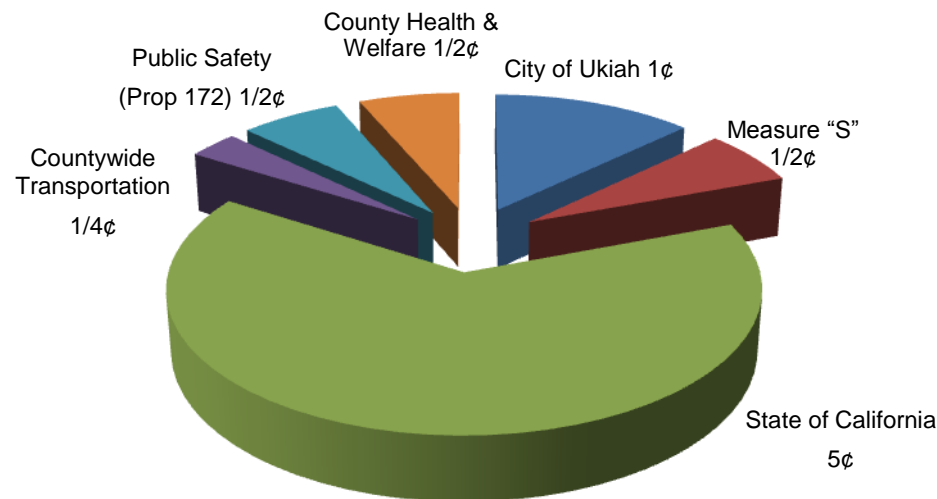




Where the Money Comes From to Pay for Local Government Services

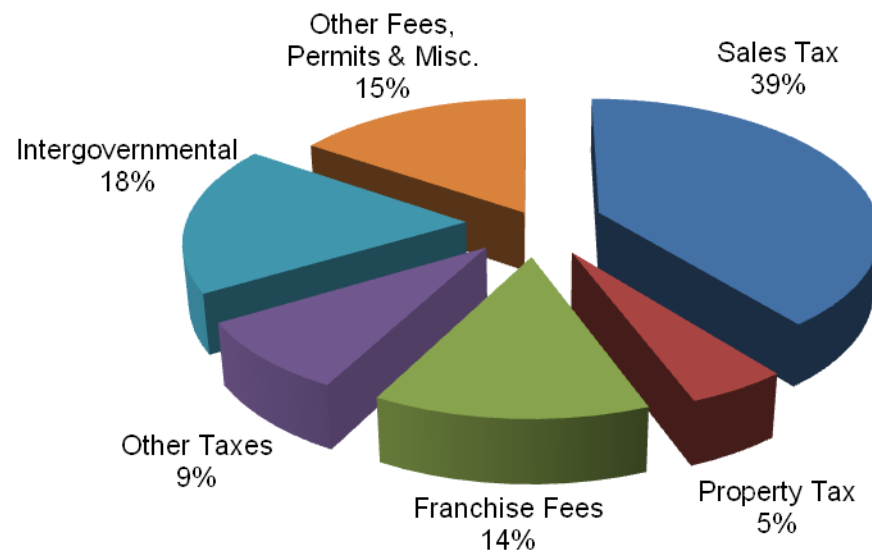
Distribution of 7.75% Sales Tax



Sales tax is the City of Ukiah's largest general fund revenue source. It is allocated according to where people shop, not where they live. This diagram shows the portion of sales tax that the City actually receives for purposes of funding its general fund services. Measure S Funding has been used for Public Safety only

As shown below, the City receives General Fund revenues from a variety of sources.

