,909</u>	<u>103,592</u>
Excess of revenue over (under) expenditures	<u>11,082</u>	<u>(104,984)</u>	<u>(573,989)</u>	<u>(12,767)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	106,019	-	-
Transfers (out)	-	-	-	-
Total other	<u>-</u>	<u>106,019</u>	<u>-</u>	<u>-</u>
Net change in fund balance	11,082	1,035	(573,989)	(12,767)
Fund balance - beginning	2,748,907	(1,837)	(261,595)	(50,828)
Fund balance - ending	<u>\$ 2,759,989</u>	<u>\$ (802)</u>	<u>\$ (835,584)</u>	<u>\$ (63,595)</u>

City of Ukiah, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (cont)
Year Ended June 30, 2017

	SPECIAL REVENUE			
	Downtown Business Improvement	LMIHF Housing Asset Fund	Winter Special Events	2106 Gas Tax Fund
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	8,399	-	-	-
Grants, subventions, and contributions	-	1,500	-	65,749
Intergovernmental	-	-	-	-
Use of money and property	-	25,266	151	431
Charges for service	-	-	-	-
Other Revenue	-	-	105,517	-
Total revenue	<u>8,399</u>	<u>26,766</u>	<u>105,668</u>	<u>66,180</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	8	2,975	81,308	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	30,000	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	12,837	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>12,845</u>	<u>32,975</u>	<u>81,308</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>(4,446)</u>	<u>(6,209)</u>	<u>24,360</u>	<u>66,180</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	(53,806)
Total other	-	-	-	(53,806)
Net change in fund balance	<u>(4,446)</u>	<u>(6,209)</u>	<u>24,360</u>	<u>12,374</u>
Fund balance - beginning	<u>3,259</u>	<u>4,223,431</u>	<u>-</u>	<u>13,716</u>
Fund balance - ending	<u>\$ (1,187)</u>	<u>\$ 4,217,222</u>	<u>\$ 24,360</u>	<u>\$ 26,090</u>

City of Ukiah, California
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 Nonmajor Governmental Funds (cont)
 Year Ended June 30, 2017

	SPECIAL REVENUE			
	2107 Gas Tax Fund	2107.5 Gas Tax Fund	2105 Gas Tax Fund	Signalization Fund
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Grants, subventions, and contributions	115,307	4,000	90,948	-
Intergovernmental	-	-	-	-
Use of money and property	266	35	214	2,486
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>115,573</u>	<u>4,035</u>	<u>91,162</u>	<u>2,486</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>115,573</u>	<u>4,035</u>	<u>91,162</u>	<u>2,486</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	15,280	-	-	-
Transfers (out)	<u>(107,620)</u>	<u>(4,000)</u>	<u>(115,679)</u>	<u>-</u>
Total other	<u>(92,340)</u>	<u>(4,000)</u>	<u>(115,679)</u>	<u>-</u>
Net change in fund balance	23,233	35	(24,517)	2,486
Fund balance - beginning	<u>(23,199)</u>	<u>200</u>	<u>27,917</u>	<u>435,792</u>
Fund balance - ending	<u>\$ 34</u>	<u>\$ 235</u>	<u>\$ 3,400</u>	<u>\$ 438,278</u>

City of Ukiah, California
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 Nonmajor Governmental Funds (cont)
 Year Ended June 30, 2017

	SPECIAL REVENUE		
	SB 325 Reimbursement Fund	S.T.P.	Trans-Traffic Congest Relief
REVENUE			
Taxes:			
Sales	\$ -	\$ -	\$ -
Property	-	-	-
Transient occupancy	-	-	-
Business license	-	-	-
Grants, subventions, and contributions	6,593	-	43,201
Intergovernmental	-	-	-
Use of money and property	-	-	3,767
Charges for service	-	-	-
Other Revenue	-	-	-
Total revenue	<u>6,593</u>	<u>-</u>	<u>46,968</u>
EXPENDITURES			
Current:			
General government:			
Council	-	-	-
Manager	-	-	-
Clerk	-	-	-
Attorney	-	-	-
Finance	-	-	-
Human resources and risk	-	-	-
Other - unclassified	-	-	-
Community development:			
Planning	-	-	-
Building	-	-	-
Housing and support programs	-	-	-
Public works:			
Roads and infrastructure	-	-	-
Engineering	1,724	-	-
Sanitation	-	-	-
Water resources	-	-	-
Electric	-	-	-
Airport	-	-	-
Redevelopment and economic development	-	-	-
Public safety:			
Police	-	-	-
Fire	-	-	-
Parks, buildings, and grounds	-	-	-
Culture and recreation	-	-	-
Capital outlay	-	32,380	226,778
Total expenditures	<u>1,724</u>	<u>32,380</u>	<u>226,778</u>
Excess of revenue over (under) expenditures	<u>4,869</u>	<u>(32,380)</u>	<u>(179,810)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	-	-	-
Total other	-	-	-
Net change in fund balance	4,869	(32,380)	(179,810)
Fund balance - beginning	108,525	108,327	650,539
Fund balance - ending	<u>\$ 113,394</u>	<u>\$ 75,947</u>	<u>\$ 470,729</u>

City of Ukiah, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (cont)
Year Ended June 30, 2017

	SPECIAL REVENUE			
	Comm. Developmt. Block Grant	Summercreek (00-HOME- 0452)	08-HOME- 4688 Fund	CDBG Grant 09-STBG-6417 Fund
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Grants, subventions, and contributions	-	17,818	-	-
Intergovernmental	-	-	-	-
Use of money and property	686	(15,531)	43,092	-
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>686</u>	<u>2,287</u>	<u>43,092</u>	<u>-</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	1,844	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>1,844</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>686</u>	<u>2,287</u>	<u>41,248</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	686	2,287	41,248	-
Fund balance - beginning	120,357	1,706,184	826,700	36
Fund balance - ending	<u>\$ 121,043</u>	<u>\$ 1,708,471</u>	<u>\$ 867,948</u>	<u>\$ 36</u>

City of Ukiah, California
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 Nonmajor Governmental Funds (cont)
 Year Ended June 30, 2017

	SPECIAL REVENUE			
	11-HOME- 7654 Fund	CDBG Grant 10-EDEF-7261 Fund	Prop. 84 Grant Fund	13-CDBG-8940
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Grants, subventions, and contributions	-	-	-	114,720
Intergovernmental	-	-	-	-
Use of money and property	41,252	6,457	-	575
Charges for service	-	-	-	-
Other Revenue	-	-	1	-
Total revenue	<u>41,252</u>	<u>6,457</u>	<u>1</u>	<u>115,295</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	114,720
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,720</u>
Excess of revenue over (under) expenditures	<u>41,252</u>	<u>6,457</u>	<u>1</u>	<u>575</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	41,252	6,457	1	575
Fund balance - beginning	716,677	323,341	19	(6,178)
Fund balance - ending	<u>\$ 757,929</u>	<u>\$ 329,798</u>	<u>\$ 20</u>	<u>\$ (5,603)</u>

City of Ukiah, California
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 Nonmajor Governmental Funds (cont)
 Year Ended June 30, 2017

	SPECIAL REVENUE			
	Asset Seizure Fund	Asset Seizure(Drug/ Alcohol)	H&S Education 11489(B)(2)(A1)	Federal Asset Seizure Grants
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Grants, subventions, and contributions	202,937	-	61,608	1,320
Intergovernmental	-	-	-	-
Use of money and property	756	-	160	139
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>203,693</u>	<u>-</u>	<u>61,768</u>	<u>1,459</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	124,970	-	92,272	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>124,970</u>	<u>-</u>	<u>92,272</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>78,723</u>	<u>-</u>	<u>(30,504)</u>	<u>1,459</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	<u>78,723</u>	<u>-</u>	<u>(30,504)</u>	<u>1,459</u>
Fund balance - beginning	47,329	8	51,196	23,691
Fund balance - ending	<u>\$ 126,052</u>	<u>\$ 8</u>	<u>\$ 20,692</u>	<u>\$ 25,150</u>

City of Ukiah, California
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 Nonmajor Governmental Funds (cont)
 Year Ended June 30, 2017

	SPECIAL REVENUE			
	Sup.Law Enforce.Svc.F d(SLESF)	Asset Forfeiture 11470.2 H&S	Special Revenue Police	Museum Fund
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Grants, subventions, and contributions	143,942	15,850	125,000	-
Intergovernmental	-	-	-	-
Use of money and property	201	336	48	(1,324)
Charges for service	138	-	-	26,000
Other Revenue	-	-	-	54,647
Total revenue	<u>144,281</u>	<u>16,186</u>	<u>125,048</u>	<u>79,323</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	102,425	2,706	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	409,993
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>102,425</u>	<u>2,706</u>	<u>-</u>	<u>409,993</u>
Excess of revenue over (under) expenditures	<u>41,856</u>	<u>13,480</u>	<u>125,048</u>	<u>(330,670)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	329,733
Transfers (out)	-	-	(125,000)	(2,609)
Total other	-	-	(125,000)	327,124
Net change in fund balance	41,856	13,480	48	(3,546)
Fund balance - beginning	10,470	37,383	31,698	(28,885)
Fund balance - ending	<u>\$ 52,326</u>	<u>\$ 50,863</u>	<u>\$ 31,746</u>	<u>\$ (32,431)</u>

City of Ukiah, California
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 Nonmajor Governmental Funds (cont)
 Year Ended June 30, 2017

	SPECIAL REVENUE		
	Transfer Station Fund	Visit Ukiah Fund	Fed. Emergency Shelter Prog
REVENUE			
Taxes:			
Sales	\$ -	\$ -	\$ -
Property	-	-	-
Transient occupancy	-	-	-
Business license	-	-	-
Grants, subventions, and contributions	-	-	-
Intergovernmental	-	-	-
Use of money and property	125,663	652	-
Charges for service	-	-	-
Other Revenue	-	315	-
Total revenue	<u>125,663</u>	<u>967</u>	<u>-</u>
EXPENDITURES			
Current:			
General government:			
Council	-	-	-
Manager	-	780	-
Clerk	-	-	-
Attorney	-	-	-
Finance	-	-	-
Human resources and risk	-	-	-
Other - unclassified	-	-	-
Community development:			
Planning	-	-	-
Building	-	-	-
Housing and support programs	-	-	-
Public works:			
Roads and infrastructure	-	-	-
Engineering	-	-	-
Sanitation	-	-	-
Water resources	-	-	-
Electric	-	-	-
Airport	-	-	-
Redevelopment and economic development	-	97,407	-
Public safety:			
Police	-	-	-
Fire	-	-	-
Parks, buildings, and grounds	-	-	-
Culture and recreation	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>-</u>	<u>98,187</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>125,663</u>	<u>(97,220)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	108,967	-
Transfers (out)	<u>(90,526)</u>	<u>-</u>	<u>(24,776)</u>
Total other	<u>(90,526)</u>	<u>108,967</u>	<u>(24,776)</u>
Net change in fund balance	35,137	11,747	(24,776)
Fund balance - beginning	-	24,481	24,776
Fund balance - ending	<u>\$ 35,137</u>	<u>\$ 36,228</u>	<u>\$ -</u>

City of Ukiah, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (cont)
Year Ended June 30, 2017

	CAPITAL PROJECTS			
	Equipment Reserve Fund	Special Projects Reserve	Park Development Fees Fund	Anton Stadium Fund
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	4,837	9,042	330	182
Charges for service	-	-	3,399	-
Other Revenue	-	-	-	-
Total revenue	<u>4,837</u>	<u>9,042</u>	<u>3,729</u>	<u>182</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	32,325	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	1,000	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	13,006	-	-
Sanitation	-	-	-	-
Water resources	-	12,500	-	-
Electric	-	6,250	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	69,388	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	671
Culture and recreation	-	-	-	-
Capital outlay	299,886	26,813	-	-
Total expenditures	<u>401,599</u>	<u>59,569</u>	<u>-</u>	<u>671</u>
Excess of revenue over (under) expenditures	<u>(396,762)</u>	<u>(50,527)</u>	<u>3,729</u>	<u>(489)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	34,934	-	-	-
Transfers (out)	(577,261)	(81,979)	-	-
Total other	<u>(542,327)</u>	<u>(81,979)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(939,089)	(132,506)	3,729	(489)
Fund balance - beginning	1,463,434	1,895,253	25,457	32,396
Fund balance - ending	<u>\$ 524,345</u>	<u>\$ 1,762,747</u>	<u>\$ 29,186</u>	<u>\$ 31,907</u>

City of Ukiah, California
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 Nonmajor Governmental Funds (cont)
 Year Ended June 30, 2017

	CAPITAL PROJECTS			
	Playground & Park Amenities	Swimming Pool Fund	Riverside Park Fund	Skate Park Fund
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	14	67	179	64
Charges for service	-	-	-	-
Other Revenue	-	-	20,000	-
Total revenue	<u>14</u>	<u>67</u>	<u>20,179</u>	<u>64</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>14</u>	<u>67</u>	<u>20,179</u>	<u>64</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	14	67	20,179	64
Fund balance - beginning	2,538	(136,234)	-	11,243
Fund balance - ending	<u>\$ 2,552</u>	<u>\$ (136,167)</u>	<u>\$ 20,179</u>	<u>\$ 11,307</u>

City of Ukiah, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (cont)
Year Ended June 30, 2017

	<u>CAPITAL</u>	
	<u>Softball Complex Fund</u>	<u>Total Governmental</u>
REVENUE		
Taxes:		
Sales	\$ -	\$ -
Property	-	-
Transient occupancy	-	-
Business license	-	8,399
Grants, subventions, and contributions	-	1,862,413
Intergovernmental	-	-
Use of money and property	37	320,963
Charges for service	-	60,341
Other Revenue	-	180,480
Total revenue	<u>37</u>	<u>2,432,596</u>
EXPENDITURES		
Current:		
General government:		
Council	-	-
Manager	-	780
Clerk	-	-
Attorney	-	-
Finance	-	32,325
Human resources and risk	-	-
Other - unclassified	-	86,045
Community development:		
Planning	-	1,000
Building	-	-
Housing and support programs	-	146,564
Public works:		
Roads and infrastructure	-	339
Engineering	-	14,730
Sanitation	-	-
Water resources	-	12,500
Electric	-	6,250
Airport	-	-
Redevelopment and economic development	-	110,244
Public safety:		
Police	-	391,761
Fire	-	-
Parks, buildings, and grounds	-	421,164
Culture and recreation	-	103,592
Capital outlay	-	2,103,487
Total expenditures	<u>-</u>	<u>3,430,781</u>
Excess of revenue over (under) expenditures	<u>37</u>	<u>(998,185)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	594,933
Transfers (out)	-	(1,183,256)
Total other	-	(588,323)
Net change in fund balance	37	(1,586,508)
Fund balance - beginning	<u>6,465</u>	<u>15,192,989</u>
Fund balance - ending	<u>\$ 6,502</u>	<u>\$ 13,606,481</u>

GOVERNMENTAL FUND BUDGET COMPARISONS

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	5,000	5,000	4,837	(163)
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>5,000</u>	<u>5,000</u>	<u>4,837</u>	<u>(163)</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	90,960	32,325	58,635
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	60,000	68,808	69,388	(580)
Fire	15,000	15,000	-	15,000
Parks, buildings, and grounds	-	25,000	-	25,000
Culture and recreation	-	-	-	-
Capital outlay	470,000	896,255	299,886	596,369
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>545,000</u>	<u>1,096,023</u>	<u>401,599</u>	<u>694,424</u>
Excess of revenue over (under) expenditures	<u>(540,000)</u>	<u>(1,091,023)</u>	<u>(396,762)</u>	<u>694,261</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	34,934	34,934
Transfers (out)	(347,330)	(347,330)	(577,261)	(229,931)
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>(347,330)</u>	<u>(347,330)</u>	<u>(542,327)</u>	<u>(194,997)</u>
Net change in fund balance	<u>(887,330)</u>	<u>(1,438,353)</u>	<u>(939,089)</u>	<u>499,264</u>
Fund balance - beginning	1,463,434	1,463,434	1,463,434	-
Fund balance - ending	<u>\$ 576,104</u>	<u>\$ 25,081</u>	<u>\$ 524,345</u>	<u>\$ 499,264</u>

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	3,600	3,600	11,082	7,482
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	3,600	3,600	11,082	7,482
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	3,600	3,600	11,082	7,482
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	3,600	3,600	11,082	7,482
Fund balance - beginning	2,748,907	2,748,907	2,748,907	-
Fund balance - ending	\$ 2,752,507	\$ 2,752,507	\$ 2,759,989	\$ 7,482

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	140,000	140,000
Intergovernmental	-	-	-	-
Use of money and property	-	-	(670)	(670)
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	139,330	139,330
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	339	(339)
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	261,932	243,975	17,957
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	261,932	244,314	17,618
Excess of revenue over (under) expenditures	-	(261,932)	(104,984)	156,948
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	106,019	106,019
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	106,019	106,019
Net change in fund balance	-	(261,932)	1,035	262,967
Fund balance - beginning	(1,837)	(1,837)	(1,837)	-
Fund balance - ending	\$ (1,837)	\$ (263,769)	\$ (802)	\$ 262,967

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	10,000	10,000	9,042	(958)
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	10,000	10,000	9,042	(958)
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	1,000	(1,000)
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	21,756	13,006	8,750
Sanitation	-	-	-	-
Water resources	-	-	12,500	(12,500)
Electric	-	-	6,250	(6,250)
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	682,970	786,337	26,813	759,524
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	682,970	808,093	59,569	748,524
Excess of revenue over (under) expenditures	(672,970)	(798,093)	(50,527)	747,566
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(156,850)	(156,850)	(81,979)	74,871
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	(156,850)	(156,850)	(81,979)	74,871
Net change in fund balance	(829,820)	(954,943)	(132,506)	822,437
Fund balance - beginning	1,895,253	1,895,253	1,895,253	-
Fund balance - ending	\$ 1,065,433	\$ 940,310	\$ 1,762,747	\$ 822,437

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	330	330
Charges for service	-	-	3,399	3,399
Other Revenue	-	-	-	-
Total revenue	-	-	3,729	3,729
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	-	-	3,729	3,729
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	-	3,729	3,729
Fund balance - beginning	25,457	25,457	25,457	-
Fund balance - ending	\$ 25,457	\$ 25,457	\$ 29,186	\$ 3,729

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	182	182
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	182	182
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	671	(671)
Culture and recreation	-	-	-	-
Capital outlay	18,000	18,000	-	18,000
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	18,000	18,000	671	17,329
Excess of revenue over (under) expenditures	(18,000)	(18,000)	(489)	17,511
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	(18,000)	(18,000)	(489)	17,511
Fund balance - beginning	32,396	32,396	32,396	-
Fund balance - ending	\$ 14,396	\$ 14,396	\$ 31,907	\$ 17,511

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

No financial transactions to report.

