



CITY OF UKIAH,
CALIFORNIA
ANNUAL COMPREHENSIVE
FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2023





ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF UKIAH, CALIFORNIA

FISCAL YEAR ENDED JUNE 30, 2023

PREPARED BY

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INTRODUCTORY SECTION



Letter of Transmittal

December 29, 2023

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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. This report is prepared in accordance with state law, generally accepted accounting principles (GAAP), and the best management practices for financial reporting as defined by the Government Finance Officers' Association (GFOA). California law requires that a financial report be prepared annually and audited by a licensed certified public accountant within a reasonable period following the year end. These financial statements are presented in conformity with GAAP and audited in accordance with generally accepted auditing standards.

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

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

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

The City's financial statements have been audited by Van Lant & Fankhanel, LLP, a firm of certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2023, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

Based upon the audit, the independent auditors concluded that there was reasonable basis for rendering an unmodified opinion, which states that the City's financial statements for the fiscal year ended June 30, 2023, are presented fairly in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. This report includes all funds of the City and its blended component unit: The Successor Agency to the Ukiah Redevelopment Agency.

Profile of the City of Ukiah

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

Incorporated on March 8, 1876 as a general law city, Ukiah serves as the administrative seat for the County of Mendocino, and with a residential population of more than 15,929¹ in a 4.7 square-mile area, Ukiah is graced with a strong business base and a well-established residential community.

Ukiah is a travel and recreation-oriented destination and fortunate to serve as a hub for Lake, Mendocino, southern Humboldt, and northern Sonoma counties. The Ukiah business environment is positive and well organized. Driven by an active chamber of commerce, local businesses are community-oriented and engaged in City-business partnerships, including economic development, job creation, tourism, and community events. The City's permanent retail trade area population is approximately



¹ 2023 California Department of Finance, Demographic Research Unit, E-1 Population Estimates for Cities, Counties, and the State, May 2023

104,000 people with 45,000 within a 10-mile radius. Ukiah's historic downtown area is the center of commercial activity within the community. There are also commercial areas along Orchard/Perkins corridor, Airport Park Boulevard, Perkins Street, as well as much of State Street.

The City's total labor force is approximately 6,960². Unemployment in Ukiah was approximately 4.5 percent in June 2023, down from 5.5 percent in 2022. 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 18.2 percent of all jobs in Mendocino County are located within the City of Ukiah.



Our Core Values:

PROFESSIONALISM

SERVICE

TEAMWORK

INNOVATION

SAFETY

The City of Ukiah Organization

The City is committed to providing its citizenry with high-quality services in an economical manner. In doing so, it establishes goals and objectives in line with the strategic plan of the City Council, which includes the following priorities:

- Enhancing our neighborhoods
- Developing quality infrastructure
- Planning for the future
- Growing our businesses
- Valuing our team.

All expenditures of the City support one or more of these priorities. Details on the Council's strategic plan can be found [here](#).

² 2023 California Employment Development Department, Labor Market Information Division, <https://www.labormarketinfo.edd.ca.gov/data/interactive-labor-market-data-tools.html>

The City is organized into 16 major operational units, categorized as departments and include:

- City Council
- City Manager's Office
- Finance
- City Attorney
- City Treasurer
- Human Resources & Risk Management
- Redevelopment Successor
- Police
- Fire Authority
- Community Services
- Community Development
- Public Works
- Airport
- Electric
- Water Resources
- Non-departmental

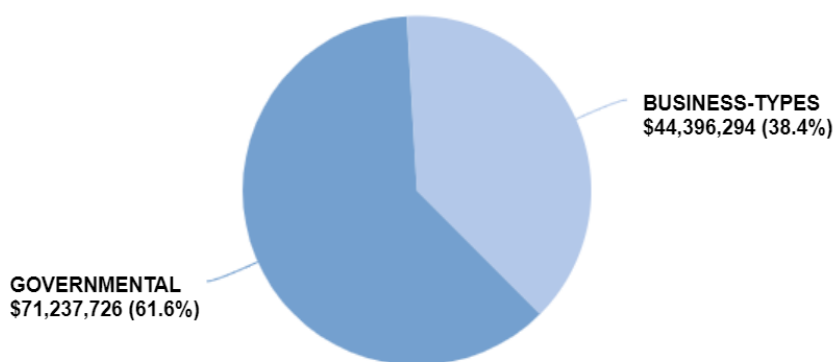
They are further delineated by 52 divisions.

All departments and their divisions with direction from the City Council establish goals and objectives consistent with the strategic plan and community priorities.. A complete list by department and division can be found in the detail section by department and division of the City's 2023-24 adopted budget here: <https://stories.opengov.com/ukiahca/published/3dOjPVjE>

City-Wide Sources and Uses of Resources

Expenditures. The City expends resources to provide a variety of services. It delineates these services categorically by governmental (police, fire, public works, recreation, etc.) and business-type (enterprise activities, such as water, wastewater, electric, airport, etc.).