General Fund Revenues Fiscal Year 2009-10



General Fund Revenues

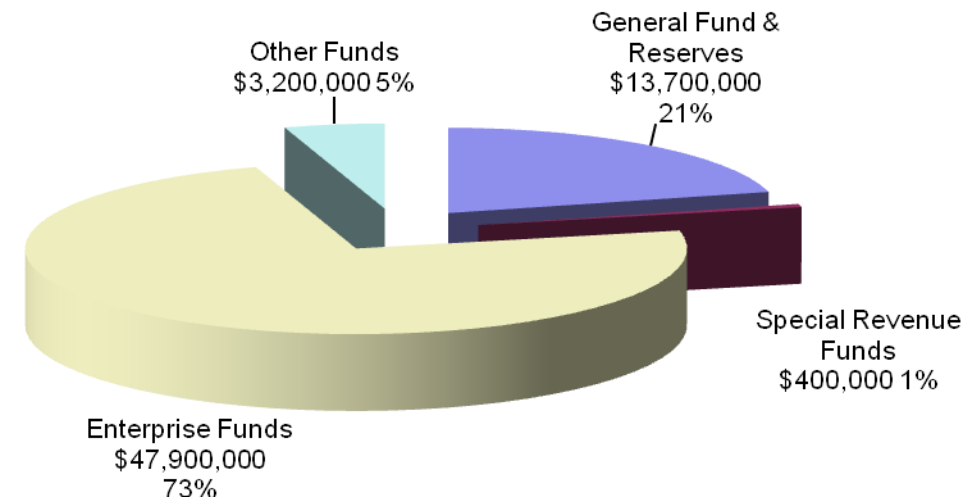
Sales Tax	\$4,794,199
Property Tax	\$604,132
Franchise Fees	\$1,656,219
Other Taxes	\$1,060,588
Intergovernmental	\$2,199,430
Other Fees, Permits & Misc.	\$1,895,791
Total General Fund Revenue	\$12,210,359

We hope you find this outline of the City of Ukiah Budget basics helpful. For additional information, you can review a copy of the City of Ukiah's Comprehensive Annual Budget for 2009-10 on the City's website www.cityofukiah.com or at the library.



Understanding Local Government Finance

City Expenditures by Fund Fiscal Year 2009-10



City expenditures are through the **Operating Budget** which includes General Fund, Special Revenue Funds, Enterprise Funds, and Other Funds.

General Fund provides Police, Fire, Public Works, Parks, Building, and Community Planning services. **Special Revenue Funds** provide services such as housing or other special activities which are funded largely through state and federal grant resources. Services that are intended to generate their own revenue and operate similar to private business are **Enterprise Funds** such as Water, Sewer, and Electric. **Other Funds** are internal services, some but not all capital projects, and expendable trust funds.

City of Ukiah Services by the Numbers

Public Safety

The Ukiah **Police Department** responded to 27,123 calls for service in 2009, and is committed to providing the highest level of community service possible, working in partnership with the community to promote public safety and crime prevention.

The Ukiah **Fire Department** responded to 1122 fire related events in 2009, including 50 actual fires. The Fire Department also responded to 1,512 paramedic, advanced life support ambulance service requests, and responded to hazardous material exposures, and other natural disasters. Total responses were 2,640.

Planning & Building

The Community Planning Division processed 42 planning permits in fiscal year 2008-2009, supported a number of commissions and committees and provided hours of assistance to the public. The Planning Division also made progress on important long-range planning projects such as the Downtown/Perkins Street Form Based Code, General Plan Housing Element update, Airport Master Plan B-2 Zone Update, Facade Improvement Program, CityView Trail Planning, and courthouse relocation project.

The Building Division issued 723 building permits in fiscal year 2008-2009, \$142,644 was collected in fees, and 1,144 inspections were performed by the Building Official. The Building Official also managed a number of code compliance cases.

Public Works

Each year the Public Works Department sweeps a total of 2,544 curb miles of street and removes more than 788 tons of debris from streets and 50 cubic yards of debris from storm drains; maintains more than 2,500 regulatory street and parking-related signs; and ensures that more than 219,000 linear feet of traffic lane striping, crosswalks and other pavement markings are painted through the use of both City forces and contractors.

Water

The City's Water Utility Division distributes 4 million gallons of water per day to homes and businesses through 70 miles of water mains. This services 4,946 residential and 739 other water service connections within the City service area. A one day emergency water supply of 6 million gallons is stored in 6 tanks.

Sewer

The City Sewer Maintenance Division cleans more than 470,000 linear feet of sewer lines each year. The Water Reclamation facility has been upgraded. The current capacity is 3.01 million gallons a day. This project was completed in 2009.