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	14	14
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	14	14
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	-	-	14	14
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	-	14	14
Fund balance - beginning	2,538	2,538	2,538	-
Fund balance - ending	\$ 2,538	\$ 2,538	\$ 2,552	\$ 14

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	67	67
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	67	67
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	-	-	67	67
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	-	67	67
Fund balance - beginning	(136,234)	(136,234)	(136,234)	-
Fund balance - ending	\$ (136,234)	\$ (136,234)	\$ (136,167)	\$ 67

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	179	179
Charges for service	-	-	-	-
Other Revenue	-	-	20,000	20,000
Total revenue	-	-	20,179	20,179
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	-	-	20,179	20,179
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS	-	-	-	-
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	-	20,179	20,179
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	\$ 20,179	\$ 20,179

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	64	64
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	64	64
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	-	-	64	64
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	-	64	64
Fund balance - beginning	11,243	11,243	11,243	-
Fund balance - ending	\$ 11,243	\$ 11,243	\$ 11,307	\$ 64

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	37	37
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	37	37
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	-	-	37	37
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	-	37	37
Fund balance - beginning	6,465	6,465	6,465	-
Fund balance - ending	\$ 6,465	\$ 6,465	\$ 6,502	\$ 37

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	1,512,385	1,512,385	711,920	(800,465)
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>1,512,385</u>	<u>1,512,385</u>	<u>711,920</u>	<u>(800,465)</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	1,754	(1,754)
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	9,480	10,500	(1,020)
Culture and recreation	-	-	-	-
Capital outlay	1,509,011	2,688,422	1,273,655	1,414,767
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>1,509,011</u>	<u>2,697,902</u>	<u>1,285,909</u>	<u>1,411,993</u>
Excess of revenue over (under) expenditures	<u>3,374</u>	<u>(1,185,517)</u>	<u>(573,989)</u>	<u>611,528</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS	-	-	-	-
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	3,374	(1,185,517)	(573,989)	611,528
Fund balance - beginning	(261,595)	(261,595)	(261,595)	-
Fund balance - ending	<u>\$ (258,221)</u>	<u>\$ (1,447,112)</u>	<u>\$ (835,584)</u>	<u>\$ 611,528</u>

City of Ukiah, California
ARRC General Operating Fund
Statement of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	56,100	56,100	60,021	3,921
Charges for service	40,000	40,000	30,804	(9,196)
Other Revenue	-	-	-	-
Total revenue	<u>96,100</u>	<u>96,100</u>	<u>90,825</u>	<u>(5,275)</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds				
Culture and recreation	110,562	110,562	103,592	6,970
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>110,562</u>	<u>110,562</u>	<u>103,592</u>	<u>6,970</u>
Excess of revenue over (under) expenditures	<u>(14,462)</u>	<u>(14,462)</u>	<u>(12,767)</u>	<u>1,695</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	<u>(14,462)</u>	<u>(14,462)</u>	<u>(12,767)</u>	<u>1,695</u>
Fund balance - beginning	<u>(50,828)</u>	<u>(50,828)</u>	<u>(50,828)</u>	<u>-</u>
Fund balance - ending	<u>\$ (65,290)</u>	<u>\$ (65,290)</u>	<u>\$ (63,595)</u>	<u>\$ 1,695</u>

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	18,000	18,000	8,399	(9,601)
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>18,000</u>	<u>18,000</u>	<u>8,399</u>	<u>(9,601)</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	8	(8)
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	17,054	17,054	12,837	4,217
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>17,054</u>	<u>17,054</u>	<u>12,845</u>	<u>4,209</u>
Excess of revenue over (under) expenditures	<u>946</u>	<u>946</u>	<u>(4,446)</u>	<u>(5,392)</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	<u>946</u>	<u>946</u>	<u>(4,446)</u>	<u>(5,392)</u>
Fund balance - beginning	<u>3,259</u>	<u>3,259</u>	<u>3,259</u>	<u>-</u>
Fund balance - ending	<u>\$ 4,205</u>	<u>\$ 4,205</u>	<u>\$ (1,187)</u>	<u>\$ (5,392)</u>

City of Ukiah, California
 LMIHF Housing Asset Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	1,500	1,500
Intergovernmental	-	-	-	-
Use of money and property	12,250	12,250	25,266	13,016
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>12,250</u>	<u>12,250</u>	<u>26,766</u>	<u>14,516</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	5,000	2,975	2,025
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	30,000	(30,000)
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>-</u>	<u>5,000</u>	<u>32,975</u>	<u>(27,975)</u>
Excess of revenue over (under) expenditures	<u>12,250</u>	<u>7,250</u>	<u>(6,209)</u>	<u>(13,459)</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	12,250	7,250	(6,209)	(13,459)
Fund balance - beginning	4,223,431	4,223,431	4,223,431	-
Fund balance - ending	<u>\$ 4,235,681</u>	<u>\$ 4,230,681</u>	<u>\$ 4,217,222</u>	<u>\$ (13,459)</u>

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	151	151
Charges for service	-	-	-	-
Other Revenue	-	115,400	105,517	(9,883)
Total revenue	-	115,400	105,668	(9,732)
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	81,200	81,308	(108)
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	81,200	81,308	(108)
Excess of revenue over (under) expenditures	-	34,200	24,360	(9,840)
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	34,200	24,360	(9,840)
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ 34,200	\$ 24,360	\$ (9,840)

City of Ukiah, California
 2106 Gas Tax Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	53,806	53,806	65,749	11,943
Intergovernmental	-	-	-	-
Use of money and property	-	-	431	431
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	53,806	53,806	66,180	12,374
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	53,806	53,806	66,180	12,374
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(53,806)	(53,806)	(53,806)	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	(53,806)	(53,806)	(53,806)	-
Net change in fund balance	-	-	12,374	12,374
Fund balance - beginning	13,716	13,716	13,716	-
Fund balance - ending	\$ 13,716	\$ 13,716	\$ 26,090	\$ 12,374

City of Ukiah, California
 2107 Gas Tax Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	139,420	139,420	115,307	(24,113)
Intergovernmental	-	-	-	-
Use of money and property	-	-	266	266
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>139,420</u>	<u>139,420</u>	<u>115,573</u>	<u>(23,847)</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>139,420</u>	<u>139,420</u>	<u>115,573</u>	<u>(23,847)</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	15,280	15,280
Transfers (out)	(139,420)	(139,420)	(107,620)	31,800
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>(139,420)</u>	<u>(139,420)</u>	<u>(92,340)</u>	<u>47,080</u>
Net change in fund balance	-	-	23,233	23,233
Fund balance - beginning	(23,199)	(23,199)	(23,199)	-
Fund balance - ending	<u>\$ (23,199)</u>	<u>\$ (23,199)</u>	<u>\$ 34</u>	<u>\$ 23,233</u>

City of Ukiah, California
 2107.5 Gas Tax Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	4,000	4,000	4,000	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	35	35
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>4,000</u>	<u>4,000</u>	<u>4,035</u>	<u>35</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>4,000</u>	<u>4,000</u>	<u>4,035</u>	<u>35</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(4,000)	(4,000)	(4,000)	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>(4,000)</u>	<u>(4,000)</u>	<u>(4,000)</u>	<u>-</u>
Net change in fund balance	-	-	35	35
Fund balance - beginning	200	200	200	-
Fund balance - ending	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 235</u>	<u>\$ 35</u>

City of Ukiah, California
 2105 Gas Tax Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	100,399	100,399	90,948	(9,451)
Intergovernmental	-	-	-	-
Use of money and property	-	-	214	214
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>100,399</u>	<u>100,399</u>	<u>91,162</u>	<u>(9,237)</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>100,399</u>	<u>100,399</u>	<u>91,162</u>	<u>(9,237)</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(100,399)	(100,399)	(115,679)	(15,280)
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>(100,399)</u>	<u>(100,399)</u>	<u>(115,679)</u>	<u>(15,280)</u>
Net change in fund balance	-	-	(24,517)	(24,517)
Fund balance - beginning	27,917	27,917	27,917	-
Fund balance - ending	<u>\$ 27,917</u>	<u>\$ 27,917</u>	<u>\$ 3,400</u>	<u>\$ (24,517)</u>

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	2,500	2,500	2,486	(14)
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>2,500</u>	<u>2,500</u>	<u>2,486</u>	<u>(14)</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>2,500</u>	<u>2,500</u>	<u>2,486</u>	<u>(14)</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	2,500	2,500	2,486	(14)
Fund balance - beginning	435,792	435,792	435,792	-
Fund balance - ending	<u>\$ 438,292</u>	<u>\$ 438,292</u>	<u>\$ 438,278</u>	<u>\$ (14)</u>

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

No financial transactions to report.

City of Ukiah, California
 SB325 Reimbursement Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	40,000	40,000	6,593	(33,407)
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>40,000</u>	<u>40,000</u>	<u>6,593</u>	<u>(33,407)</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	40,000	40,000	1,724	38,276
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>40,000</u>	<u>40,000</u>	<u>1,724</u>	<u>38,276</u>
Excess of revenue over (under) expenditures	-	-	<u>4,869</u>	<u>4,869</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	-	<u>4,869</u>	<u>4,869</u>
Fund balance - beginning	<u>108,525</u>	<u>108,525</u>	<u>108,525</u>	-
Fund balance - ending	<u>\$ 108,525</u>	<u>\$ 108,525</u>	<u>\$ 113,394</u>	<u>\$ 4,869</u>

City of Ukiah, California

STP Fund

Statement of Revenue, Expenditures, and Change in Fund Balances

Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	-	-
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	57,380	439,670	32,380	407,290
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	57,380	439,670	32,380	407,290
Excess of revenue over (under) expenditures	(57,380)	(439,670)	(32,380)	407,290
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	(57,380)	(439,670)	(32,380)	407,290
Fund balance - beginning	108,327	108,327	108,327	-
Fund balance - ending	\$ 50,947	\$ (331,343)	\$ 75,947	\$ 407,290

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	38,985	38,985	43,201	4,216
Intergovernmental	-	-	-	-
Use of money and property	-	-	3,767	3,767
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>38,985</u>	<u>38,985</u>	<u>46,968</u>	<u>7,983</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	400,000	400,000	-	400,000
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	250,000	263,269	226,778	36,491
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>650,000</u>	<u>663,269</u>	<u>226,778</u>	<u>436,491</u>
Excess of revenue over (under) expenditures	<u>(611,015)</u>	<u>(624,284)</u>	<u>(179,810)</u>	<u>444,474</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	21,951	21,951	-	(21,951)
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>21,951</u>	<u>21,951</u>	<u>-</u>	<u>(21,951)</u>
Net change in fund balance	<u>(589,064)</u>	<u>(602,333)</u>	<u>(179,810)</u>	<u>422,523</u>
Fund balance - beginning	650,539	650,539	650,539	-
Fund balance - ending	<u>\$ 61,475</u>	<u>\$ 48,206</u>	<u>\$ 470,729</u>	<u>\$ 422,523</u>

City of Ukiah, California
 Community Development Block Grant
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	600	600	686	86
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>600</u>	<u>600</u>	<u>686</u>	<u>86</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>600</u>	<u>600</u>	<u>686</u>	<u>86</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	600	600	686	86
Fund balance - beginning	120,357	120,357	120,357	-
Fund balance - ending	<u>\$ 120,957</u>	<u>\$ 120,957</u>	<u>\$ 121,043</u>	<u>\$ 86</u>

City of Ukiah, California
 Summercreek (00-HOME-0452) Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	17,818	17,818
Intergovernmental	-	-	-	-
Use of money and property	300	300	(15,531)	(15,831)
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>300</u>	<u>300</u>	<u>2,287</u>	<u>1,987</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>300</u>	<u>300</u>	<u>2,287</u>	<u>1,987</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	300	300	2,287	1,987
Fund balance - beginning	1,706,184	1,706,184	1,706,184	-
Fund balance - ending	<u>\$ 1,706,484</u>	<u>\$ 1,706,484</u>	<u>\$ 1,708,471</u>	<u>\$ 1,987</u>

City of Ukiah, California
08-HOME 4688 Fund
Statement of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	43,092	43,092
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	43,092	43,092
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	1,844	(1,844)
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	1,844	(1,844)
Excess of revenue over (under) expenditures	-	-	41,248	41,248
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS	-	-	-	-
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	-	41,248	41,248
Fund balance - beginning	826,700	826,700	826,700	-
Fund balance - ending	\$ 826,700	\$ 826,700	\$ 867,948	\$ 41,248

City of Ukiah, California
CDBG Grant 09-STBG-6417 Fund
Statement of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual

No financial transactions to report.

City of Ukiah, California
 11-HOME 7654 Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	41,252	41,252
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	41,252	41,252
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	-	-	41,252	41,252
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	-	41,252	41,252
Fund balance - beginning	716,677	716,677	716,677	-
Fund balance - ending	\$ 716,677	\$ 716,677	\$ 757,929	\$ 41,252

City of Ukiah, California
 CDBG Grant 10-EDEF-7261 Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	6,457	6,457
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	6,457	6,457
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	63,020	-	63,020
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	63,020	-	63,020
Excess of revenue over (under) expenditures	-	(63,020)	6,457	69,477
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS	-	-	-	-
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	(63,020)	6,457	69,477
Fund balance - beginning	323,341	323,341	323,341	-
Fund balance - ending	\$ 323,341	\$ 260,321	\$ 329,798	\$ 69,477

City of Ukiah, California
 Prop 84 Grant Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	2,215,191	2,215,191	-	(2,215,191)
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for service	-	-	-	-
Other Revenue	-	-	1	1
Total revenue	<u>2,215,191</u>	<u>2,215,191</u>	<u>1</u>	<u>(2,215,190)</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>2,215,191</u>	<u>2,215,191</u>	<u>1</u>	<u>(2,215,190)</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(2,215,191)	(2,215,191)	-	2,215,191
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>(2,215,191)</u>	<u>(2,215,191)</u>	<u>-</u>	<u>2,215,191</u>
Net change in fund balance	-	-	1	1
Fund balance - beginning	19	19	19	-
Fund balance - ending	<u>\$ 19</u>	<u>\$ 19</u>	<u>\$ 20</u>	<u>\$ 1</u>

City of Ukiah, California
 13-CDBG 8940 Fund
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	281,500	114,720	(166,780)
Intergovernmental	-	-	-	-
Use of money and property	-	-	575	575
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	281,500	115,295	(166,205)
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	191,144	114,720	76,424
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	191,144	114,720	76,424
Excess of revenue over (under) expenditures	-	90,356	575	(89,781)
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	90,356	575	(89,781)
Fund balance - beginning	(6,178)	(6,178)	(6,178)	-
Fund balance - ending	\$ (6,178)	\$ 84,178	\$ (5,603)	\$ (89,781)

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	50,000	187,600	202,937	15,337
Intergovernmental	-	-	-	-
Use of money and property	500	500	756	256
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	50,500	188,100	203,693	15,593
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	79,236	124,970	(45,734)
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	79,236	124,970	(45,734)
Excess of revenue over (under) expenditures	50,500	108,864	78,723	(30,141)
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	50,500	108,864	78,723	(30,141)
Fund balance - beginning	47,329	47,329	47,329	-
Fund balance - ending	\$ 97,829	\$ 156,193	\$ 126,052	\$ (30,141)

City of Ukiah, California
Asset Seizure (Drug/Alcohol)
Statement of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual

No financial transactions to report.