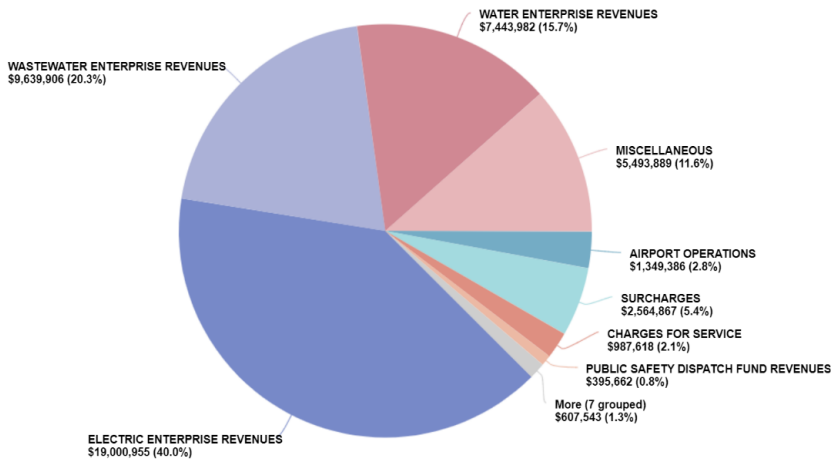
The following chart illustrates where resources were spent by these major categories. Additional detail can be found in the MD&A preceding the basic financial statement.



Revenues. The City receives revenues from a wide variety of sources, but the majority of it comes from two primary sources: taxes and charges for service, predominantly utility fees. Despite the broad range of revenue sources, most are not discretionary, i.e. revenues from water rates can only be spent on water services. Taxes flowing to the general fund are by in large the only sources of

revenue that are discretionary and can be spent by the city council on what it determines to be beneficial and desirable to the residents of the city.

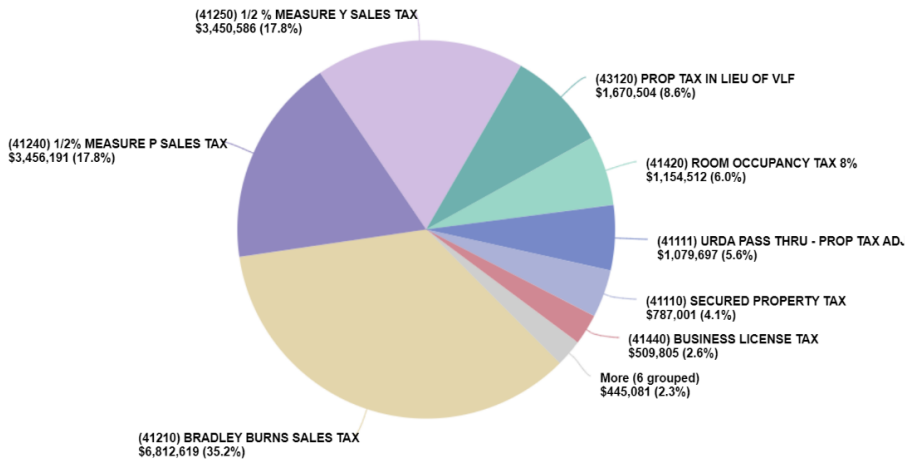
This chart illustrates the variety of revenue sources to the City.



Looking deeper into charges for service, the largest segment of revenue is generated from the electric enterprise, followed by wastewater and water services. Wastewater revenues also include amounts charged to the Ukiah Valley Sanitation District for service to District customers, including those inside and outside city limits.

Charges for Service

This chart further illustrates the services that generate revenue and their relative proportion to one another. Miscellaneous revenues include recreation program income, which is a significant source of inflows supporting youth summer and after school programs.

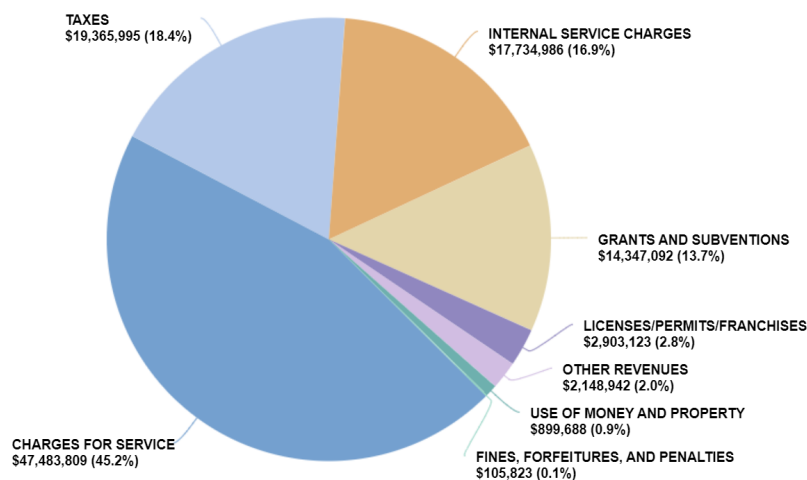


Taxes

Of the taxes collected by the City, the primary sources are sales; transient occupancy (TOT or bed taxes); and property taxes, specifically secured property taxes and what are known as property taxes in lieu of vehicle license fees (VLF).