Electric

Over the last 113 years, Ukiah Electric Utility Department has provided electricity to our community. Ukiah is unique in that only seven percent of cities in California own their electric utility. This department oversees the procurement of wholesale



power while maintaining and operating the local electric distribution system which means the citizens of Ukiah are charged less for electricity than most other Californians. The Electric Utility Department

maintains Ukiah's street lighting system and traffic signals. The city owned Mendocino Hydroelectric Plant is also sustained by the department and provides ten percent of the city's electric energy needs. Sixty eight percent of the electric energy our customers use is renewable. Ukiah Electric Department is committed to providing low cost environmentally friendly electric energy for our customers.

Parks & Recreation (including Museum, Golf Course, Conference Center, Animal Control)

The Community Services Department consists of six divisions including Parks Maintenance, Golf Maintenance, Building Maintenance, Recreation, Ukiah Valley Conference Center and the Grace Hudson Museum and Sun House. The Department maintains 15 park sites as well as the 18-hole golf course totaling over 200 acres of park and open space area.

The playgrounds, picnic areas, sports fields and other facilities host numerous Recreation programs and activities that serve more than 40,000 youth and adults.

The Community Service Department also provides meeting rooms, art exhibits, events and celebrations. The Grace Hudson Museum serves 13,000 visitors annually showcasing the historic Sun House and hosting a variety of rotating art exhibits. The Ukiah Valley Conference Center, Todd Grove Club House, and Grace Hudson Meeting Room collectively host hundreds of events, community classes, trainings, meetings, and celebrations each year. The Department also organizes events for residents and visitors such as Ukiah Country PumpkinFest, Sundays in the Park concert series, Moonlight Movie Madness, Family Fun in the Sun and the Fourth of July Picnic in the Park.

Airport

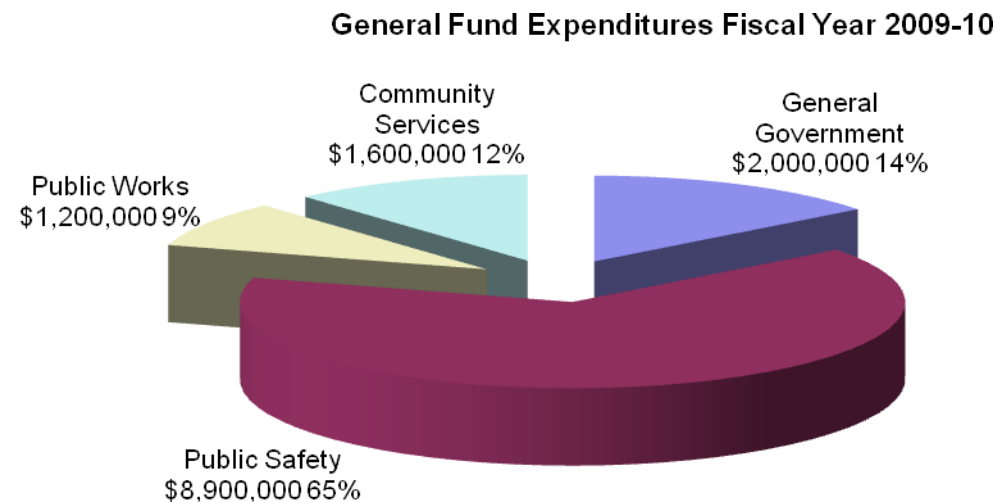
The City of Ukiah owns and operates the Ukiah Regional Airport and has owned the facility since the 1930s. It is comprised of 160 acres with one 5,000 foot runway and taxiway and has 87 aircraft based on site. The Airport provides various services from daily freight operations to emergency services such as fire suppression and medivac. It also provides fuel/storage for private aircraft. The Ukiah Airport services upwards of 60,000 gallons of fuel to Cal Fire aircraft each fire season.