City of Ukiah, California
H&S Education 11489(B)(2)(A1)
Statement of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	137,600	61,608	(75,992)
Intergovernmental	-	-	-	-
Use of money and property	-	-	160	160
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	137,600	61,768	(75,832)
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	51,100	92,272	(41,172)
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	51,100	92,272	(41,172)
Excess of revenue over (under) expenditures	-	86,500	(30,504)	(117,004)
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	86,500	(30,504)	(117,004)
Fund balance - beginning	51,196	51,196	51,196	-
Fund balance - ending	\$ 51,196	\$ 137,696	\$ 20,692	\$ (117,004)

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	1,320	1,320
Intergovernmental	-	-	-	-
Use of money and property	-	-	139	139
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	1,459	1,459
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	-	-	1,459	1,459
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	-	-	1,459	1,459
Fund balance - beginning	23,691	23,691	23,691	-
Fund balance - ending	\$ 23,691	\$ 23,691	\$ 25,150	\$ 1,459

City of Ukiah, California
 Supplemental Law Enforcement (SLESF)
 Statement of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	100,000	100,000	143,942	43,942
Intergovernmental	-	-	-	-
Use of money and property	-	-	201	201
Charges for service	-	-	138	138
Other Revenue	-	-	-	-
Total revenue	100,000	100,000	144,281	44,281
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	101,889	102,425	(536)
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	101,889	102,425	(536)
Excess of revenue over (under) expenditures	100,000	(1,889)	41,856	43,745
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	100,000	(1,889)	41,856	43,745
Fund balance - beginning	10,470	10,470	10,470	-
Fund balance - ending	\$ 110,470	\$ 8,581	\$ 52,326	\$ 43,745

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	10,000	10,000	15,850	5,850
Intergovernmental	-	-	-	-
Use of money and property	200	200	336	136
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>10,200</u>	<u>10,200</u>	<u>16,186</u>	<u>5,986</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	20,000	20,000	2,706	17,294
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	21,684	21,684	-	21,684
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>41,684</u>	<u>41,684</u>	<u>2,706</u>	<u>38,978</u>
Excess of revenue over (under) expenditures	<u>(31,484)</u>	<u>(31,484)</u>	<u>13,480</u>	<u>44,964</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	-	-
Net change in fund balance	<u>(31,484)</u>	<u>(31,484)</u>	<u>13,480</u>	<u>44,964</u>
Fund balance - beginning	37,383	37,383	37,383	-
Fund balance - ending	<u>\$ 5,899</u>	<u>\$ 5,899</u>	<u>\$ 50,863</u>	<u>\$ 44,964</u>

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	125,000	125,000
Intergovernmental	-	-	-	-
Use of money and property	-	-	48	48
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	-	-	125,048	125,048
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	-	-	125,048	125,048
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	(125,000)	(125,000)
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	-	-	(125,000)	(125,000)
Net change in fund balance	-	-	48	48
Fund balance - beginning	31,698	31,698	31,698	-
Fund balance - ending	\$ 31,698	\$ 31,698	\$ 31,746	\$ 48

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	(1,324)	(1,324)
Charges for service	33,000	33,000	26,000	(7,000)
Other Revenue	72,500	72,500	54,647	(17,853)
Total revenue	105,500	105,500	79,323	(26,177)
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	437,926	437,926	409,993	27,933
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	437,926	437,926	409,993	27,933
Excess of revenue over (under) expenditures	(332,426)	(332,426)	(330,670)	1,756
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	360,564	360,564	329,733	(30,831)
Transfers (out)	-	-	(2,609)	(2,609)
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	360,564	360,564	327,124	(33,440)
Net change in fund balance	28,138	28,138	(3,546)	(31,684)
Fund balance - beginning	(28,885)	(28,885)	(28,885)	-
Fund balance - ending	\$ (747)	\$ (747)	\$ (32,431)	\$ (31,684)

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	150,000	150,000	125,663	(24,337)
Charges for service	-	-	-	-
Other Revenue	-	-	-	-
Total revenue	<u>150,000</u>	<u>150,000</u>	<u>125,663</u>	<u>(24,337)</u>
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	-	-
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources	-	-	-	-
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>150,000</u>	<u>150,000</u>	<u>125,663</u>	<u>(24,337)</u>
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	177,000	-	-	-
Transfers (out)	(317,000)	(317,000)	(90,526)	226,474
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	<u>(140,000)</u>	<u>(317,000)</u>	<u>(90,526)</u>	<u>226,474</u>
Net change in fund balance	10,000	(167,000)	35,137	202,137
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ 10,000</u>	<u>\$ (167,000)</u>	<u>\$ 35,137</u>	<u>\$ 202,137</u>

City of Ukiah, California

Visit Ukiah

Statement of Revenue, Expenditures, and Change in Fund Balances

Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Sales	\$ -	\$ -	\$ -	\$ -
Property	-	-	-	-
Transient occupancy	-	-	-	-
Business license	-	-	-	-
Other taxes	-	-	-	-
Assessments	-	-	-	-
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Grants, subventions, and contributions	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	652	652
Charges for service	-	-	-	-
Other Revenue	-	-	315	315
Total revenue	-	-	967	967
EXPENDITURES				
Current:				
General government:				
Council	-	-	-	-
Manager	-	-	780	(780)
Clerk	-	-	-	-
Attorney	-	-	-	-
Finance	-	-	-	-
Human resources and risk	-	-	-	-
Other - unclassified	-	-	-	-
Community development:				
Planning	-	-	-	-
Building	-	-	-	-
Housing and support programs	-	-	-	-
Public works:				
Roads and infrastructure	-	-	-	-
Engineering	-	-	-	-
Sanitation	-	-	-	-
Water resources				
Electric	-	-	-	-
Airport	-	-	-	-
Redevelopment and economic development	157,426	157,426	97,407	60,019
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital lease installments	-	-	-	-
Debt issuance costs	-	-	-	-
Total expenditures	157,426	157,426	98,187	59,239
Excess of revenue over (under) expenditures	(157,426)	(157,426)	(97,220)	60,206
OTHER FINANCING SOURCES (USES)				
Recognized gain (loss) on assets	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	110,884	110,884	108,967	(1,917)
Transfers (out)	-	-	-	-
OTHER TRANSFERS				
Transfer to private purpose trust fund	-	-	-	-
Total other	110,884	110,884	108,967	(1,917)
Net change in fund balance	(46,542)	(46,542)	11,747	58,289
Fund balance - beginning	24,481	24,481	24,481	-
Fund balance - ending	\$ (22,061)	\$ (22,061)	\$ 36,228	\$ 58,289

COMBINING NONMAJOR ENTERPRISE FUNDS

Parking District #1	The Parking District #1 Fund is used to account for the operating activities of the City's parking district.
Golf Fund	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.
Conference Center Fund	The Conference Center Fund is used to account for activities of the Ukiah Valley Conference Center.
Airport Fund	The Airport Fund is the primary fund used to account for the operating activities of the City's municipal airport.
Street Lighting Fund	The Street Lighting Fund is used to account for resources accumulated for street light operation, maintenance and capital planning.
Recycled Water Fund	The Recycled Water Fund is used to account for activities related to the City's recycled water efforts, currently a shared initiative between the City's water and wastewater enterprises.

City of Ukiah, California
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2017

	ENTERPRISE FUNDS			
	Parking District #1	Golf Fund	Conference Center Fund	Airport
ASSETS				
Current assets:				
Cash and investments	\$ 6,059	\$ 304	\$ 25,494	\$ 246,376
Restricted cash and investments	-	-	-	-
Receivables (net allowance for uncollectables)	1,628	42	16,746	197,103
Interest receivable	-	-	-	-
Cash held in reserve with NCPA	-	-	-	-
Inventory and prepaids	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Notes receivable	-	32,500	-	-
Total current assets	<u>7,687</u>	<u>32,846</u>	<u>42,240</u>	<u>443,479</u>
Noncurrent assets:				
Capital assets not being depreciated:				
Land	183,871	1,001,350	372,750	271,957
Construction in progress	-	-	-	968,308
Capital assets, net of accumulated depreciation:				
Buildings and improvements	-	22,104	1,216,071	573,077
Machinery, equipment, and vehicles	9,833	-	418	462,920
Infrastructure and network	62,146	-	-	-
Total noncurrent assets	<u>255,850</u>	<u>1,023,454</u>	<u>1,589,239</u>	<u>2,276,262</u>
Total Assets	<u>263,537</u>	<u>1,056,300</u>	<u>1,631,479</u>	<u>2,719,741</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred outflow of resources related to pension	-	15,003	141,590	198,788
Total deferred outflows of resources	<u>-</u>	<u>15,003</u>	<u>141,590</u>	<u>198,788</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	676	350	6,433	82,085
Accrued payroll liabilities	-	1,073	7,212	13,229
Interest payable	-	2,390	-	-
Deposits payable	-	-	2,162	4,913
Compensated absences, current	-	213	684	1,542
Due within one year	-	-	-	9,717
Due to other funds	-	-	-	-
Intergovernmental payable	-	-	-	-
Total current liabilities	<u>676</u>	<u>4,026</u>	<u>16,491</u>	<u>111,486</u>
Noncurrent liabilities:				
Compensated absences, noncurrent	-	1,921	6,154	13,877
Advances from other funds	-	930,200	-	-
Due in more than one year	-	-	-	190,166
Net pension liability	-	64,737	610,951	857,760
Total noncurrent liabilities	<u>-</u>	<u>996,858</u>	<u>617,105</u>	<u>1,061,803</u>
Total liabilities	<u>676</u>	<u>1,000,884</u>	<u>633,596</u>	<u>1,173,289</u>
DEFERRED INFLOW OF RESOURCES				
Deferred inflow of resources related to pension	-	7,498	70,766	99,353
Total deferred outflows of resources	<u>-</u>	<u>7,498</u>	<u>70,766</u>	<u>99,353</u>
NET POSITION				
Net investment in capital assets	255,850	1,023,454	1,589,239	2,076,379
Unrestricted	7,011	(960,533)	(520,532)	(430,492)
Total Net Position	<u>\$ 262,861</u>	<u>\$ 62,921</u>	<u>\$ 1,068,707</u>	<u>\$ 1,645,887</u>

ENTERPRISE FUNDS		
Street Lighting Fund	Recycled Water Fund	Total Enterprise Funds
\$ 101,962	\$ 2,703	\$ 382,898
-	-	-
16,880	-	232,399
-	-	-
-	-	-
-	-	-
-	-	-
-	-	32,500
<u>118,842</u>	<u>2,703</u>	<u>647,797</u>
-	-	1,829,928
-	14,083	982,391
117,736	-	1,928,988
-	-	473,171
-	-	62,146
<u>117,736</u>	<u>14,083</u>	<u>5,276,624</u>
<u>236,578</u>	<u>16,786</u>	<u>5,924,421</u>
<u>65,638</u>	<u>35,163</u>	<u>456,182</u>
<u>65,638</u>	<u>35,163</u>	<u>456,182</u>
17,546	984	108,074
5,201	2,747	29,462
-	-	2,390
-	-	7,075
776	468	3,683
-	-	9,717
-	-	-
-	-	-
<u>23,523</u>	<u>4,199</u>	<u>160,401</u>
6,981	4,211	33,144
-	-	930,200
-	-	190,166
<u>283,222</u>	<u>151,726</u>	<u>1,968,396</u>
<u>290,203</u>	<u>155,937</u>	<u>3,121,906</u>
<u>313,726</u>	<u>160,136</u>	<u>3,282,307</u>
<u>32,805</u>	<u>17,574</u>	<u>227,996</u>
<u>32,805</u>	<u>17,574</u>	<u>227,996</u>
117,736	14,083	5,076,741
(162,051)	(139,844)	(2,206,441)
<u>\$ (44,315)</u>	<u>\$ (125,761)</u>	<u>\$ 2,870,300</u>

City of Ukiah, California
Combining Statement of Revenues, expenses, and Changes in Net Position
Nonmajor Governmental Funds
Year Ended June 30, 2017

	ENTERPRISE FUNDS			
	Parking District #1	Golf Fund	Conference Center Fund	Airport
OPERATING REVENUE				
Charges for service	\$ -	\$ -	\$ 303,505	\$ 855
Expansion fees	-	-	-	-
Commodity sales	-	-	-	735,068
Rents	70,748	-	-	321,216
Concessions	-	-	56,856	-
Fines and penalties	59,188	-	-	-
Other operating income	1	34,638	21,105	2,987
Total operating revenue	<u>129,937</u>	<u>34,638</u>	<u>381,466</u>	<u>1,060,126</u>
OPERATING EXPENSES				
Power purchases	-	-	-	-
Maintenance and operations	149,092	93,223	878,004	1,692,629
General and administration	8,195	3,139	26,956	68,712
Fuel	-	-	-	-
Insurance claims and premiums	-	-	-	-
Depreciation	1,195	2,236	46,308	74,991
Total operating expenses	<u>158,482</u>	<u>98,598</u>	<u>951,268</u>	<u>1,836,332</u>
Operating income (loss)	<u>(28,545)</u>	<u>(63,960)</u>	<u>(569,802)</u>	<u>(776,206)</u>
NONOPERATING REVENUE (EXPENSES)				
Property taxes	13,146	-	-	-
Cap and trade and renewable energy	-	-	-	-
Grants and other intergovernmental	-	-	-	254,821
Gain (loss) on disposition of property	-	-	-	-
Interest income	(733)	48	259	311
Interest expense	-	-	-	-
Total nonoperating revenue (expense)	<u>12,413</u>	<u>48</u>	<u>259</u>	<u>255,132</u>
Income (loss) before capital contributions and operations transfers	<u>(16,132)</u>	<u>(63,912)</u>	<u>(569,543)</u>	<u>(521,074)</u>
Capital contributions	-	-	-	-
Contributions from other agencies	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Change in net position	<u>(16,132)</u>	<u>(63,912)</u>	<u>(569,543)</u>	<u>(521,074)</u>
Beginning net position	<u>278,993</u>	<u>126,833</u>	<u>1,638,250</u>	<u>2,166,961</u>
Ending net position	<u>\$ 262,861</u>	<u>\$ 62,921</u>	<u>\$ 1,068,707</u>	<u>\$ 1,645,887</u>

ENTERPRISE FUNDS			
Street Lighting Fund	Recycled Water Fund		Total Enterprise
\$ 184,310	\$ -		\$ 488,670
-	-		-
-	-		735,068
-	-		391,964
-	-		56,856
-	-		59,188
-	-		58,731
<u>184,310</u>	<u>-</u>		<u>1,790,477</u>
-	-		-
558,252	212,155		3,583,355
21,081	-		128,083
-	-		-
-	-		-
-	-		124,730
<u>579,333</u>	<u>212,155</u>		<u>3,836,168</u>
<u>(395,023)</u>	<u>(212,155)</u>		<u>(2,045,691)</u>
-	-		13,146
-	-		-
-	-		254,821
-	-		-
403	(285)		3
-	-		-
<u>403</u>	<u>(285)</u>		<u>267,970</u>
(394,620)	(212,440)		(1,777,721)
-	-		-
-	-		-
67,100	86,679		153,779
-	-		-
(327,520)	(125,761)		(1,623,942)
<u>283,205</u>	<u>-</u>		<u>4,494,242</u>
<u>\$ (44,315)</u>	<u>\$ (125,761)</u>		<u>\$ 2,870,300</u>

City of Ukiah, California
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2017