Revenue by Source, City-Wide

Visualization

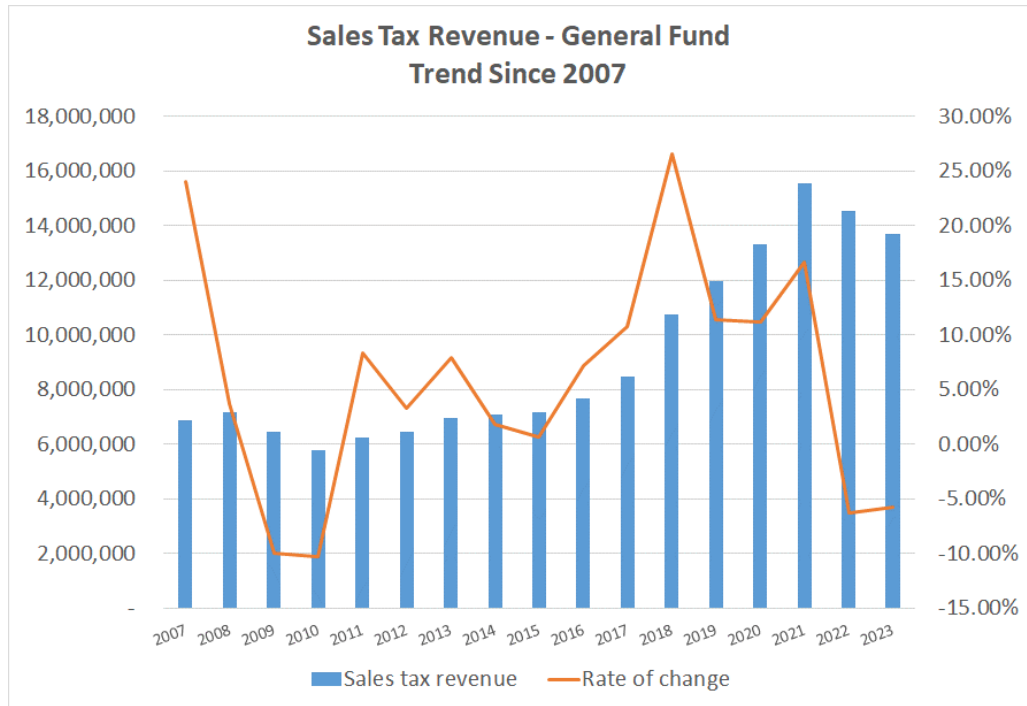


Unlike charges for services, characterized as exchange transactions, where a dollar in revenue corresponds to a dollar worth of service, taxes are characterized as non-exchange transactions in that there is no direct connection to the imposition of the tax and what it is spent on. Taxes by definition are discretionary sources of income, although some taxes can be limited to their use. Of the various tax sources to the City, none have such explicit restriction. Measures P and Y, described in more detail below, are appropriated by the City Council through resolution to be used exclusively for public safety services and streets (including rights-of-way) respectively. However, this does not rise to the level of a restriction under generally accepted accounting principles.

This chart illustrates the variety of tax sources collected by the City, the majority of which are accounted for in the general fund.

Sales Tax. The City collects sales tax from three sources: normal Bradley-Burns sales taxes (1 percent of taxable transactions), a ½ cent transaction and use tax, commonly referred to as Measure P, and a ½ cent transaction and use tax, commonly referred to as Measure Y. All are devoted entirely to the City and are distinct and considered separate sources of revenue. Each behave slightly

differently given their tax base. Combined they are the largest source of revenue to the general fund.



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.

As the hub of Mendocino County and beyond, Ukiah has a strong sales tax base. This served the City well in providing sufficient revenues to maintain service levels at pre-pandemic levels with minimal interruption or disruption. Bradley-Burns tax receipts failed to meet budgetary estimates for the year and were lower than the year prior. Receipts from Measures P and Y were lower than budgetary estimates and the year prior, contributing to an overall sales tax decline. The specific reasons for this are three-fold:

1. The local marijuana industry has declined significantly in the region, affecting several of the city’s businesses across sectors.
2. General economic conditions associated with early recessionary effects may be straining local household budgets, resulting in slower growth and reduced spending.