Budget Basics

The Operating Budget

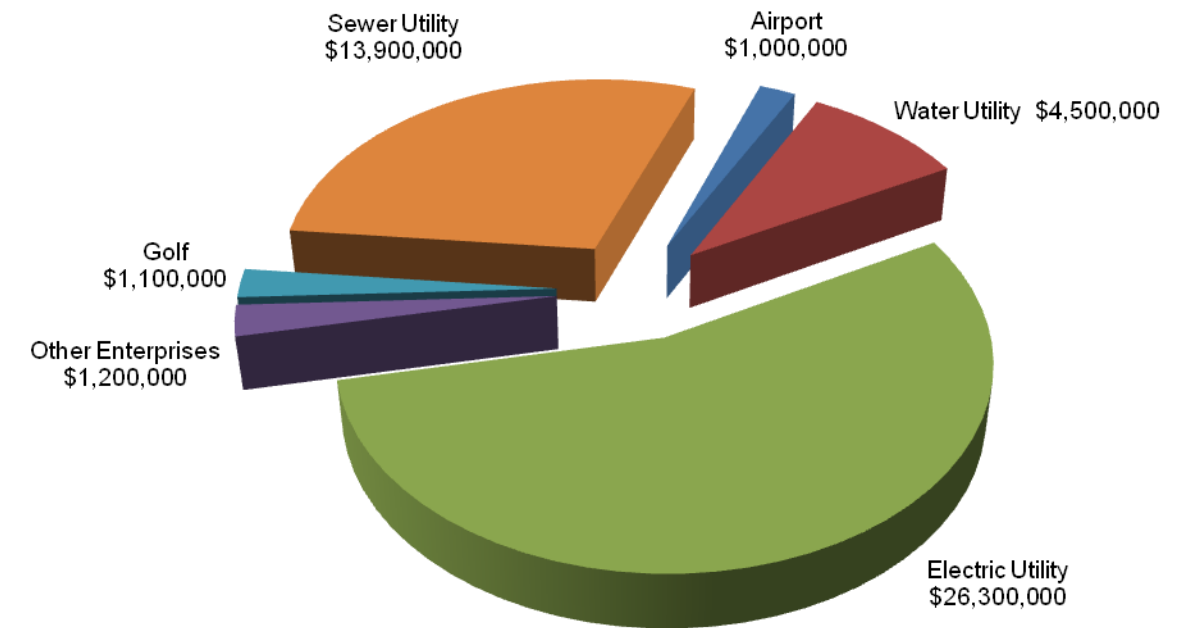
The Operating Budget is segregated into Funds, which have different restrictions on how the money may legally be spent. Of the three major types of City operating funds (General Fund, Special Fund and Enterprise Funds), only General Fund Revenue can be allocated largely at the City Council's discretion.

The General Fund is the operating fund that pays for basic City services. The City budgeted \$13.7 million for General Fund Operations in FY 2009-2010 as identified below.



Enterprise Funds are operated like a business. They generate their own revenues and do not rely on the City's General Fund. Enterprise Funds are maintained for Water, Sewer, Solid Waste Disposal, Electric Service, Golf Course, Parking District, Street Lighting, Conference Center, and Airport.

Enterprise Fund Expenditures Fiscal Year 2009-10



Special Revenue Funds cover programs or activities funded by money restricted for a special purpose. The source of this money is mostly grants and state and federal government programs.

Capital or Other Major Projects for Fiscal Year 2009-2010

The City is in the process of developing a Five Year Capital Improvement Program for the purpose of planning for constructing new and improving existing public facilities and infrastructure, as well as purchasing major equipment that will be considered by the City Council in the spring as part of the 2009/10 annual budget process. Currently, Capital Projects are funded as part of the Operation Budget. Examples of projects budgeted in FY 2009-2010 are:

- Gobbi Street & Babcock Lane Street Realignment Project
- Electric Sub-Station Design & Construction
- Financial System Upgrade

Redevelopment

The Redevelopment Agency is a separate agency and has not been included in this report. Agency capital projects are in addition to those listed above and funded by redevelopment funding sources. For the 2009-2010 year, Redevelopment capital projects include Airport Park Boulevard improvements and engineering design related to the Redwood Business Park. More information on the Redevelopment Agency activities will be forthcoming.