	ENTERPRISE FUNDS			
	Parking District # 1	Golf Fund	Conference Center Fund	Airport
OPERATING ACTIVITIES				
Received from customers	\$ 134,604	\$ 41,269	\$ 377,352	\$ 903,055
Received from interfund services provided	-	-	-	-
Payment for interfund services provided	(8,195)	(3,139)	(26,956)	(68,712)
Payments to suppliers of goods and services	(150,995)	(7,434)	(160,445)	(514,865)
Payments to City of Ukiah team members for services	-	(28,190)	(176,694)	(359,976)
Net cash provided (used)	(24,586)	2,506	13,257	(40,498)
NONCAPITAL & RELATED FINANCING ACTIVITIES				
Interfund amounts received	-	-	-	-
Interfund amounts paid	-	(6,250)	-	-
Cap and trade received	-	-	-	-
Renewable energy credits received	-	-	-	-
Property tax and assessments	13,146	-	-	-
Net cash provided (used)	13,146	(6,250)	-	-
CAPITAL & RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(9,833)	-	-	(277,426)
Proceeds from notes receivable	-	4,000	-	-
Proceeds from issuance of capital debt	-	-	-	199,883
Contributions received for capital purposes	-	-	-	-
Capital grants	-	-	-	254,821
Net cash provided (used)	(9,833)	4,000	-	177,278
INVESTING ACTIVITIES				
Loans made	-	-	-	-
Amounts paid to NCPA reserves	-	-	-	-
Amounts received from NCPA reserves	-	-	-	-
Investment income received	(733)	48	259	311
Net cash provided (used)	(733)	48	259	311
Net increase (decrease) in cash and cash equivalents	(22,006)	304	13,516	137,091
Cash and cash equivalents - beginning	28,065	-	11,978	109,285
Cash and cash equivalents - end of year	\$ 6,059	\$ 304	\$ 25,494	\$ 246,376
Presentation in Statement of Net Position:				
Cash and investments	\$ 6,059	\$ 304	\$ 25,494	\$ 246,376
Restricted cash and investments	-	-	-	-
Cash held in reserve with NCPA	-	-	-	-
Total cash and investments	\$ 6,059	\$ 304	\$ 25,494	\$ 246,376
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating Income (Loss)	\$ (28,545)	\$ (63,960)	\$ (569,802)	\$ (776,206)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation and amortization, a noncash expense	1,195	2,236	46,308	74,991
(Increase) decrease in accounts receivable	4,667	6,631	(4,114)	(157,671)
(Increase) decrease in inventory and prepaids	-	-	-	-
(Increase) decrease in deferred outflows - pensions	-	(15,003)	(141,590)	(198,788)
Increase (decrease) in accounts payable	(1,903)	177	(278)	58,388
Increase (decrease) in accrued payroll liabilities	-	222	1,188	1,299
Increase (decrease) in landfill closure/postclosure liability	-	-	-	-
Increase (decrease) in deferred inflows - pensions	-	7,498	70,766	99,353
Increase (decrease) in net pension liability	-	64,737	610,951	857,760
Increase (decrease) in customer deposits	-	-	-	600
Increase (decrease) in compensated absences	-	(32)	(172)	(224)
Increase (decrease) in intergovernmental payable	-	-	-	-
Net cash provided (used)	\$ (24,586)	\$ 2,506	\$ 13,257	\$ (40,498)

ENTERPRISE FUNDS		
Street Lighting Fund	Recycled Water Fund	Total Enterprise
\$ 186,955	\$ -	\$ 1,643,235
-	-	-
(18,836)	-	(125,838)
(163,814)	(4,799)	(1,002,352)
(144,975)	(64,809)	(774,644)
<u>(140,670)</u>	<u>(69,608)</u>	<u>(259,599)</u>
67,100	86,679	153,779
-	-	(6,250)
-	-	-
-	-	-
-	-	13,146
<u>67,100</u>	<u>86,679</u>	<u>160,675</u>
(8,488)	(14,083)	(309,830)
-	-	4,000
-	-	199,883
-	-	-
-	-	254,821
<u>(8,488)</u>	<u>(14,083)</u>	<u>148,874</u>
-	-	-
-	-	-
-	-	-
403	(285)	3
<u>403</u>	<u>(285)</u>	<u>3</u>
(81,655)	2,703	49,953
183,617	-	332,945
<u>\$ 101,962</u>	<u>\$ 2,703</u>	<u>\$ 382,898</u>
\$ 101,962	\$ 2,703	\$ 382,898
-	-	-
<u>\$ 101,962</u>	<u>\$ 2,703</u>	<u>\$ 382,898</u>
\$ (395,023)	\$ (212,155)	\$ (2,045,691)
-	-	124,730
2,645	-	(147,842)
-	-	-
(65,638)	(35,163)	(456,182)
49	984	57,417
1,181	2,747	6,637
-	-	-
32,805	17,574	227,996
283,222	151,726	1,968,396
-	-	600
89	4,679	4,340
-	-	-
<u>\$ (140,670)</u>	<u>\$ (69,608)</u>	<u>\$ (259,599)</u>

COMBINING INTERNAL SERVICE FUNDS

Liability Fund	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 Fund	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.
Worker's Comp Fund	The Worker's Compensation Fund is used to account for premiums paid for worker's compensation benefits as required by the State of California.
Garage Fund	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 Fund	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 Fund	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 Fund	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.
IT Fund	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, 2017

	BUSINESS-TYPE ACTIVITIES		
	Liability Fund	Billing And Collection Fund	Total Business- Type Internal Service Funds
ASSETS			
Current assets:			
Cash and investments	\$ 353,301	\$ 828,878	\$ 1,182,179
Restricted cash and investments	-	-	-
Receivables (net allowance for uncollectables)	-	-	-
Interest receivable	-	-	-
Cash held in reserve with NCPA	-	-	-
Inventory and prepaids	-	-	-
Due from other funds	-	-	-
Advances to other funds	745,000	-	745,000
Total current assets	<u>1,098,301</u>	<u>828,878</u>	<u>1,927,179</u>
Noncurrent assets:			
Capital assets not being depreciated:			
Land	-	-	-
Construction in progress	-	-	-
Capital assets, net of accumulated depreciation:			
Buildings and improvements	-	-	-
Machinery, equipment, and vehicles	-	3,121	3,121
Infrastructure and network	-	-	-
Total noncurrent assets	<u>-</u>	<u>3,121</u>	<u>3,121</u>
Total Assets	<u>1,098,301</u>	<u>831,999</u>	<u>1,930,300</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	-	15,975	15,975
Accrued payroll liabilities	-	27,997	27,997
Interest payable	-	-	-
Deposits payable	-	-	-
Compensated absences, current	-	1,863	1,863
Due within one year	-	-	-
Due to other funds	-	-	-
Intergovernmental payable	-	-	-
Total current liabilities	<u>-</u>	<u>45,835</u>	<u>45,835</u>
Noncurrent liabilities:			
Compensated absences, noncurrent	-	16,767	16,767
Advances from other funds	-	-	-
Due in more than one year	-	-	-
Net pension liability	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>16,767</u>	<u>16,767</u>
Total liabilities	<u>-</u>	<u>62,602</u>	<u>62,602</u>
NET POSITION			
Net investment in capital assets	-	3,121	3,121
Unrestricted	1,098,301	766,276	1,864,577
Total Net Position	<u>\$ 1,098,301</u>	<u>\$ 769,397</u>	<u>\$ 1,867,698</u>

City of Ukiah, California
Combining Statement of Net Position
Internal Service Funds
June 30, 2017

	GOVERNMENT-TYPE ACTIVITIES			
	Worker's Comp Fund	Garage Fund	Purchasing Fund	Public Safety Dispatch Fund
ASSETS				
Current assets:				
Cash and investments	\$ 931,469	\$ 81,565	\$ 56,491	\$ 29,199
Restricted cash and investments	-	-	-	-
Receivables (net allowance for uncollectables)	-	14,380	-	-
Interest receivable	30,563	-	-	-
Cash held in reserve with NCPA	-	-	-	-
Inventory and prepaids	-	760	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Total current assets	<u>962,032</u>	<u>96,705</u>	<u>56,491</u>	<u>29,199</u>
Noncurrent assets:				
Capital assets not being depreciated:				
Land	-	-	-	-
Construction in progress	-	-	-	-
Capital assets, net of accumulated depreciation:				
Buildings and improvements	-	160,286	-	-
Machinery, equipment, and vehicles	-	36,231	-	46,200
Infrastructure and network	-	-	-	-
Total noncurrent assets	<u>-</u>	<u>196,517</u>	<u>-</u>	<u>46,200</u>
Total Assets	<u>962,032</u>	<u>293,222</u>	<u>56,491</u>	<u>75,399</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	-	6,513	1,715	2,288
Accrued payroll liabilities	-	14,526	8,557	34,690
Interest payable	-	-	-	-
Deposits payable	-	-	-	-
Compensated absences, current	-	2,264	1,501	3,825
Due within one year	-	-	-	-
Due to other funds	-	14,777	-	-
Intergovernmental payable	-	-	-	-
Total current liabilities	<u>-</u>	<u>38,080</u>	<u>11,773</u>	<u>40,803</u>
Noncurrent liabilities:				
Compensated absences, noncurrent	-	20,380	13,510	34,425
Advances from other funds	-	-	-	-
Due in more than one year	-	-	-	-
Net pension liability	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>20,380</u>	<u>13,510</u>	<u>34,425</u>
Total liabilities	<u>-</u>	<u>58,460</u>	<u>25,283</u>	<u>75,228</u>
NET POSITION				
Net investment in capital assets	-	196,517	-	46,200
Unrestricted	962,032	38,245	31,208	(46,029)
Total Net Position	<u>\$ 962,032</u>	<u>\$ 234,762</u>	<u>\$ 31,208</u>	<u>\$ 171</u>

City of Ukiah, California
 Combining Statement of Net Position
 Internal Service Funds
 June 30, 2017

GOVERNMENT-TYPE ACTIVITIES			
Building & Maintenance Fund	IT Fund	Total Government-Type Internal Service Funds	Total Internal Service Funds
\$ 132,175	\$ 201,593	\$ 1,432,492	\$ 2,614,671
-	-	-	-
-	-	14,380	14,380
-	-	30,563	30,563
-	-	-	-
-	-	760	760
-	-	-	-
-	-	-	745,000
<u>132,175</u>	<u>201,593</u>	<u>1,478,195</u>	<u>3,405,374</u>
-	-	-	-
-	-	-	-
-	-	160,286	160,286
-	-	82,431	85,552
-	-	-	-
-	-	<u>242,717</u>	<u>245,838</u>
<u>132,175</u>	<u>201,593</u>	<u>1,720,912</u>	<u>3,651,212</u>
-	-	-	-
55,317	109,698	175,531	191,506
12,168	13,929	83,870	111,867
-	-	-	-
-	-	-	-
1,844	178	9,612	11,475
-	-	-	-
-	-	14,777	14,777
-	-	-	-
<u>69,329</u>	<u>123,805</u>	<u>283,790</u>	<u>329,625</u>
16,595	1,604	86,514	103,281
-	-	-	-
-	-	-	-
-	-	-	-
<u>16,595</u>	<u>1,604</u>	<u>86,514</u>	<u>103,281</u>
<u>85,924</u>	<u>125,409</u>	<u>370,304</u>	<u>432,906</u>
-	-	242,717	245,838
46,251	76,184	1,107,891	2,972,468
<u>\$ 46,251</u>	<u>\$ 76,184</u>	<u>\$ 1,350,608</u>	<u>\$ 3,218,306</u>

City of Ukiah, California
Combining Statement of Revenues, expenses, and Changes in Net Position
Internal Service Funds
Year Ended June 30, 2017

	BUSINESS-TYPE ACTIVITIES		
	Liability Fund	Billing And Collection Fund	Total Business- Type Internal Service Funds
OPERATING REVENUE			
Charges for service	\$ 349,074	\$ 926,316	\$ 1,275,390
Expansion fees	-	-	-
Commodity sales	-	-	-
Rents	-	-	-
Concessions	-	-	-
Fines and penalties	-	141,970	141,970
Other operating income	-	-	-
Total operating revenue	<u>349,074</u>	<u>1,068,286</u>	<u>1,417,360</u>
OPERATING EXPENSES			
Power purchases	-	-	-
Maintenance and operations	-	1,054,882	1,054,882
General and administration	-	-	-
Fuel	-	-	-
Insurance claims and premiums	598,137	-	598,137
Depreciation	-	3,922	3,922
Total operating expenses	<u>598,137</u>	<u>1,058,804</u>	<u>1,656,941</u>
Operating income (loss)	<u>(249,063)</u>	<u>9,482</u>	<u>(239,581)</u>
NONOPERATING REVENUE (EXPENSES)			
Property taxes	-	-	-
Cap and trade and renewable energy	-	-	-
Grants and other intergovernmental	-	-	-
Gain (loss) on disposition of property	-	-	-
Interest income	-	92	92
Interest expense	-	-	-
Total nonoperating revenue (expense)	<u>-</u>	<u>92</u>	<u>92</u>
Income (loss) before capital contributions and operations transfers	(249,063)	9,574	(239,489)
Capital contributions	-	-	-
Contributions from other agencies	-	-	-
Transfers in	-	130,458	130,458
Transfers (out)	-	-	-
Change in net position	(249,063)	140,032	(109,031)
Beginning net position	<u>1,347,364</u>	<u>629,365</u>	<u>1,976,729</u>
Ending net position	<u>\$ 1,098,301</u>	<u>\$ 769,397</u>	<u>\$ 1,867,698</u>

City of Ukiah, California
Combining Statement of Revenues, expenses, and Changes in Net Position
Internal Service Funds
Year Ended June 30, 2017

	GOVERNMENT-TYPE ACTIVITIES			
	Worker's Comp Fund	Garage Fund	Purchasing Fund	Public Safety Dispatch Fund
OPERATING REVENUE				
Charges for service	\$ 897,744	\$ 440,520	\$ 300,817	\$ 1,142,366
Expansion fees	-	-	-	-
Commodity sales	-	-	-	-
Rents	-	-	-	-
Concessions	-	-	-	-
Fines and penalties	-	-	-	-
Other operating income	-	3,525	827	-
Total operating revenue	<u>897,744</u>	<u>444,045</u>	<u>301,644</u>	<u>1,142,366</u>
OPERATING EXPENSES				
Power purchases	-	-	-	-
Maintenance and operations	-	447,017	300,577	1,131,576
General and administration	-	-	-	-
Fuel	-	-	-	-
Insurance premiums	856,743	-	-	-
Depreciation	-	11,531	-	22,871
Total operating expenses	<u>856,743</u>	<u>458,548</u>	<u>300,577</u>	<u>1,154,447</u>
Operating income (loss)	<u>41,001</u>	<u>(14,503)</u>	<u>1,067</u>	<u>(12,081)</u>
NONOPERATING REVENUE (EXPENSES)				
Property taxes	-	-	-	-
Cap and trade and renewable energy	-	-	-	-
Grants and other intergovernmental	-	-	-	-
Gain (loss) on disposition of property	-	-	-	-
Interest income	-	(1,838)	(966)	(3,536)
Interest expense	-	-	-	-
Total nonoperating revenue (expense)	<u>-</u>	<u>(1,838)</u>	<u>(966)</u>	<u>(3,536)</u>
Income (loss) before capital contributions and operations transfers	41,001	(16,341)	101	(15,617)
Capital contributions	-	-	-	-
Contributions from other agencies	-	-	-	-
Transfers in	-	-	-	5,630
Transfers (out)	-	-	-	-
Change in net position	41,001	(16,341)	101	(9,987)
Beginning net position	<u>921,031</u>	<u>251,104</u>	<u>31,107</u>	<u>10,158</u>
Ending net position	<u>\$ 962,032</u>	<u>\$ 234,763</u>	<u>\$ 31,208</u>	<u>\$ 171</u>

City of Ukiah, California
 Combining Statement of Revenues, expenses, and Changes in Net Position
 Internal Service Funds
 Year Ended June 30, 2017

GOVERNMENT-TYPE ACTIVITIES			
Building & Maintenance Fund	IT Fund	Total Government-Type Internal Service Funds	Total Internal Service Funds
\$ 730,764	\$ 963,257	\$ 4,475,468	\$ 5,750,858
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	141,970
-	-	4,352	4,352
<u>730,764</u>	<u>963,257</u>	<u>4,479,820</u>	<u>5,897,180</u>
-	-	-	-
723,716	958,367	3,561,253	4,616,135
-	-	-	-
-	-	856,743	1,454,880
-	-	34,402	38,324
<u>723,716</u>	<u>958,367</u>	<u>4,452,398</u>	<u>6,109,339</u>
<u>7,048</u>	<u>4,890</u>	<u>27,422</u>	<u>(212,159)</u>
-	-	-	-
-	-	-	-
-	-	-	-
(1,981)	(3,423)	(11,744)	(11,652)
<u>(1,981)</u>	<u>(3,423)</u>	<u>(11,744)</u>	<u>(11,652)</u>
5,067	1,467	15,678	(223,811)
-	-	-	-
-	-	-	-
-	104,317	109,947	240,405
-	(32,325)	(32,325)	(32,325)
5,067	73,459	93,300	(15,731)
<u>41,183</u>	<u>2,725</u>	<u>1,257,308</u>	<u>3,234,037</u>
<u>\$ 46,250</u>	<u>\$ 76,184</u>	<u>\$ 1,350,608</u>	<u>\$ 3,218,306</u>

City of Ukiah, California
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2017