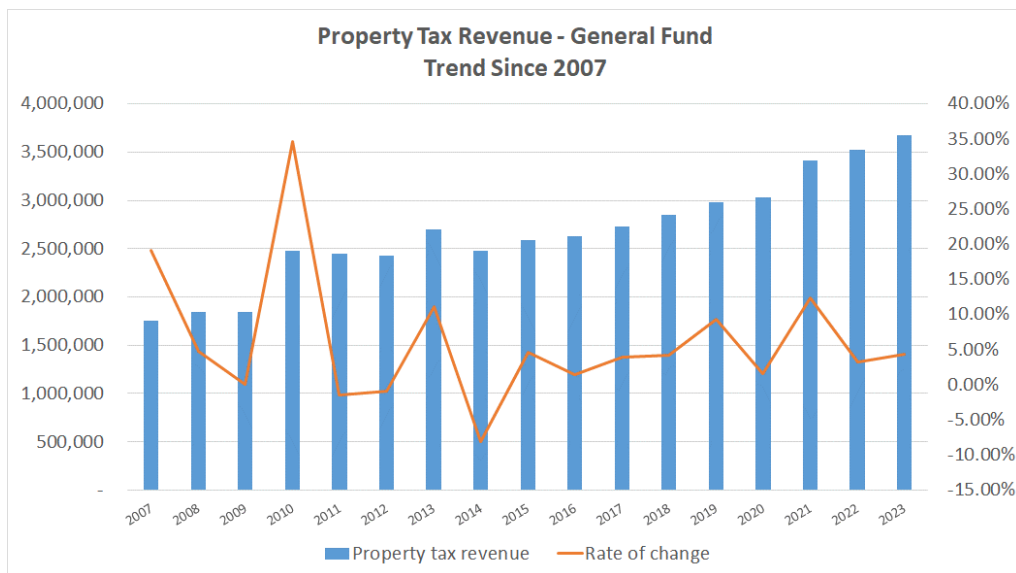
3. Pandemic-era stimulus funding has been depleted and less discretionary funding is available to individuals and households.

We expect the condition experienced in fiscal year 2023 to continue into 2024 but to a receding extent. Management may take steps during the budget year to adjust budgetary spending in line with impacted revenue sources, particularly in the general fund.

All sales tax due the City is administered by the California Department of Tax and Fee Administration (CDTFA).

Property Tax. Traditionally, revenue from property tax was viewed as a very stable source. The housing collapse of 2008 tested that assumption. Ukiah's housing market has made a considerable recovery, and city revenues from secured property taxes flowed accordingly. 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.

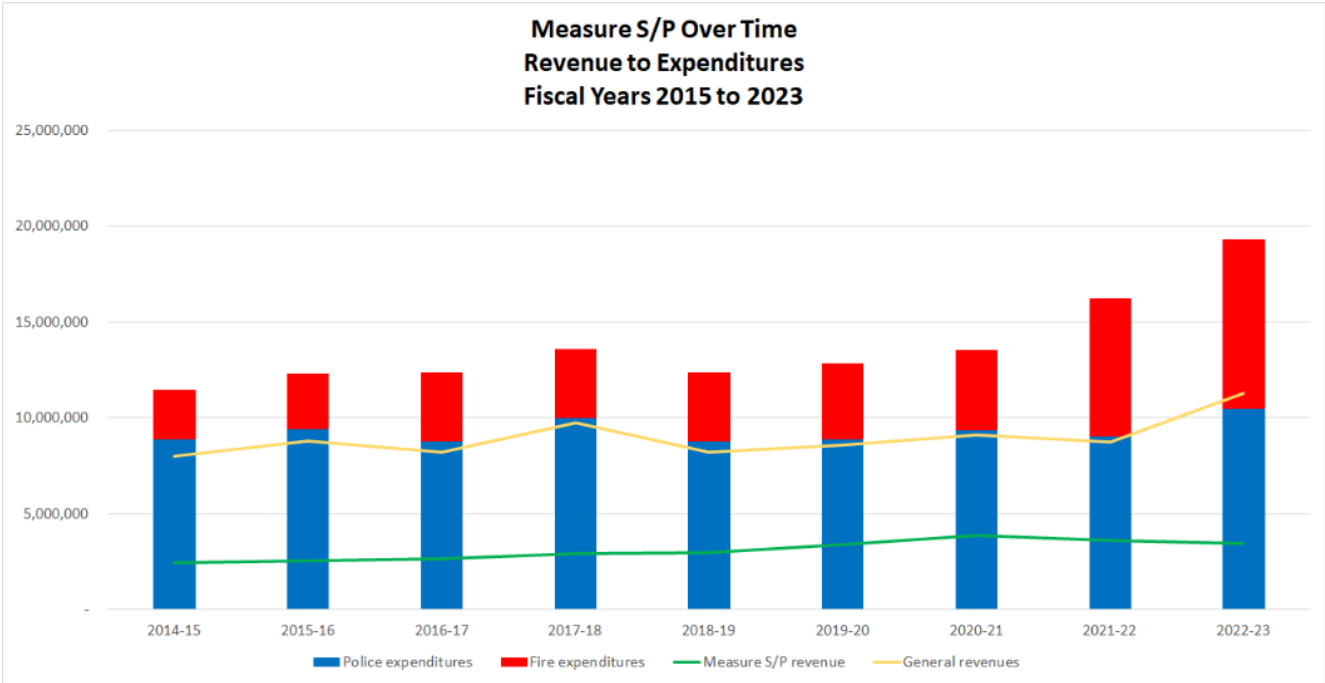
Receipts from this source were up 4.4 percent from the year prior due to assessed valuation growth from ownership change as well as the annual adjustment under Prop 13.



The chart here illustrates how property tax revenues *overall* have flowed to the City since 2007. Overall includes secured, unsecured, VLF in lieu and other property-related taxes. The blue bars represent the actual dollar amounts received by the City while the orange line indicates the rate of that change year over year. In FY 2023 the rate of change was higher than in the prior year at 4.4 percent. Based on historical experience, underlying property-related revenues in general are expected to increase modestly FY 2023-24 and beyond, likely to average 2.5-3.5 percent. This is challenging to estimate, however, due to difficulty obtaining information from the Mendocino County Auditor-Controller's Office.