BUSINESS-TYPE ACTIVITIES			
	Liability Fund	Billing And Collection Fund	Total Business- Type Internal Service Funds
OPERATING ACTIVITIES			
Received from customers	\$ -	\$ 141,635	\$ 141,635
Received from interfund services provided	349,074	928,116	1,277,190
Payment for interfund services provided	-	(67,078)	(67,078)
Payments to suppliers of goods and services	(598,137)	(198,548)	(796,685)
Payments to City of Ukiah team members for services	-	(776,225)	(776,225)
Net cash provided (used)	<u>(249,063)</u>	<u>27,900</u>	<u>(221,163)</u>
NONCAPITAL & RELATED FINANCING ACTIVITIES			
Interfund amounts received	-	130,458	130,458
Interfund amounts paid	-	-	-
Cap and trade received	-	-	-
Renewable energy credits received	-	-	-
Property tax and assessments	-	-	-
Net cash provided (used)	<u>-</u>	<u>130,458</u>	<u>130,458</u>
CAPITAL & RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	-	-	-
Proceeds from notes receivable	-	-	-
Proceeds from issuance of capital debt	-	-	-
Contributions received for capital purposes	-	-	-
Capital grants	-	-	-
Principal paid on capital debt	-	-	-
Interest paid on capital debt	-	-	-
Issuance costs paid on capital debt	-	-	-
Proceeds from sales of property	-	-	-
Net cash provided (used)	<u>-</u>	<u>-</u>	<u>-</u>
INVESTING ACTIVITIES			
Loans made	185,203	-	185,203
Amounts paid to NCPA reserves	-	-	-
Amounts received from NCPA reserves	-	-	-
Investment income received	-	92	92
Net cash provided (used)	<u>185,203</u>	<u>92</u>	<u>185,295</u>
Net increase (decrease) in cash and cash equivalents	(63,860)	158,450	94,590
Cash and cash equivalents - beginning	417,161	670,428	1,087,589
Cash and cash equivalents - end of year	<u>\$ 353,301</u>	<u>\$ 828,878</u>	<u>\$ 1,182,179</u>
Presentation in Statement of Net Position:			
Cash and investments	\$ 353,301	\$ 828,878	\$ 1,182,179
Restricted cash and investments	-	-	-
Cash held in reserve with NCPA	-	-	-
Total cash and investments	<u>\$ 353,301</u>	<u>\$ 828,878</u>	<u>\$ 1,182,179</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating Income (Loss)	\$ (249,063)	\$ 9,482	\$ (239,581)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and amortization, a noncash expense	-	3,921	3,921
(Increase) decrease in accounts receivable	-	1,465	1,465
(Increase) decrease in inventory and prepaids	-	-	-
(Increase) decrease in deferred outflows - pensions	-	-	-
Increase (decrease) in accounts payable	-	12,274	12,274
Increase (decrease) in accrued payroll liabilities	-	4,291	4,291
Increase (decrease) in landfill closure/postclosure liability	-	-	-
Increase (decrease) in deferred inflows - pensions	-	-	-
Increase (decrease) in net pension liability	-	-	-
Increase (decrease) in customer deposits	-	-	-
Increase (decrease) in compensated absences	-	(3,533)	(3,533)
Increase (decrease) in intergovernmental payable	-	-	-
Net cash provided (used)	<u>\$ (249,063)</u>	<u>\$ 27,900</u>	<u>\$ (221,163)</u>

City of Ukiah, California
 Combining Statement of Cash Flows
 Internal Service Funds
 Year Ended June 30, 2017

	GOVERNMENT-TYPE ACTIVITIES			
	Worker's Comp Fund	Garage Fund	Purchasing Fund	Public Safety Dispatch Fund
OPERATING ACTIVITIES				
Received from customers	\$ -	\$ (5,190)	\$ 211	\$ 325,276
Received from interfund services provided	897,744	444,045	301,433	817,090
Payment for interfund services provided	-	(27,640)	(13,796)	(30,657)
Payments to suppliers of goods and services	(866,078)	(68,798)	(56,249)	(129,073)
Payments to City of Ukiah team members for services	-	(349,935)	(230,714)	(1,032,103)
Net cash provided (used)	<u>31,666</u>	<u>(7,518)</u>	<u>885</u>	<u>(49,467)</u>
NONCAPITAL & RELATED FINANCING ACTIVITIES				
Interfund amounts received	-	14,777	-	5,630
Interfund amounts paid	-	-	-	-
Cap and trade received	-	-	-	-
Renewable energy credits received	-	-	-	-
Property tax and assessments	-	-	-	-
Net cash provided (used)	<u>-</u>	<u>14,777</u>	<u>-</u>	<u>5,630</u>
CAPITAL & RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	-	-	-	-
Proceeds from notes receivable	-	-	-	-
Proceeds from issuance of capital debt	-	-	-	-
Contributions received for capital purposes	-	-	-	-
Capital grants	-	-	-	-
Principal paid on capital debt	-	-	-	-
Interest paid on capital debt	-	-	-	-
Issuance costs paid on capital debt	-	-	-	-
Proceeds from sales of property	-	-	-	-
Net cash provided (used)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
INVESTING ACTIVITIES				
Loans made	-	-	-	-
Amounts paid to NCPA reserves	-	-	-	-
Amounts received from NCPA reserves	-	-	-	-
Investment income received	-	(1,532)	(864)	(3,419)
Net cash provided (used)	<u>-</u>	<u>(1,532)</u>	<u>(864)</u>	<u>(3,419)</u>
Net increase (decrease) in cash and cash equivalents	31,666	5,727	21	(47,256)
Cash and cash equivalents - beginning	899,803	75,839	56,470	76,455
Cash and cash equivalents - end of year	<u>\$ 931,469</u>	<u>\$ 81,566</u>	<u>\$ 56,491</u>	<u>\$ 29,199</u>
Presentation in Statement of Net Position:				
Cash and investments	\$ 931,469	\$ 81,565	\$ 56,491	\$ 29,199
Restricted cash and investments	-	-	-	-
Cash held in reserve with NCPA	-	-	-	-
Total cash and investments	<u>\$ 931,469</u>	<u>\$ 81,565</u>	<u>\$ 56,491</u>	<u>\$ 29,199</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating Income (Loss)	\$ 41,001	\$ (14,503)	\$ 1,067	\$ (12,081)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation and amortization, a noncash expense	-	11,531	-	22,871
(Increase) decrease in accounts receivable	-	(5,190)	-	-
(Increase) decrease in inventory and prepaids	-	-	-	-
(Increase) decrease in deferred outflows - pensions	-	-	-	-
Increase (decrease) in accounts payable	(9,335)	16	(1,959)	(49,517)
Increase (decrease) in accrued payroll liabilities	-	3,990	2,845	475
Increase (decrease) in landfill closure/postclosure liability	-	-	-	-
Increase (decrease) in deferred inflows - pensions	-	-	-	-
Increase (decrease) in net pension liability	-	-	-	-
Increase (decrease) in customer deposits	-	-	-	-
Increase (decrease) in compensated absences	-	(3,362)	(1,068)	(11,215)
Increase (decrease) in intergovernmental payable	-	-	-	-
Net cash provided (used)	<u>\$ 31,666</u>	<u>\$ (7,518)</u>	<u>\$ 885</u>	<u>\$ (49,467)</u>

City of Ukiah, California
 Combining Statement of Cash Flows
 Internal Service Funds
 Year Ended June 30, 2017

GOVERNMENT-TYPE ACTIVITIES			
Building & Maintenance Fund	IT Fund	Total Government-Type Internal Service Funds	Total Internal Service Funds
\$ -	\$ 3,758	\$ 324,055	\$ 465,690
730,764	959,499	4,150,575	5,427,765
(45,010)	-	(117,103)	(184,181)
(269,508)	(490,072)	(1,879,778)	(2,676,463)
(371,789)	(376,390)	(2,360,931)	(3,137,156)
<u>44,457</u>	<u>96,795</u>	<u>116,818</u>	<u>(104,345)</u>
-	104,317	124,724	255,182
-	(32,325)	(32,325)	(32,325)
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>71,992</u>	<u>92,399</u>	<u>222,857</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	185,203
-	-	-	-
(1,905)	(3,423)	(11,143)	(11,051)
<u>(1,905)</u>	<u>(3,423)</u>	<u>(11,143)</u>	<u>174,152</u>
42,552	165,364	198,074	292,664
89,622	36,229	1,234,418	2,322,007
<u>\$ 132,174</u>	<u>\$ 201,593</u>	<u>\$ 1,432,492</u>	<u>\$ 2,614,671</u>
\$ 132,175	\$ 201,593	\$ 1,432,492	\$ 2,614,671
-	-	-	-
<u>\$ 132,175</u>	<u>\$ 201,593</u>	<u>\$ 1,432,492</u>	<u>\$ 2,614,671</u>
\$ 7,048	\$ 4,890	\$ 27,422	\$ (212,159)
-	-	34,402	38,323
-	-	(5,190)	(3,725)
-	-	-	-
-	(2)	(2)	(2)
38,736	89,887	67,828	80,102
(144)	3,151	10,317	14,608
-	-	-	-
-	-	-	-
-	-	-	-
(1,183)	(1,131)	(17,959)	(21,492)
<u>\$ 44,457</u>	<u>\$ 96,795</u>	<u>\$ 116,818</u>	<u>\$ (104,345)</u>

COMBINING FIDUCIARY FUNDS

AGENCY FUNDS

Payroll Posting Fund

Resources held on a limited basis to act as a clearing fund for City payroll.

Special Deposit Agency 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 on behalf of the City's contracted solid waste hauler 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 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.

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.

City of Ukiah, California
 Combining Fiduciary Assets and Liabilities
 Agency Funds
 June 30, 2017

	Payroll Posting Fund	Special Deposit Trust Fund	General Service (Accts Recv)	Garbage Billing & Coll. Fund
ASSETS				
Cash and investments	117,409	899,041	3,856	572,531
Restricted cash and investments	-	-	-	-
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts	-	16,653	14,274	20,363
Interest	-	-	-	1,363
Total Assets	<u>117,409</u>	<u>915,694</u>	<u>18,130</u>	<u>594,257</u>
LIABILITIES				
Accounts payable	-	26,496	18,129	23,870
Accrued payroll liabilities	117,411	-	-	-
Interest payable	-	-	-	-
Deposits payable	-	872,545	-	-
Due within one year	-	-	-	-
Due to other agencies	(2)	16,653	1	570,387
Total liabilities	<u>117,409</u>	<u>915,694</u>	<u>18,130</u>	<u>594,257</u>

<u>Russian River Watershed Assoc</u>	<u>Ukiah Valley Sanitation District</u>	<u>Ukiah Valley Fire District</u>	<u>Total</u>
122,654	5,051,136	758,076	7,524,703
-	-	-	-
-	-	357,930	357,930
-	702,067	4,552	757,909
374	18,922	1,018	21,677
<u>123,028</u>	<u>5,772,125</u>	<u>1,121,576</u>	<u>8,662,219</u>
161,105	-	11,944	241,544
-	-	113,865	231,276
-	-	9,928	9,928
-	-	-	872,545
-	-	66,276	66,276
(38,077)	5,772,125	919,563	7,240,650
<u>123,028</u>	<u>5,772,125</u>	<u>1,121,576</u>	<u>8,662,219</u>

City of Ukiah, California
 Combining Fiduciary Changes in Assets and Liabilities
 Agency Funds
 Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Payroll Posting Fund				
ASSETS				
Cash and investments	\$ 117,137	\$ 11,107,646	\$ 11,107,374	\$ 117,409
Restricted cash and investments	-	-	-	-
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts	96	244,653	244,760	-
Interest	-	-	-	-
Total Assets	<u>\$ 117,233</u>	<u>\$ 11,352,299</u>	<u>\$ 11,352,135</u>	<u>\$ 117,409</u>
LIABILITIES				
Accounts payable	\$ -	-	-	\$ -
Accrued payroll liabilities	117,233	14,459,062	14,459,227	117,411
Interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	-	-	-	(2)
Total liabilities	<u>\$ 117,233</u>	<u>\$ 14,459,062</u>	<u>\$ 14,459,227</u>	<u>\$ 117,409</u>

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Special Deposit Trust Fund				
ASSETS				
Cash and investments	\$ 504,137	\$ 882,667	\$ 487,763	\$ 899,041
Restricted cash and investments	-	-	-	-
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts	1,244	52,024	36,615	16,653
Interest	-	-	-	-
Total Assets	<u>\$ 505,381</u>	<u>\$ 934,691</u>	<u>\$ 524,378</u>	<u>\$ 915,694</u>
LIABILITIES				
Accounts payable	\$ 25,491	285,662	286,667	\$ 26,496
Accrued payroll liabilities	-	-	-	-
Interest payable	-	-	-	-
Deposits payable	479,890	558,298	965,805	872,545
Due to other agencies	-	-	-	16,653
Total liabilities	<u>\$ 505,381</u>	<u>\$ 843,960</u>	<u>\$ 1,252,472</u>	<u>\$ 915,694</u>

City of Ukiah, California
Combining Fiduciary Changes in Assets and Liabilities
Agency Funds
Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Garbage Billing & Coll. Fund				
ASSETS				
Cash and investments	\$ 610,559	\$ 961,182	\$ 999,211	\$ 572,531
Restricted cash and investments	-	-	-	-
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts	20,411	53,460	53,509	20,363
Interest	1,305	1,363	1,305	1,363
Total Assets	<u>\$ 632,275</u>	<u>\$ 1,016,005</u>	<u>\$ 1,054,025</u>	<u>\$ 594,257</u>
LIABILITIES				
Accounts payable	\$ 52,496	336,737	308,111	\$ 23,870
Accrued payroll liabilities	-	-	-	-
Interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	579,779	-	-	570,387
Total liabilities	<u>\$ 632,275</u>	<u>\$ 336,737</u>	<u>\$ 308,111</u>	<u>\$ 594,257</u>

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Russian River Watershed Assoc				
ASSETS				
Cash and investments	\$ 173,927	\$ 512,001	\$ 563,274	\$ 122,654
Restricted cash and investments	-	-	-	-
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts	-	-	-	-
Interest	419	374	419	374
Total Assets	<u>\$ 174,346</u>	<u>\$ 512,375</u>	<u>\$ 563,693</u>	<u>\$ 123,028</u>
LIABILITIES				
Accounts payable	\$ 88,974	561,167	633,298	\$ 161,105
Accrued payroll liabilities	-	-	-	-
Interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	85,372	-	-	(38,077)
Total liabilities	<u>\$ 174,346</u>	<u>\$ 561,167</u>	<u>\$ 633,298</u>	<u>\$ 123,028</u>

City of Ukiah, California
Combining Fiduciary Changes in Assets and Liabilities
Agency Funds
Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Ukiah Valley Sanitation District				
ASSETS				
Cash and investments	\$ 4,544,482	\$ 5,731,232	\$ 5,224,577	\$ 5,051,136
Restricted cash and investments	-	-	-	-
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts	664,006	3,623,778	3,585,716	702,067
Interest	15,217	18,922	15,217	18,922
Total Assets	<u>\$ 5,223,705</u>	<u>\$ 9,373,932</u>	<u>\$ 8,825,510</u>	<u>\$ 5,772,125</u>
LIABILITIES				
Accounts payable	\$ 941	34,153	33,212	\$ -
Accrued payroll liabilities	-	-	-	-
Interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	5,222,764	-	-	5,772,125
Total liabilities	<u>\$ 5,223,705</u>	<u>\$ 34,153</u>	<u>\$ 33,212</u>	<u>\$ 5,772,125</u>

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Ukiah Valley Fire District				
ASSETS				
Cash and investments	\$ -	\$ 1,336,556	\$ 578,480	\$ 758,076
Restricted cash and investments	-	-	-	-
Cash with fiscal agent	-	1,940,208	1,582,278	357,930
Receivables:				
Accounts	-	11,231	6,678	4,552
Interest	-	1,018	-	1,018
Total Assets	<u>\$ -</u>	<u>\$ 3,289,013</u>	<u>\$ 2,167,436</u>	<u>\$ 1,121,576</u>
LIABILITIES				
Accounts payable	\$ -	250,616	262,560	\$ 11,944
Accrued payroll liabilities	-	53,624	60,240	113,865
Interest payable	-	-	9,928	9,928
Deposits payable	-	-	-	-
Due to other agencies	-	-	-	919,563
Total liabilities	<u>\$ -</u>	<u>\$ 376,117</u>	<u>\$ 470,881</u>	<u>\$ 1,121,576</u>

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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	209
Changes in Net Position.....	210
Fund Balances, Governmental Funds	212
Changes in Fund Balances, Governmental Funds.....	213

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.....	214
Electric Utility Rates.....	215
Wastewater Utility Rates.....	216
Water Utility Rates	217
Top Ten Electric Usage Customers	218

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	219
Ratio of General Bonded Outstanding Debt.....	220

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..... 224

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 225
Functional Indicators 226
Capital Asset Statistics 227

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, 2017

(Accrual basis of accounting)

As of June 30,	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities										
Net investment in capital assets	\$ 21,427,557	\$ 22,328,676	\$ 31,547,564	\$ 17,407,569	\$ 26,649,167	\$ 27,304,019	\$ 27,139,213	\$ 27,624,813	\$ 29,088,528	\$ 33,668,910
Restricted	7,078,491	7,107,257	7,574,594	17,276,255	3,086,157	3,025,432	6,021,075	12,931,066	12,263,161	11,698,264
Unrestricted	19,470,248	22,069,011	7,547,784	14,030,594	17,420,652	15,461,713	12,110,479	(20,291,488)	(20,646,894)	(17,337,366)
Total governmental activities net posi	\$ 47,976,296	\$ 51,504,944	\$ 46,669,942	\$ 48,714,418	\$ 47,155,976	\$ 45,791,164	\$ 45,270,767	\$ 20,264,391	\$ 20,704,795	\$ 28,029,808
Business-type Activities										
Net investment in capital assets	\$ 28,606,388	\$ 22,508,736	\$ 33,203,171	\$ 40,266,700	\$ 48,101,086	\$ 44,514,348	\$ 46,693,900	\$ 50,088,246	\$ 54,756,782	\$ 46,328,983
Restricted	2,003,618	1,999,495	2,006,773	2,172,384	4,128,472	2,027,529	2,072,014	2,072,225	2,427,020	-
Unrestricted	40,386,700	46,697,741	40,762,605	33,817,844	28,366,417	32,460,639	31,604,793	26,648,008	24,215,129	31,286,562
Total business-type activities net pos	\$ 70,996,706	\$ 71,205,972	\$ 75,972,549	\$ 76,256,928	\$ 80,595,975	\$ 79,002,516	\$ 80,370,707	\$ 78,808,479	\$ 81,398,931	\$ 77,615,545
Primary government										
Net investment in capital assets	\$ 50,033,945	\$ 44,837,412	\$ 64,750,735	\$ 57,674,269	\$ 74,750,253	\$ 71,818,367	\$ 73,833,113	\$ 77,713,059	\$ 83,845,310	\$ 79,997,893
Restricted	9,082,109	9,106,752	9,581,367	19,448,639	7,214,629	5,052,961	8,093,089	15,003,291	14,690,181	11,698,264
Unrestricted	59,856,948	68,766,752	48,310,389	47,848,438	45,787,069	47,922,352	43,715,272	6,356,520	3,568,235	13,949,197
Total primary government	\$ 118,973,002	\$ 122,710,916	\$ 122,642,491	\$ 124,971,346	\$ 127,751,951	\$ 124,793,680	\$ 125,641,474	\$ 99,072,870	\$ 102,103,726	\$ 105,645,354

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, 2017
 (Accrual basis of accounting)

For Fiscal Year Ended June 30	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities:										
General government	\$ 3,411,371	\$ 2,908,643	\$ 2,837,619	\$ 2,479,770	\$ 2,570,568	\$ 2,956,583	\$ 3,715,968	\$ 772,771	\$ 142,792	\$ 141,713
Public safety	8,640,259	9,233,988	9,181,714	9,595,075	9,827,504	10,514,943	9,867,900	10,563,479	11,081,325	8,887,246
Public works	3,273,011	2,002,957	1,577,833	3,097,652	2,206,556	2,109,273	2,290,261	2,847,800	2,555,524	296,934
Housing and community development	2,037,947	2,525,679	10,308,280	3,598,630	1,223,579	1,254,265	832,020	348,477	891,644	171,523
Parks and recreation	2,066,409	2,392,889	1,985,137	2,466,386	2,262,816	2,481,572	2,540,689	2,829,367	2,757,551	39,796
Interest on long-term debt	365,021	333,081	317,152	451,141	420,132	-	-	-	-	-
Total governmental activities expenses	19,794,018	19,397,237	26,207,735	21,688,654	18,511,155	19,316,636	19,246,838	17,361,894	17,428,836	9,537,212
Business-Type Activities:										
Electric	14,065,295	16,739,318	14,900,706	12,859,394	13,980,276	14,483,083	14,554,884	16,140,229	15,779,225	17,408,177
Water	3,549,376	3,850,248	3,629,692	3,289,935	3,414,760	3,651,349	3,717,064	3,783,257	3,930,252	5,187,510
Wastewater	3,579,514	3,755,359	3,301,200	8,329,472	8,243,340	8,637,591	8,118,315	8,229,553	8,620,824	10,092,436
Disposal site	428,253	430,643	381,384	196,168	340,324	413,657	573,478	5,950,554	388,553	565,819
Nonmajor activities	3,052,273	2,920,083	2,636,680	2,756,727	2,980,963	2,648,970	2,196,295	2,287,340	2,029,634	2,816,055
Total business-type expenses	24,674,711	27,695,651	24,849,662	27,431,696	28,959,663	29,834,650	29,160,036	36,390,933	30,748,488	36,069,997
Total Expenses	\$ 44,468,729	\$ 47,092,888	\$ 51,057,397	\$ 49,120,350	\$ 47,470,818	\$ 49,151,286	\$ 48,406,874	\$ 53,752,827	\$ 48,177,324	\$ 45,607,209
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 1,690,431	\$ 1,410,045	\$ 1,642,298	\$ 1,843,825	\$ 1,630,601	\$ 1,005,296	\$ 1,255,815	\$ 288,049	\$ 258,262	\$ 333,458
Public safety	953,588	1,099,193	1,111,741	1,092,577	1,080,981	1,224,421	851,328	221,156	284,562	362,711
Public works	1,300,523	1,000,841	584,329	587,676	554,639	368,895	682,559	215,615	339,403	-
Housing and community development	967,723	990,501	326,202	210,910	211,904	456,294	197,003	-	-	-
Parks and recreation	588,767	588,419	632,037	751,854	716,363	1,072,615	749,548	756,906	716,575	791,257
Operating grants and contributions	326,298	447,551	1,011,588	1,320,581	1,062,183	1,237,955	1,097,599	1,471,799	2,283,777	1,233,883
Capital grants and contributions	1,910,704	657,583	2,720,942	2,430,383	3,098,450	250,992	483,992	889,024	859,772	1,325,091
Total governmental activities	7,738,034	6,194,133	8,029,137	8,237,806	8,355,121	5,616,468	5,317,844	3,842,549	4,742,351	4,046,400
Business-Type Activities:										
Charges for services:										
Electric	15,988,323	15,259,236	15,148,212	15,314,426	16,157,282	15,140,175	14,993,910	15,243,471	15,076,565	15,971,210
Water	2,919,950	2,866,811	2,698,212	4,039,757	4,935,691	5,813,699	6,006,675	5,579,127	5,446,778	5,785,553
Wastewater	6,243,311	7,008,738	7,419,735	6,423,276	9,786,375	6,213,481	8,832,757	9,264,399	9,667,659	7,493,383
Disposal site	66,597	67,297	66,947	108,401	127,228	129,321	132,287	217,999	132,106	362,018
Nonmajor activities	2,857,667	2,866,554	2,446,397	2,508,685	2,905,410	2,467,226	1,965,547	2,053,819	1,806,110	1,723,513
Operating grants and contributions	19,905	19,920	20,155	10,359	10,660	40,717	57,271	-	-	210,298
Capital grants and contributions	822,113	684,170	1,737,550	-	-	-	-	25,175	10,384	2,640,396
Total business-type activities	28,917,866	28,772,726	29,537,208	28,404,904	33,922,646	29,804,619	31,988,447	32,383,990	32,139,602	34,186,371
Total Program Revenues	\$ 36,655,900	\$ 34,966,859	\$ 37,566,345	\$ 36,642,710	\$ 42,277,767	\$ 35,421,087	\$ 37,306,291	\$ 36,226,539	\$ 36,881,953	\$ 38,232,771
Net (Expense)/Revenue:										
Governmental activities	\$ (12,055,984)	\$ (13,203,104)	\$ (18,178,598)	\$ (13,450,848)	\$ (10,156,034)	\$ (13,700,168)	\$ (13,928,994)	\$ (13,519,345)	\$ (12,686,485)	\$ (5,490,812)
Business-type activities	4,243,155	1,077,075	4,687,546	973,208	4,962,983	(30,031)	2,828,411	(4,006,943)	1,391,114	(1,883,626)
Total Net Expense	\$ (7,812,829)	\$ (12,126,029)	\$ (13,491,052)	\$ (12,477,640)	\$ (5,193,051)	\$ (13,730,199)	\$ (11,100,583)	\$ (17,526,288)	\$ (11,295,371)	\$ (7,374,438)

(continued)

City of Ukiah, California
 Changes in Net Position (continued)
 Last Ten Fiscal Years
 Fiscal Year Ended June 30, 2017
 (Accrual basis of accounting)

For Fiscal Year Ended June 30	Fiscal Year										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
General Revenues											
Governmental Activities:											
Property taxes	\$ 5,365,559	\$ 5,741,393	\$ 5,106,817	\$ 4,426,250	\$ 3,182,981	\$ 1,484,934	\$ 1,251,189	\$ 3,729,370	\$ 3,531,272	\$ 1,470,323	
Sales taxes	7,154,547	6,439,622	5,776,015	6,951,957	6,518,506	6,901,284	7,134,537	5,976,938	6,740,622	9,805,225	
Transient occupancy taxes	753,715	710,053	661,149	691,627	775,547	828,000	959,570	1,061,823	1,229,814	1,302,336	
Vehicle in-lieu taxes	1,228,550	1,266,285	1,295,970	1,311,862	1,238,660	1,229,156	1,237,181	-	-	-	
Other taxes	927,083	910,424	936,854	891,717	917,930	929,173	916,007	2,281,810	1,939,984	2,450,254	
Interest and investment earnings	450,344	398,868	300,784	173,255	175,318	91,117	93,521	501,217	323,373	404,235	
Transfers In/(Out)	945,545	1,265,107	1,012,185	1,408,163	1,065,910	871,692	1,816,592	-	(473,539)	(639,819)	
Total general revenues, transfers and special items	16,825,343	16,731,752	15,089,774	15,854,831	13,874,852	12,335,356	13,408,597	13,551,158	13,291,526	14,792,554	
Business-Type Activities:											
Interest and investment earnings	2,756,158	2,297,298	1,091,216	719,334	441,974	200,899	356,372	321,824	672,730	468,003	
Special item: Transfer to other agency	-	(1,900,000)	-	-	-	-	-	-	-	-	
Transfers In/(Out)	(945,545)	(1,265,107)	(1,012,185)	(1,408,163)	(1,065,910)	(584,482)	(1,816,592)	-	473,539	639,819	
Total business-type activities	1,810,613	(867,809)	79,031	(688,829)	(623,936)	(383,583)	(1,460,220)	321,824	1,146,269	1,107,822	
Total Primary Government	\$ 18,635,956	\$ 15,863,943	\$ 15,168,805	\$ 15,166,002	\$ 13,250,916	\$ 11,951,773	\$ 11,948,377	\$ 13,872,982	\$ 14,437,795	\$ 15,900,376	
Extraordinary items											
Governmental activities											
Business-type activities	\$ -	\$ -	\$ (1,746,178) ^b	\$ (359,507) ^b	\$ (5,277,260) ^d	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Extraordinary Items	\$ -	\$ -	\$ (1,746,178)	\$ (359,507)	\$ (5,277,260)	\$ -	\$ -	\$ -	\$ -	\$ -	
Special Items											
Governmental activities											
Business-type activities	\$ -	\$ -	\$ -	\$ - ^b	\$ - ^d	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Extraordinary Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,984,310)	
Accounting Change - Accumulative Effect											
Governmental activities											
Business-type activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,179,845) ^e	\$ -	\$ -	\$ -	
Total Extraordinary Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,179,845)	\$ -	\$ -	\$ -	\$ -	
Change in Net Position											
Governmental activities	\$ 4,769,359	\$ 3,528,648	\$ (4,835,002)	\$ 2,044,476	\$ (1,558,442)	\$ (1,364,812)	\$ (520,397)	\$ 31,813	\$ 605,041	\$ 9,301,742	
Business-type activities	6,053,768	209,266	4,766,577	284,379	4,339,047	(1,593,459)	1,368,191	(3,685,119)	2,537,383	(5,760,114)	
Total Net Position	\$ 10,823,127	\$ 3,737,914	\$ (68,425)	\$ 2,328,855	\$ 2,780,605	\$ (2,958,271)	\$ 847,794	\$ (3,653,306)	\$ 3,142,424	\$ 3,541,628	

Source - Audited Financial Statements - Statement of Activities

(concluded)

City of Ukiah, California
Fund Balances, Governmental Funds
Last Ten Fiscal Years
Fiscal Year Ended June 30, 2017
(Modified accrual basis of accounting)

As of June 30	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund:										
Nonspendable	\$ -	\$ -	\$ -	\$ 877,506	\$ 559,134	\$ 619,044	\$ 619,044	\$ 645,728	\$ 911,343	\$ 951,167
Committed	-	-	-	146,147	-	183,956	203,105	-	-	-
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	-
Reserved	1,121,539	1,184,675	1,365,187	-	-	-	-	-	-	-
Unreserved	3,849,361	3,723,221	4,325,375	-	-	-	-	-	-	-
Total general fund	\$ 4,970,900	\$ 4,907,896	\$ 5,690,562	\$ 6,237,800	\$ 6,864,909	\$ 5,273,906	\$ 5,056,102	\$ 5,524,531	\$ 5,213,001	\$ 5,322,236
All Other Governmental Funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	13,404,870	5,867,124	4,486,098	4,805,526	12,931,066	12,276,877	11,698,264
Committed	-	-	-	756,047	1,235,785	713,402	3,569,505	-	-	-
Assigned	-	-	-	7,759,509	3,460,240	5,832,173	2,514,649	4,395,621	3,358,684	2,952,598
Unassigned	-	-	-	-	-	(894,993)	(736,226)	(232,412)	(442,572)	(1,044,381)
Reserved	10,437,242	11,738,706	6,402,686	-	-	-	-	-	-	-
Unreserved	14,335,315	15,634,574	10,027,963	-	-	-	-	-	-	-
Total all other governmental funds	\$ 24,772,557	\$ 27,373,280	\$ 16,430,649	\$ 21,920,426	\$ 10,563,149	\$ 10,136,680	\$ 10,153,454	\$ 17,094,275	\$ 15,192,989	\$ 13,606,481

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, 2017
 (Modified accrual basis of accounting)

Function	Fiscal year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Property taxes	\$ 5,365,559	\$ 5,741,393	\$ 5,106,817	\$ 4,426,250	\$ 3,182,981	\$ 1,484,934	\$ 1,251,189	\$ 3,729,370	\$ 3,531,272	\$ 1,470,323
Sales taxes	7,154,547	6,439,622	5,776,015	6,807,971	6,465,410	6,977,233	7,104,666	5,976,938	6,824,737	9,805,225
Transient occupancy taxes	753,715	710,053	661,149	691,627	775,547	828,000	925,191	1,061,823	1,229,814	1,302,336
Other taxes	927,083	910,424	936,854	891,717	917,930	929,173	950,386	2,047,734	1,917,323	391,473
Licenses & permits	142,036	155,807	337,508	344,593	434,492	272,070	292,688	186,012	341,642	1,792,595
Fines & forfeitures	128,797	145,971	195,817	295,613	270,468	319,189	256,776	58,692	78,589	73,835
Intergovernmental	3,615,552	2,424,259	4,419,645	4,626,790	4,756,038	2,964,207	3,270,042	3,048,401	2,911,624	1,945,803
Interest and rents	2,476,051	2,563,121	1,565,187	1,264,421	1,083,685	224,129	340,887	497,681	336,173	415,979
Charges for services	924,657	922,787	1,024,323	1,309,827	1,146,590	1,580,632	1,013,534	1,032,957	755,074	1,487,426
Miscellaneous	735,691	479,909	301,866	497,661	375,103	243,654	493,158	232,651	411,052	187,999
Total revenues	22,223,688	20,493,346	20,325,181	21,156,470	19,408,244	15,823,221	15,898,517	17,872,259	18,337,300	18,872,994
Expenditures										
Current:										
General government	2,055,096	1,787,942	1,712,083	1,701,144	1,861,192	2,117,303	2,773,585	852,079	542,434	549,540
Public safety	8,086,283	8,656,150	8,794,788	8,712,155	8,996,781	9,831,860	9,297,118	10,229,049	11,096,768	11,592,123
Public works	3,075,056	1,798,507	1,398,207	2,255,054	1,508,698	1,411,445	1,612,266	2,337,389	2,173,214	1,192,369
Housing and community developm	1,911,046	2,494,429	10,255,824	3,530,698	1,151,384	1,205,464	785,349	327,921	870,450	1,261,361
Parks and recreation	1,980,129	2,236,986	1,859,248	2,312,834	2,048,294	2,327,464	2,304,893	2,692,906	2,616,856	2,873,224
Debt Service:										
Principal	345,000	230,000	235,000	250,000	265,000	-	-	-	-	-
Interest and fiscal charges	359,249	323,541	307,978	289,515	559,797	-	-	-	-	-
Issue costs	-	-	-	192,808	-	-	-	-	-	-
Capital Lease Installments	-	-	-	-	-	-	-	-	-	16,243
Capital outlay	510,731	1,693,179	5,188,025	5,354,765	2,481,671	1,545,538	1,159,928	1,739,147	2,612,218	2,147,966
Total expenditures	18,322,590	19,220,734	29,751,153	24,598,973	18,872,817	18,439,074	17,933,139	18,178,491	19,911,940	19,632,826
Excess (deficiency) of revenues over expenditures	3,901,098	1,272,612	(9,425,972)	(3,442,503)	535,427	(2,615,853)	(2,034,622)	(306,232)	(1,574,640)	(759,832)
Other financing sources (uses)										
Bond issue proceeds	-	-	-	8,430,000	-	-	-	-	-	-
Discount on bonds issued	-	-	-	(249,138)	-	-	-	-	-	-
Transfers-in	1,257,262	1,303,267	2,114,256	4,047,961	1,072,410	2,680,654	2,076,641	1,349,208	940,063	1,010,534
Transfers-out	(311,717)	(38,160)	(1,102,071)	(2,389,798)	(6,500)	(2,082,273)	(243,049)	(1,378,578)	(1,413,602)	(1,727,975)
Proceeds from borrowing	-	-	-	-	-	-	-	-	-	-
Total financing sources (uses)	945,545	1,265,107	1,012,185	9,839,025	1,065,910	598,381	1,833,592	(29,370)	(473,539)	(717,441)
Extraordinary items & Prior Period Ad	-	-	(1,746,178)	(359,507)	(12,331,505)	-	-	7,744,852	-	-
Net Change in Fund Balance	\$ 4,846,643	\$ 2,537,719	\$(10,159,965)	\$ 6,037,015	\$(10,730,168)	\$(2,017,472)	\$(201,030)	\$ 7,409,250	\$(2,048,179)	\$(1,477,273)
Debt service as percentage of non-capital expenses	4.12%	3.26%	2.26%	2.91%	5.30%	0.00%	0.00%	0.00%	0.00%	0.00%

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-unavailable 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	
2008	5,365,559	7,154,547	753,715	555,281	371,802	14,200,904
2009	5,741,393	6,439,622	710,053	582,764	327,660	13,801,492
2010	5,106,817	5,776,015	661,149	545,503	391,351	12,480,835
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 ¹	5,976,938 ²	1,061,823	1,643,559 ³	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 ⁴	8,489,734	1,302,336	1,551,794	473,976	14,521,151
Change 2016-2017	-23.4%	24.4%	5.9%	2.4%	17.8%	7.5%

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.