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.



Measure P**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Baseline to Current Actual
For the Year Ended June 30, 2023**

	2014-15 Baseline	2022-23 Actual	Variance with Baseline
REVENUES			
Measure P	\$ 2,465,521	\$ 3,456,191	\$ 990,670
Public safety revenues:			
Police	1,001,861	791,156	(210,705)
Fire	37,235	3,666,830	3,629,595
Prop 172	53,471	119,215	65,744
General revenues (general fund)	7,922,006	11,261,332	3,339,326
Total revenues	11,480,094	19,294,724	7,814,630
EXPENDITURES			
Current:			
Police	8,709,693	10,409,204	(1,699,511)
Fire	2,553,407	8,107,907	(5,554,500)
Total current	11,263,100	18,517,111	(7,254,011)
Capital outlay:			
Police	186,594	64,360	122,234
Fire	30,400	713,253	(682,853)
Total capital outlay	216,994	777,613	(560,619)
Total expenditures	11,480,094	19,294,724	(7,814,630)
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ -
PERSONNEL			
Police:			
Sworn	32	27	(5)
Miscellaneous	18	18	(0)
Total police	50	45	(5)
Fire:			
City	11	21	10
Ambulance/Misc	-	7	7
UVSD	6	-	(6)
Total fire	17	28	11

Notes:

- 1) Excludes parking enforcement expenditures and associated revenue, dispatch services revenue, and fire prevention services revenue.
- 2) Does not include Emergency Management services, which are included in Public Safety on the Statement of Revenues, Expenditures, and Changes in Fund Balance.
- 3) Beginning fiscal year 2021-22 the City changed its accounting of the UVFD and City shared cost. The District's contribution to personal and other operating expenditures are not recognized as revenues to the City. Conversely, the City's expenditures related to fire services now include those amounts previously reported as expenditures of UVFD.
- 4) Ambulance services now included in 2022-23. Fiscal year 2021-22 have been updated here as well.

Measure Y

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

**Comparative Schedule of Resources and Uses
Measure Y
For the Years Ended June 30, 2023, 2022, 2021, 2020, 2019, 2018, and 2017**

	Measure Y							
	2023	2022	2021	2020	2019	2018	2017	Total
OPERATING REVENUES								
Measure Y 1/2 % transaction and use tax	\$ 3,450,586	\$ 3,620,957	\$ 3,862,145	\$ 3,368,450	\$ 3,016,205	\$ 2,729,797	\$ 528,057	\$ 20,576,197
Other financing sources	176,917	-	-	-	-	-	-	176,917
Total revenues	3,627,503	3,620,957	3,862,145	3,368,450	3,016,205	2,729,797	528,057	13,504,654
OPERATING EXPENSES								
General and administrative	37,088	80,857	10,251	17,733	10,150	5,444	9,134	170,657
Basic maintenance and operations	969,256	757,760	598,296	644,771	387,449	306,143	294,084	3,957,758
Enhanced capacity for maintenance and operations	471,827	156,370	158,500	154,479	60,260	1,979	-	1,003,414
Less: general fund maintenance of effort (see Note 1)	(448,957)	(406,477)	(399,840)	(385,086)	(375,597)	(373,870)	(350,000)	(2,739,827)
Total operating expenditures	1,029,213	588,510	367,207	431,897	82,262	(60,304)	(46,782)	774,279
DEBT SERVICE AND CAPITAL PROJECTS								
Debt service:								
I-Bank	75,329	75,435	75,538	75,638	75,638	75,638	-	453,216
Series 2022 Lease Revenue Bonds (Street Projects)	1,896,522	-	-	-	-	-	-	1,896,522
Projects	815,762	3,616,594	2,688,687	2,689,759	4,526,294	1,841,113	38,460	16,216,669
Total debt service and capital projects	2,787,613	3,692,029	2,764,225	2,765,397	4,601,932	1,916,751	38,460	16,669,886
Total expenditures, Measure Y	3,816,826	4,280,540	3,131,432	3,197,294	4,684,194	1,856,446	(8,322)	17,444,164
Change in Measure Y resources	(189,324)	(659,583)	730,714	171,156	(1,667,989)	873,351	536,379	(205,296)
Measure Y resources - beginning	(15,972)	643,610	(87,103)	(258,259)	1,409,729	536,379	-	-
Measure Y resources - ending	\$ (205,296)	\$ (15,972)	\$ 643,610	\$ (87,103)	\$ (258,259)	\$ 1,409,729	\$ 536,379	
PROJECTS IN PROCESS (see Note 2)								
Reconstruction	\$ 4,365,651							
Maintenance	22,369							
Total projects in process	\$ 4,388,020							

Notes:

1. This is the amount established by the City Council, per Resolution 2016-34, committing a minimum of \$350,000 per year from the general fund on street maintenance and repair. That amount is to be adjusted annually by changes to the Construction Cost Index, as reported by the Engineering News-Record.
2. Projects in process are projects and activities that are in contract (encumbered) but which have not incurred expenditures as of June 30, 2023.
3. Measure Y resources for Public Works Engineering Services were enhanced in FY 2020 to support basic maintenance and operations due to increased focus on Measure Y activities.

Relevant Financial Policies

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

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

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

Acknowledgements

The preparation of this Annual Comprehensive Financial Report could not be accomplished without the efficient and dedicated service of the entire staff of

the Finance Department, the City's Management Team, and the auditing firm of Van Lant & Fankhanel, LLP. We would like to express our appreciation to Brett Van Lant, CPA; Greg Fankhanel, CPA; the staff of Van Lant & Fankhanel; and to the members of the Finance Department, City Manager's Office, and other administrative divisions who assisted and contributed to its development.

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Sage Sangiacomo".

SAGE SANGIACOMO, ICMA-CM
City Manager

A handwritten signature in blue ink, appearing to read "Daniel Buffalo".

DANIEL BUFFALO, MPA, CPA, CGMA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Ukiah
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

City of Ukiah, California
List of Officials
June 30, 2023

CITY COUNCIL
UKIAH REDEVELOPMENT SUCCESSOR AGENCY BOARD OF DIRECTORS

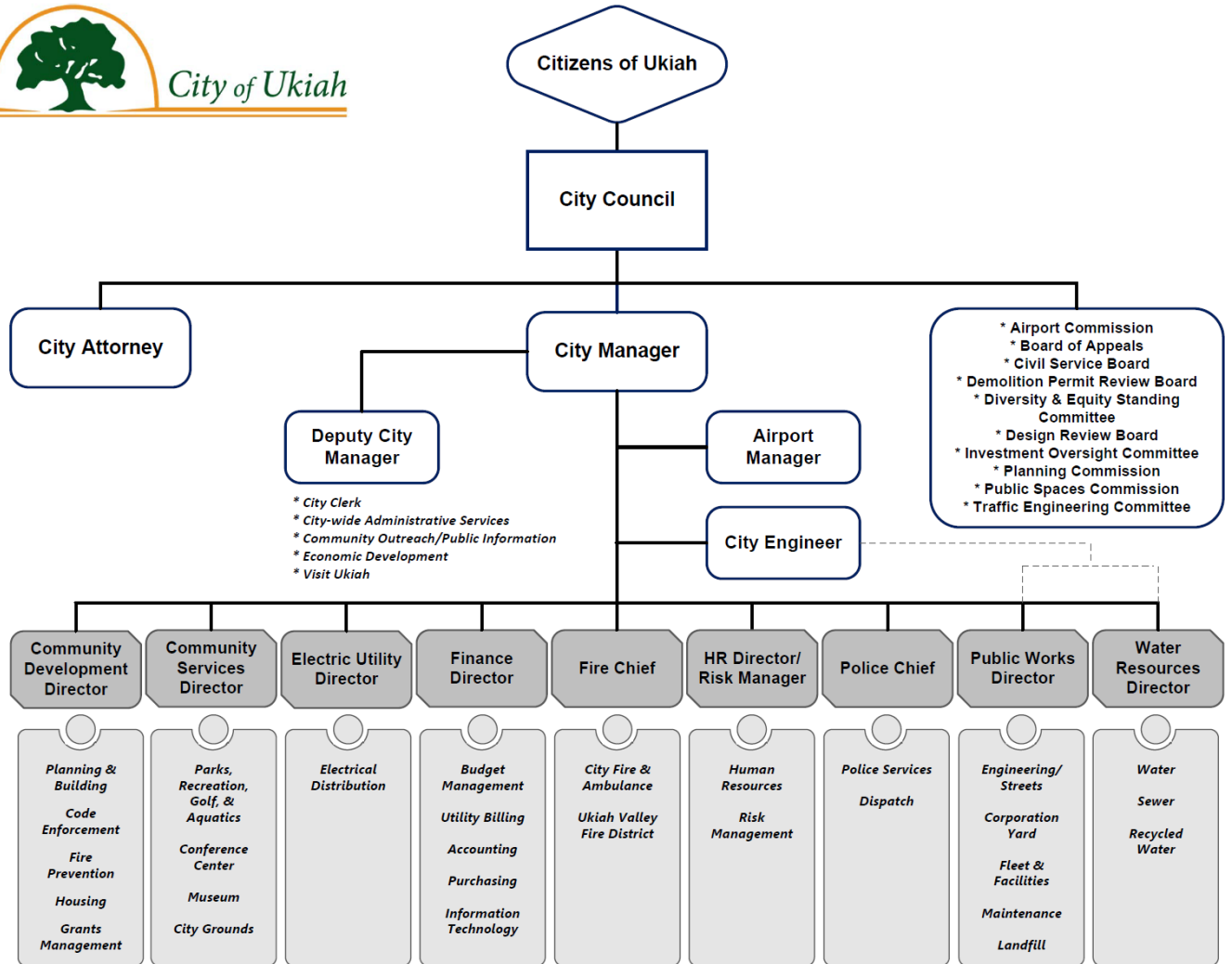
Mari Rodin	Mayor
Josefina Duenas	Vice Mayor
Doug Crane	Council Member
Juan Orozco	Council Member
Susan Sher	Council Member