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Residential, single phase										
Per meter per month, per KWH	\$0.12040	\$0.12040	\$0.12040	\$0.12040	\$0.12040	\$0.12040	\$0.12040	\$0.12040	\$0.12040	\$0.12040
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	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.92
Polyphase	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.99
X-ray machine	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 22.28
Minimum charge: second meter	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.92
Energy use charge, per meter, per month, per KWH										
Summer	\$0.16568	\$0.16568	\$0.16568	\$0.16568	\$0.16568	\$0.16568	\$0.16568	\$0.16568	\$0.16568	\$0.17578
Winter	\$0.12294	\$0.12294	\$0.12294	\$0.12294	\$0.12294	\$0.12294	\$0.12294	\$0.12294	\$0.12294	\$0.13043
General Service with Demand:										
Base rate, per meter, per month	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 74.91
Demand charge per KWH										
Summer	\$0.10966	\$0.10966	\$0.10966	\$0.10966	\$0.10966	\$0.10966	\$0.10966	\$0.10966	\$0.10966	\$0.11634
Winter	\$0.08829	\$0.08829	\$0.08829	\$0.08829	\$0.08829	\$0.08829	\$0.08829	\$0.08829	\$0.08829	\$0.09367
General large Industrial Service:										
Base charge, per meter, per month	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 70.60	\$ 74.91
Demand charge per kwh of maximum demand:										
Winter	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.31
Summer	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.85

Source: Utility Billing Department Rate Schedules

Source: Mendocino County Auditor-Controller

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

Wastewater System Rates- City (1)	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Residential										
Fixed Minimum Charge- Per Dwelling Unit	\$ 41.31	\$ 47.18	\$ 47.18	\$ 47.18	\$ 50.44	\$ 58.40	\$ 60.39	\$ 62.44	\$ 62.44	\$ 62.44
Consumption Rate (\$/hcf (2))	\$ 1.62	\$ 1.85	\$ 1.85	\$ 1.85	\$ 1.98	\$ 2.29	\$ 2.37	\$ 2.45	\$ 2.45	\$ 2.45
Commercial										
Commercial Low Strength (\$/hcf)	\$ 6.48	\$ 7.40	\$ 7.40	\$ 7.40	\$ 7.91	\$ 9.16	\$ 9.47	\$ 9.79	\$ 9.79	\$ 9.79
Commercial Moderate Strength (\$/hcf)	\$ 6.92	\$ 7.91	\$ 7.91	\$ 7.91	\$ 8.46	\$ 9.79	\$ 10.12	\$ 10.47	\$ 10.47	\$ 10.47
Commercial Medium Strength (\$/hcf)	\$ 12.24	\$ 13.99	\$ 13.99	\$ 13.99	\$ 14.96	\$ 17.32	\$ 17.91	\$ 18.52	\$ 18.52	\$ 18.52
Commercial High Strength (\$/hcf)	\$ 15.77	\$ 18.02	\$ 18.02	\$ 18.02	\$ 19.26	\$ 22.31	\$ 23.07	\$ 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)

Residential										
Fixed Minimum Charge- Per Dwelling Unit	\$ 41.31	\$ 47.18	\$ 47.18	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47
Consumption Rate (\$/hcf (2))	\$ 1.62	\$ 1.85	\$ 1.85	\$ 3.40	\$ 4.45	\$ 5.50	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60
Commercial										
Commercial Low Strength (\$/hcf)	\$ 6.48	\$ 7.40	\$ 7.40	\$ 7.91	\$ 8.46	\$ 9.06	\$ 9.69	\$ 9.69	\$ 9.69	\$ 9.69
Commercial Moderate Strength (\$/hcf)	\$ 6.92	\$ 7.91	\$ 7.91	\$ 8.46	\$ 9.05	\$ 9.68	\$ 10.36	\$ 10.36	\$ 10.36	\$ 10.36
Commercial Medium Strength (\$/hcf)	\$ 12.24	\$ 13.99	\$ 13.99	\$ 14.96	\$ 16.00	\$ 17.12	\$ 18.32	\$ 18.32	\$ 18.32	\$ 18.32
Commercial High Strength (\$/hcf)	\$ 15.77	\$ 18.02	\$ 18.02	\$ 19.26	\$ 20.61	\$ 22.05	\$ 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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Consumption Rate (\$/unit (2))										
Single Family Residential	\$ 1.07	\$ 1.20	\$ 1.29	\$ 1.92	\$ 2.21	\$ 2.41	\$ 2.65	\$ 2.73	\$ 2.86	\$ 2.95
All Other Customers	\$ 1.07	\$ 1.20	\$ 1.29	\$ 1.92	\$ 2.21	\$ 2.41	\$ 2.65	\$ 2.73	\$ 2.86	\$ 2.95
Minimum base charge by Meter Size/ Class:										
3/4" Meter	\$ 14.64	\$ 14.94	\$ 15.24	\$ 22.71	\$ 26.11	\$ 28.46	\$ 31.31	\$ 32.25	\$ 33.63	\$ 34.64
1" Meter	\$ 22.97	\$ 21.41	\$ 25.90	\$ 38.59	\$ 44.38	\$ 48.37	\$ 53.21	\$ 54.81	\$ 54.00	\$ 55.62
1 1/2" Meter	\$ 41.85	\$ 45.99	\$ 50.28	\$ 74.92	\$ 86.15	\$ 93.91	\$ 103.30	\$ 106.40	\$ 104.47	\$ 107.60
2" Meter	\$ 65.38	\$ 72.93	\$ 80.75	\$ 120.32	\$ 138.37	\$ 150.82	\$ 165.90	\$ 170.88	\$ 165.27	\$ 170.23
3" Meter	\$ 120.70	\$ 136.25	\$ 152.36	\$ 227.02	\$ 261.07	\$ 284.57	\$ 313.02	\$ 322.41	\$ 307.24	\$ 316.46
4" Meter	\$ 199.43	\$ 226.44	\$ 254.45	\$ 379.13	\$ 436.00	\$ 475.24	\$ 522.76	\$ 538.45	\$ 510.02	\$ 525.32
6" Meter	\$ 394.53	\$ 449.92	\$ 507.37	\$ 755.98	\$ 869.38	\$ 947.62	\$ 1,042.38	\$ 1,073.66	\$ 1,073.66	\$ 1,047.00
Fire Service 2" & under	\$ 13.08	\$ 14.59	\$ 16.15	\$ 24.06	\$ 27.67	\$ 30.16	\$ 33.18	\$ 34.18	\$ 36.07	\$ 37.15
Fire Service 3"	\$ 24.14	\$ 27.25	\$ 30.47	\$ 45.40	\$ 52.21	\$ 56.91	\$ 62.60	\$ 64.48	\$ 64.84	\$ 66.79
Fire Service 4"	\$ 39.89	\$ 45.29	\$ 50.89	\$ 75.83	\$ 87.20	\$ 95.05	\$ 104.55	\$ 107.69	\$ 105.93	\$ 109.11
Fire Service 6" & up	\$ 78.91	\$ 89.98	\$ 101.47	\$ 151.19	\$ 173.87	\$ 189.52	\$ 208.47	\$ 214.72	\$ 208.56	\$ 214.82

(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, 2017

Rate Payers	2017	
	Electric Usage	
City of Ukiah	\$ 1,042,363	7.20%
County of Medocino	559,071	3.86%
Ukiah Valley Medical Center	582,935	4.03%
Ukiah Unified School District	399,417	2.76%
Save Mart Supermarkets (Lucky's)	219,847	1.52%
Safeway Stores	286,543	1.98%
Save Mart Supermarkets (Food Maxx)	199,652	1.38%
Maverick Enterprises	231,604	1.60%
Mendocino Brewing Co.	137,770	0.95%
Wal-Mart	161,504	1.12%
	<u>\$ 3,820,706</u>	<u>26%</u>

Source: City of Ukiah Billing Records

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 Activities		Business Type Activities			Total Primary Government	Debt Per Capita	Percentage of Personal Income
				Redevelopment Bonds	Electric Revenue Bonds	Installment Agreements	State Loans	Landfill Obligations			
2008	15,758	32,589	513,537,462	5,250,000	14,830,000	89,135,000	4,977,952	8,167,206	122,360,158	7,765	23.83%
2009	15,711	33,614	528,109,554	5,020,000	13,735,000	88,445,000	4,530,099	8,409,211	120,139,310	7,647	22.75%
2010	15,682	32,388	507,908,616	4,785,000	12,570,000	86,945,000	4,068,249	8,594,214	116,962,463	7,458	23.03%
2011	16,109	33,353	537,283,477	12,965,000	11,330,000	85,035,000	3,591,810	8,595,222	121,517,032	7,543	22.62%
2012	15,960	35,110	560,355,600	12,700,000	10,005,000	83,055,000	3,100,437	8,775,386	117,635,823	7,371	20.99%
2013	16,065	36,791	591,047,415	11,845,000	8,595,000	81,010,000	2,593,306	8,928,942	112,972,248	7,032	19.11%
2014	16,185	38,307	619,998,795	10,935,000	7,095,000	78,895,000	2,070,256	9,062,877	108,058,133	6,676	17.43%
2015	16,073	39,545	635,606,785	9,970,000	5,485,000	76,695,000	1,530,670	14,700,370	108,381,040	6,743	17.05%
2016	16,186	43,845	709,675,170	8,950,000	3,775,000	74,075,000	-	14,700,370	101,500,370	6,271	14.30%
2017	16,314	45,436	741,242,904	7,865,000	1,950,000	73,048,887	199,883	14,700,370	97,764,140	5,993	13.19%

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

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 Bonded Debt Outstanding			Debt Per Capita	Percentage of Actual Taxable Value of Property
				Redevelopment Bonds	General Obligation Bonds	Total Primary Government		
2008	15,758	\$ 32,589	\$1,119,849,497	\$ 5,250,000	\$ -	\$ 5,250,000	\$ 333	0.47%
2009	15,711	33,614	1,178,230,603	5,020,000	-	5,020,000	320	0.43%
2010	15,682	32,388	1,205,686,442	4,785,000	-	4,785,000	305	0.40%
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%

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
 County of Mendocino Assessed Valuations by District

City of Ukiah, California
 Computation of Direct and Overlapping Debt
 June 30, 2017

Jurisdiction	Debt Outstanding	Estimated Percentage Applicable to City (1)	Estimated Share of Direct and Overlapping Debt
2016-17 Assessed Valuation (City of Ukiah):			\$ 1,372,738,977
2016-17 Assessed Valuation (Successor Agency to the Ukiah RDA):			855,186,886
2016-17 Incremental Assessed Valuation (Successor Agency to the Ukiah RDA):			598,979,889
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>		<u>% Applicable⁽¹⁾</u>	<u>Debt 6/30/2017</u>
City of Ukiah		100.00%	\$ -
Ukiah Unified School District		33.78%	17,492,056.47
Mendocino-Lake Community College District		13.46%	<u>8,053,025.72</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 25,545,082.19
<u>OVERLAPPING GENERAL FUND DEBT:</u>			
City of Ukiah		100.00%	\$ -
Mendocino County General Fund Obligations		12.55%	2,433,882.78
Mendocino County Pension Obligation Bonds		12.55%	<u>7,499,922.88</u>
TOTAL OVERLAPPING GENERAL FUND DEBT			\$ 9,933,805.66
OVERLAPPING TAX INCREMENT DEBT(SUCCESSOR AGENCY)		100.00%	\$ 7,865,000.00
Total Direct Debt			\$ -
Total Overlapping Debt			<u>\$ 43,343,887.85</u>
Total Combined Debt			<u>\$ 43,343,887.85</u> ⁽²⁾
<u>Ratios to 2016-17 Assessed Valuation:</u>			
Total Direct Debt	0.00%		
Total Overlapping Tax and Assessment Debt	1.86%		
Total Overlapping Debt	3.16%		
Total Combined Debt	3.16%		
<u>Ratios to 2016-17 Redevelopment Successor Agency Incremental Assessed Valuation:</u>			
Total Overlapping Tax Increment Debt	1.31%		

⁽¹⁾ 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

⁽²⁾ Excludes tax and revenue anticipation notes, enterprise revenue and mortgage revenue and non-bonded capital lease obligations.

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

Fiscal Year	Assessed Valuation	Ratio Applied as % of Assessed Value	Legal Debt Limit Margin	Total Debt Subject to Limit	Debt Subject to Limit as % of Debt Limit
2008	\$1,119,849,497	15.00%	167,977,425	-	0.00%
2009	1,178,230,603	15.00%	176,734,590	-	0.00%
2010	1,205,686,442	15.00%	180,852,966	-	0.00%
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%

Legal Debt Limit Margin Calculation for 2016-2017

Assessed value	<u>\$ 1,304,711,495</u>
Debt limit is 15% of assessed value	\$ 195,706,724
Less: Debt applicable to limitation	\$ -
Total bonded debt	<u>\$ -</u>
Legal debt margin	<u><u>\$ 195,706,724</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	Water System Debts (2)				1992 Electric Revenue Bonds				Wastewater System Debts (4)				2016 Water System Installment (3)			
	Pledged System		Debt Service		Pledged System		Debt Service		Pledged System		Debt Service		Pledged System		Debt Service	
	Net Revenues	Principal	Interest	Coverage	Net Revenues	Principal	Interest	Coverage	Net Revenues (1)	Principal	Interest	Coverage	Net Revenues	Principal	Interest	Coverage
2007	\$ 258,359	\$ -	\$ -	-	\$ 3,936,655	\$ 970,000	\$ 1,017,775	1.98		\$ -	\$ -	-	\$ -	\$ -	\$ -	-
2008	4,010,754	621,897	696,618	3.04	3,857,843	1,030,000	957,775	1.94	4,464,941	326,760	3,463,644	1.18	-	-	-	-
2009	3,196,026	637,635	679,481	2.43	401,066	1,095,000	892,656	0.20	5,023,445	736,291	3,454,113	1.20	-	-	-	-
2010	2,643,638	639,325	675,991	2.01	2,104,320	1,165,000	822,031	1.06	6,026,227	1,546,380	3,428,024	1.21	-	-	-	-
2011	2,007,243	647,515	665,601	1.53	4,234,671	1,240,000	746,875	2.13	3,577,709	1,956,772	3,369,632	0.67	-	-	-	-
2012	2,769,261	687,854	622,659	2.11	4,050,422	1,325,000	708,125	1.99	6,903,915	2,027,475	3,267,419	1.30	-	-	-	-
2013	2,662,015	453,632	622,148	2.47	463,374	1,410,000	625,312	0.23	6,685,684	2,098,499	3,189,995	1.26	-	-	-	-
2014	2,792,636	468,196	587,262	2.65	(82,183)	1,500,000	537,188	(0.04)	8,978,102	2,169,854	3,109,840	1.70	-	-	-	-
2015	3,223,234	488,037	567,331	3.05	881,810	1,610,000	443,438	0.43	7,260,306	2,263,252	3,038,640	1.37	-	-	-	-
2016	2,563,208	-	338,868	7.56	840,172	1,710,000	342,812	0.41	5,855,558	2,343,252	2,940,898	1.11	2,563,208	-	340,258	7.53
2017	-	-	-	-	(874,996)	1,825,000	235,938	(0.42)	4,978,234	2,010,000	2,851,300	1.02	3,132,696	475,000	448,769	3.39