EXECUTIVE MANAGEMENT TEAM

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



CITY ORGANIZATIONAL CHART



FINANCIAL SECTION

Independent Auditor's Report

The Honorable City Council
City of Ukiah, California

Report on the Financial Statements

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the 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, 2023, and the respective changes in financial position, and, where applicable, cashflows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 16 to the financial statements, in 2023, the City adopted new accounting guidance, *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Van Lant & Fankhanel, LLP

29970 Technology Drive, Suite 105 A
Murrieta, CA 92563
909.856.6879

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining statements and budget schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 combining statements, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 28, 2023, 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 & Fankhaed, LLP

December 28, 2023
Murrieta, CA

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, 2023. 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 and deferred outflows exceeded its liabilities and deferred inflows by \$171.4 million (net position) as of June 30, 2023.
- The City's net position in total increased by \$2.6 million.
- The net position for governmental activities ended the year at \$60.3 million, a 3.9 percent increase from the prior year, while the net position of business activities was \$111.2 million, a 0.2 percent increase.
- The governmental activities saw increased revenues from some major sources, notably charges for service and operating grants. Expenses were higher by \$8.5 mil, a 34.1 percent change from the year prior primarily due to changes in net pension liabilities.
- Business activities saw revenues increase by 12.6 million, driven by increased electric revenues and capital grants, while expenses increased over \$5.4 million, driven by increased electric operating costs (notably power purchases) and changes to net pension liabilities.

Overview of the Annual Comprehensive Financial Report

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

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

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

THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

Governmental Activities

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

Business-type activities

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

The Statement of Activities explains in detail the change in net position for the year. Changes to that net position include costs associated with depreciation and other full accrual, albeit non-budgeted items that may not influence cash or current (short-term) financial resources but do affect economic (long-term) resources. The statement presents expenses categorized by function or activity. This is done so that a direct connection can be made to the cost of providing that service or function for the year. The statement then presents how that activity was financed using funds other than those that can be used for any purpose (i.e. taxes, fines, investment earnings, etc.). This is an attempt to demonstrate how self-sufficient an activity was during the year. The remainder is the net expense covered by general revenues.

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

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

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

- **Governmental activities**—all the City’s basic services are governmental activities. These services are supported by general city revenues, such as taxes, and by specific program revenues such as user fees and charges.
- **Business-type activities**—The City’s enterprise activities of electric, water, wastewater, recycled water, solid waste disposal site, parking, street lighting, airport, conference center and golf course are reported in this area. Unlike governmental activities, these services are supported by charges paid by users based on the amount of the service they use.

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.

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, 2023, the City's major funds were as follows:

GOVERNMENTAL FUNDS:

- General Fund
- Streets Capital Projects (accounts principally for Measure Y uses)
- General Capital Projects
- Pension Debt Service

PROPRIETARY FUNDS:

- Landfill (closure and post-closure)
- Electric Enterprise
- Water Enterprise
- Wastewater Enterprise

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

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

[Fiduciary Statements](#)

The City's fiduciary activities are reported in the separate Statement of Fiduciary Net Position. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its own operations. The City maintains two fund types in this category: custodial and private purpose trust funds. These funds include resources held by the City on behalf of the Ukiah Valley Sanitation District, The Russian River Watershed Association, the Mendocino Solids Waste Management Authority (MSWMA), and the Ukiah Valley Fire District and the Ukiah Redevelopment Successor Agency. They provide information about the cash balances and activities of these funds accounted for on an economic resources measurement focus and full accrual basis of accounting. In its presentation of these statements, the City has adopted the provisions of GASB 84: Fiduciary Activities.

[Notes to the Financial Statements](#)

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

[Other Supplementary Information](#)

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

Government-Wide Financial Analysis

Net Position

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

Comparative Net Position
June 30, 2023 and 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 67,782,084	\$ 85,619,832	\$ 38,259,828	\$ 44,302,745	\$ 106,041,912	\$ 129,922,577
Capital assets(net)	71,542,525	61,581,082	181,824,010	181,668,949	253,366,535	243,250,031
Total assets	139,324,609	147,200,914	220,083,838	225,971,694	359,408,447	373,172,608
Deferred outflows of resources	18,804,317	12,715,862	5,023,335	785,130	23,827,652	13,500,992
Total assets and deferred outflows of resources	158,128,926	159,916,776	225,107,173	226,756,824	383,236,099	386,673,600
Current and other liabilities	8,622,182	6,827,070	6,291,551	8,643,356	14,913,733	15,470,426
Long-term liabilities	79,201,940	70,804,478	107,113,007	104,121,577	186,314,947	174,926,055
Total liabilities	87,824,122	77,631,548	113,404,558	112,764,933	201,228,680	190,396,481
Deferred inflows of resources	10,036,177	24,400,816	556,427	3,083,585	10,592,604	27,484,401
Total Liability and deferred inflows of resources	97,860,299	102,032,364	113,960,985	115,848,518	211,821,284	217,880,882
NET POSITION						
Net investment in capital assets	57,015,033	56,905,670	126,323,676	128,557,177	183,338,709	185,462,847
Restricted	42,596,682	15,368,987	794,192	320,241	43,390,874	15,689,228
Unrestricted	(39,343,088)	(14,390,245)	(15,971,680)	(17,969,112)	(55,314,768)	(32,359,357)
Total net position	\$ 60,268,627	\$ 57,884,412	\$ 111,146,188	\$ 110,908,306	\$ 171,414,815	\$ 168,792,718