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. 2005 Water System Installment Agreement
State of California Department of Water Resources-paid off in 2016 as part of the refinancing of the Water System bonds
3. 2016 Water System Installment Agreement refunding. Paid off Water System Debts.
4. 2006 Waste Water System Installment Agreement.
State of California Water Resources Control Board

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
2008	15,758	\$ 32,589	\$ 513,537,462	\$ 1,119,849,497	6.40%
2009	15,711	33,614	528,109,554	1,178,230,603	10.10%
2010	15,682	32,388	507,908,616	1,205,686,442	10.80%
2011	16,109	33,353	537,283,477	1,180,790,444	10.60%
2012	15,960	35,110	560,355,600	1,169,395,369	9.90%
2013	16,065	36,791	591,047,415	1,171,599,083	7.40%
2014	16,185	38,307	619,998,795	1,195,466,105	5.90%
2015	16,073	39,545	635,606,785	1,224,746,468	5.40%
2016	16,186	43,845	709,675,170	1,267,903,229	5.90%
2017	16,314	45,436	741,242,904	1,304,711,495	4.50%

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 Counties

OPERATING INDICATORS

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,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government ⁽¹⁾	24.9	25.2	21.2	21.7	20.7	23.2	23.1	24.0	21.5	27.5
Police ⁽²⁾	43.8	43.3	42.5	39.5	39.5	38.5	43.0	48.0	49.0	49.0
Fire ⁽³⁾	22.0	21.5	20.5	18.5	18.5	15.5	11.0	11.0	11.0	11.0
Planning & Building	5.3	5.1	4.5	4.3	4.3	4.0	5.5	6.0	6.0	6.0
Public Works, Water Sewer & Wastewater Treatment	43.9	44.4	43.9	45.7	41.6	38.9	38.3	39.0	41.5	42.5
Electric	17.6	17.1	18.1	17.8	17.4	18.2	16.2	17.0	17.0	18.0
Airport	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Parks & Recreation	22.0	21.0	19.5	18.9	17.9	18.7	17.9	17.0	20.0	19.0
Totals:	<u>181.3</u>	<u>179.4</u>	<u>172.2</u>	<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>

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

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

(3) Decrease in fire was due to discontinuing Amulance Services

Source: City of Ukiah Budget-Authorized Full-Time Personnel (FTE) FY16-17

City of Ukiah, California
 Functional Indicators
 Last Ten Fiscal Years

Function	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Police										
Felony crimes (1)	1,522	1,355	1,398	1,362	1,192	1,183	1,091	508	453	444
Misdemeanor Arrests	791	624	660	621	560	557	479	1,269	1,200	961
DUI	271	232	165	190	141	135	59	113	117	88
Crime Reports	4,412	4,190	3,658	3,664	3,569	3,579	3,301	3,736	3,806	3,627
Water system (2)										
Annual Consumption (AF)	3,148	2,872	2,387	2,505	2,660	2,831	2,788	2,609	2,467	2,544
Daily average consumption in MGD	2.810	2.563	2.130	2.236	2.374	2.527	2.489	2.330	2.203	2.272
Wastewater system (3)										
Daily average treatment in MGD	1,122.2	738.8	1,297.3	1,477.8	1,153.5	1,028.8	902.5	1,098.5	1,347.6	3,010.0
Maximum daily capacity of treatment plant, in MGD	3.066	2.024	3.554	4.049	3.152	2.819	2.473	3.010	3.680	2.450
Airport system (2)										
Number landings	21,391	24,813	22,326	21,972	25,269	38,293	31,700	42,507	32,629	31,761
Electric System										
Kwh generated in (millions)	8	6	8	16	3	5	3	4	5	10
Streets (4)										
Expenditures for streets in thousands of dollars	\$ 825	\$ 798	\$ 651	\$ 923	\$ 762	\$ 833	\$ 1,087	\$ 1,119	\$ 811	\$ 791
Fire Suppression (5)										
Number paramedical calls	1,603	1,519	1,561	1,521	1,421	260	0	0	0	0
Number fire calls	2,471	2,389	2,383	2,319	2,304	393	0	0	0	0

(1) Source-Ukiah Police Department Records Management System

(2) Source- State Controller's Report

(3) Source- City Wastewater Treatment Plant Operations Manager

(4) Source:General Ledger

(5) Source- Ambulance is now operated by a private company. Fire call statistics are maintained by Ukiah Valley Fire District

City of Ukiah, California
 Capital Asset Statistics
 Last Ten Fiscal Years

Function	Fiscal Years ended June 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Area in Square Miles	4.70	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7
Fire protection (State/County)										
Number of stations	1	1	1	1	1	1	1	1	1	3
Number of personnel	22.0	22.0	18.5	18.5	18.5	15.5	12.0	11.0	11.0	11.0
Parks and recreation:										
Conference center	1	1	1	1	1	1	1	1	1	1
Parks & open space areas	17	17	17	17	17	18	18	18	18	18
Park acreage	261	261	261	261	261	298	298	298	298	298
Tennis courts	3	3	3	3	3	3	3	3	3	3
Police protection										
Number of substations	1	1	1	1	1	1	1	1	1	1
Public library (County)										
Number of branches	1	1	1	1	1	1	1	1	1	1
Streets										
Miles of streets	53	53	53	53	53	53	53	53	53	53
Water system										
Service connections	4,256	5,544	5,574	5,585	5,650	5,680	5,699	5,712	5,725	5,744
Miles of water mains	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9
Wastewater system										
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Electric system										
Number street lights	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352



**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, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 26, 2018.

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.

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. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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. We consider the deficiency described as item 2017-001 in the accompanying schedule of findings and responses to be a material weakness.

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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. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2017-002 to 2017-007 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 + Fankhanel, LLP

October 26, 2018

**CITY OF UKIAH
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2017**

2017-001 Accuracy and Timeliness of Accounting Records

Finding:

The following is a continuation from the prior year:

The City's management is responsible for establishing and maintaining effective internal controls over financial reporting to help ensure that appropriate goals and objectives are met. This responsibility includes the selection and application of accounting principles, ensuring that financial information is reliable and properly recorded, and evaluating and monitoring ongoing activities.

In preparation for the annual audit, the City's Finance staff performed significant analysis and reconciliations of various accounts in the City's general ledger. However, when we began our year-end audit fieldwork, it became apparent that certain accounts had not yet been thoroughly analyzed and reconciled to supporting records. This includes grant receivables, unavailable revenue accounts, pooled cash accounts, long-term debt, and capital assets. In addition, while performing audit procedures, we identified and proposed several material adjusting entries to the City's accounting records. Furthermore, *Statements on Auditing Standards No. 115, "Communicating Internal Control Related Matters Identified in an Audit"* states that "indicators of material weaknesses in internal control include: identification by the auditor of a material misstatement of the financial statements under audit in circumstances that indicate the misstatement would not have been detected by the entity's internal control."

Reconciliation and review of all balance sheet accounts and various revenue and expenditure accounts on a recurring basis, and especially at year-end, is a vital part of maintaining the integrity of the accounting and financial reporting system. Periodic reconciliations of balance sheet and other selected accounts provide accurate data from which to base decisions, prevent costly errors and provide ease in identifying potential adjustments and corrections. If this is not done in a timely manner throughout the fiscal year, the year-end closing process tends to be more difficult and time-consuming, and may contribute to delays in issuing year-end reports. It should be noted, adjusting journal entries were being made to the City's accounting records as late as May 2018, approximately 11 months after the end of the fiscal year.

Recommendation:

Therefore, in order to maintain the integrity of the accounting and financial reporting system, and to ensure timely reporting, we recommend that all balance sheet accounts and other selected accounts be analyzed on a monthly, quarterly or other periodic basis as appropriate. We suggest a schedule of accounting functions to be performed monthly, quarterly, etc., be prepared with the provision for signing off by date and initials when the procedure is complete. We understand significant turnover in the finance department were contributing factors to the finding described above.

**CITY OF UKIAH
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2017**

2017-001 Accuracy and Timeliness of Accounting Records - Continued

Management's Response:

Management agrees with the Auditor's recommendation. The City's Finance Director has implemented regular review of all balance sheet accounts and other selected accounts quarterly, beginning in the 2017-18 fiscal year.

2017-002 Fraud Prevention and Detection Program

The following is a continuation from the prior year:

Finding:

Management of the City is responsible for designing and implementing systems and procedures for the prevention and detection of fraud, and for ensuring a culture and environment that promotes honesty and ethical behavior. Fraud can range from minor employee theft and unproductive behavior to misappropriation of assets and fraudulent financial reporting.

The risk of fraud can be reduced through a combination of prevention, deterrence, and detection measures. However, fraud can be difficult to detect because it often involves concealment through falsification of documents or collusion among management, employees, or third parties. Therefore, it is important to place a strong emphasis on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals that they should not commit fraud because of the likelihood of detection and punishment. Moreover, prevention and deterrence measures are much less costly than the time and expense required for fraud detection and investigation.

Recommendation:

While the City has taken steps to address the risk of fraud in certain areas, such as segregation of duties and other internal controls, we recommend the City consider taking a more formal, proactive approach to fraud prevention and deterrence. This would involve establishing an ongoing program of formally identifying and measuring fraud risks, taking steps to mitigate identified risks, and implementing and monitoring any necessary preventive and deterrent measures.

For example, the City should consider establishing a more formal training program for its employees regarding fraud. New employees should be trained at the time of hiring about the entity's values and its code of conduct. This training should explicitly cover expectations of all employees regarding (1) their duty to communicate certain matters; (2) a list of the types of

**CITY OF UKIAH
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2017**

2017-002 Fraud Prevention and Detection Program – Continued

matters, including actual or suspected fraud, to be communicated along with specific examples; and (3) information on how to communicate those matters. In addition to the training at the time of hiring, employees should receive refresher training periodically thereafter.

As mentioned above, management needs to provide information to employees on how to communicate fraud related matters. Research has shown that the majority of fraud is detected by fellow employees, and not outside auditors or internal controls. It is important for the City to establish and communicate to employees a reporting system that is appropriate for the City. The City should consider establishing a confidential reporting mechanism, which may include a combination of internal reporting and an anonymous tip hotline, not only for employees, but also for vendors and customers of the City.

In summary, the City has established controls over fraud in many areas. However, the City should evaluate whether a more formal, proactive approach to preventing fraud would be appropriate. The above comments do not address all components of a strong antifraud program. Additional information can be provided to the City's management regarding this issue.

Management's Response:

Management agrees with the Auditor's opinion in the value of prudent and reasonable fraud detection. The City exercises significant oversight and control of spending and actively monitors financial transactions to detect potential fraud, among other purposes. The Finance Department, working with the City's Human Resources/Risk Management Department, has taken steps to further educating Finance Department, executive management, and any other team member charged with appropriation and spending oversight in fraud detection, deterrence, and communication. A more formal program is being developed through City policy revisions and an update to the personnel manual. The Finance Department continues its review of internal processes and protocols to promote greater efficiency and effectiveness in fraud detection, deterrence, and communication.

2017-003 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:

**CITY OF UKIAH
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2017**

***2017-003 Segregation of Incompatible Duties Over Cash Receipts for Community Services
- Continued***

- 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 on 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 an 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.

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 in 2016-17 but intends to complete an evaluation of the condition by the end of 2018-19 and implement changes if needed.

**CITY OF UKIAH
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2017**

2017-004 Cash Receipts System

The following is a continuation from the prior year:

Condition:

The City uses several different cash receipting systems throughout the City. There is a system for Utility Billing, QuickBooks is used at the Conference Center, manual receipts are used throughout the City, RecDesk is used at the Community Center, Tyler cashiering is used for miscellaneous receipts at City Hall. In addition, it appears that only Tyler cashiering is integrated with the City's general ledger accounting system. All other cash receipting programs used in the various locations previously described, must be entered into multiple programs to ultimately be recorded in the City's general ledger. In addition, Finance Department personnel do not obtain reports directly from the other cashiering systems for review to reconcile to the receipts collected.

Criteria:

In a strong internal control environment, a centralized cashiering program should be used throughout the agency.

Cause of Condition:

The City does not have a centralized cashiering system.

Potential Effect of Condition:

Transactions must be entered multiple times which increases the opportunity for errors to occur. This could affect the amounts that are recorded in the general ledger and ultimately deposited in the City's bank account.

Recommendation:

We recommend the City review the current cash receipting systems used throughout the City and determine what changes could be made to implement a citywide central cashiering program.

Management's Response:

Management's response remains unmodified from 2016-17. Management agrees with the Auditor's opinion in having strong internal controls for cash receipting, which a unified, comprehensive cash receipting system organization-wide can provide. But it is one among several suitable, reasonable, and appropriate alternatives. The Finance Department will continue to evaluate the current network of disparate systems to determine if more appropriate systems are reasonably feasible to implement. A centralized cashiering system, although ideal, may not

**CITY OF UKIAH
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2017**

2017-004 Cash Receipts System - Continued

be the most appropriate and/or the most efficient and effective method of administering cashiering, given the many diverse functions and activities provided by the City, including utility billing, recreation programs, airport, conference center, etc. The current disparate systems used, such as Quickbooks and RecDesk, are systems more reasonably suited to the activities for which they are employed than the general governmental functions for which the City's current main cashiering system is designed for. However, the Finance Department will continue to evaluate this condition to ensure prudent, reasonable, and appropriate procedures are in place to ensure the opportunities for error are mitigated to a nominal and reasonable level.

2017-005 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 and there is no reconciliation being done between the permits issued and the revenues collected and posted to the general ledger for building permits.

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 verify 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 deposit in the City's bank account.

Recommendation:

We recommend the City implement a procedure to generate reports from the building permit module, periodically (daily, weekly, monthly) and 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, 2017**

2017-005 Building Permits - Continued

Management's Response:

Management agrees with the Auditor's recommendation. The City's Finance Department worked with the Community Development Department to evaluate and implement reasonable and appropriate procedures to strengthen its ability to account for building permit activities during the 2017-18 fiscal year. The process is ongoing but expected to be concluded by the end of 2018-19, following a complete review and re-training by Community Development and Finance Department team members on the use of the Munis building permit module.

2017-006 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 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 to detail the specific reasons for using the credit cards, including when used for meals and travel. In addition, travel costs incurred should be in accordance with set standard amounts, such as those established by the General Services Administration (GSA).

Cause of Condition:

The City's credit card policies are lacking in sufficient detail to provide detailed guidance on allowable use.

Potential Effect of Condition:

The potential for unauthorized purchases or excessive costs incurred is increased.

**CITY OF UKIAH
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2017**

2017-006 Credit Card Use Policy - Continued

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 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 the 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 will be implementing a new travel program and protocol along with a new credit card system, 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.

2017-007 Utility Billing Rates

Condition:

While conducting audit procedures to compare utility rates charged to customers with adopted resolutions, we found utility the rates billed to utility customers for water had not been updated to the newest rates approved by City Council. The rates, adopted through City Council Resolution No. 2016-19 were effective to be implemented in January 2017 and were not implemented until May 2017. Management estimates the lost revenues for water services from not updating the rates was approximately \$34,000.

Criteria:

The City Council adopted Resolution No. 2016-19 adopting water rates to be implemented in January 2017.

**CITY OF UKIAH
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2017**

2017-007 Utility Billing Rates - Continued

Cause of Condition:

Procedures to ensure the timely updating of utility rates into the utility billing system, in accordance with City Council resolution, have not been established.

Potential Effect of Condition:

Revenues from water sales could be less than expected due to utility rates not being implemented in accordance with City Council adopted rates.

Recommendation:

We recommend the City establish procedures to ensure timely implementation of adopted utility rates. Procedures should be established to include individuals from outside of the daily utility billing process independently check the inputted rates to the City Council adopted rates.

Management's Response:

Management became aware of the error of January 2017, corrected it in May of 2017, and implemented measures to prevent recurrence.



**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, 2017. 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: The auditor was able to obtain the GANN calculation worksheet prepared by the Finance Director and recalculate the worksheet; no discrepancies noted in the procedures. However, the adopted amount in the resolution was incorrect. The City was using the "Tax Revenue – Budget Estimates" amount which was listed below to the appropriations limit amount in the calculation worksheet.

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.

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Loma Linda, CA 92354

909.856.6879

Finding: No exceptions were noted as a result of our procedures.

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 & Fankhanel, LLP

October 26, 2018

CITY OF UKIAH
APPROPRIATIONS LIMIT COMPUTATION
2016 – 2017

	<u>2016 - 2017</u>
Change in Per Capital Personal Income	5.37%
Population Change County Population Growth	0.23%
Change in Per Capita Personal Income Converted to a Ratio	1.0537
Population Change Converted to a Ratio	1.0023
Calculation of Growth Factor	1.05612351
2015 - 2016 Appropriations Limit	<u>\$ 36,654,917</u>
2016 - 2017 Appropriations Limit (\$36,654,917 X 1.05612351)	<u>\$ 38,712,120</u>

END OF DOCUMENT