The City's net position increased from the year prior due in large part to a 14.7 million in grants and other contributions received. These additions to net position were offset by lower sales tax receipts and higher expenses, predominantly driven by power purchase costs and changes to the City's net pension liability.

Restricted net position of \$43.4 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 2023, \$22.4 million is held for capital projects involving streets, water and sewer infrastructure, electric infrastructure, and a new corporation yard. The next largest restricted amount (\$14 million) is for housing programs in the form of loans receivable. A smaller portion is restricted for public safety activities and streets. It is important to note that restricted cash and investments may be different than restricted net position, e.g., cash restricted by a bond indenture as part of a bond issue is offset by the corresponding liability on the statement of net position, which is part of net investment in capital assets.

Unrestricted net position of negative \$55.3 million is due primarily due to the City's long-term obligations related to net pension liabilities and estimated landfill closure costs, changes to the former being a significant portion of the \$22.3 million increase from the prior year. The City's working capital to meet current and other near-term operating and capital concerns was \$79.3 million, which includes unspent bond proceeds of \$41.2 million.

Activities

Expenses incurred by the City for FY 2023 year totaled \$82.6 million, an increase from FY 2022 of \$14 million. This section provides analysis and explanation for this change delineated by the two components of the City: governmental activities and business-type activities.

Comparative Changes in Net Position June 30, 2022 and 2023

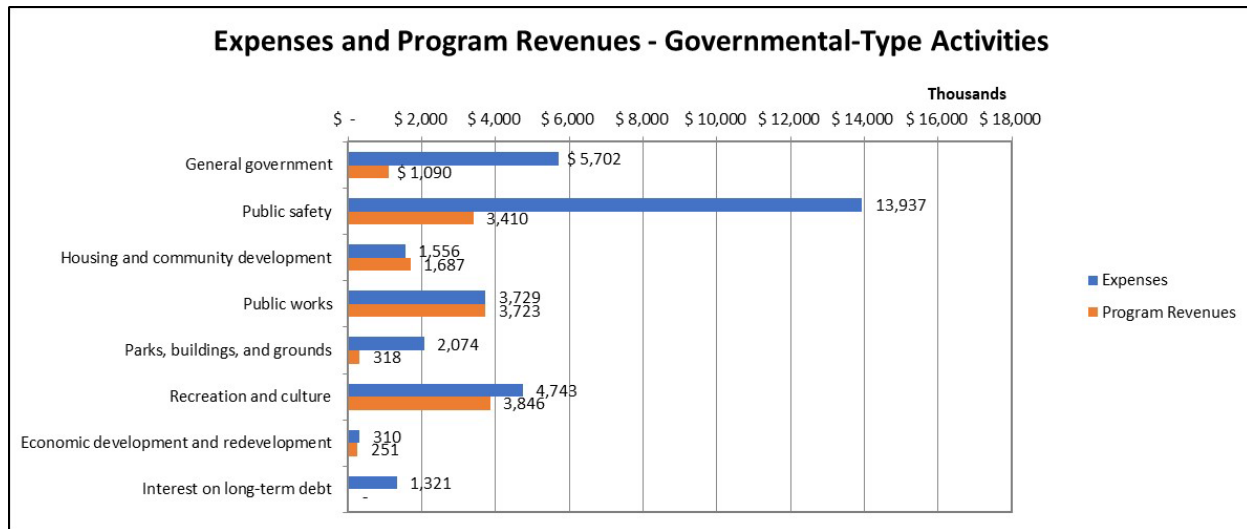
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES						
Program revenues:						
Charges for Services	\$ 6,398,932	\$ 4,759,875	\$ 40,724,604	\$ 34,699,279	\$ 47,123,536	\$ 39,459,154
Operating Grants and Contributions	6,040,597	4,947,892	1,659,916	1,572,005	7,700,513	6,519,897
Capital Grants and Contributions	1,884,763	2,424,991	5,077,674	201,152	6,962,437	2,626,143
General revenues:						
Taxes	19,351,489	20,094,975	18,043	17,057	19,369,532	20,112,032
Franchise fees	2,197,540	1,846,594	-	-	2,197,540	1,846,594
Use of money and property	227,389	(119,912)	287,566	(234,775)	514,955	(354,687)
Other revenue	233,241	280,944	1,073,603	-	1,306,844	280,944
Total revenues	36,333,951	34,235,359	48,841,406	36,254,718	85,175,357	70,490,077
EXPENSES						
Governmental activities:						
General government	5,701,815	2,824,700	-	-	5,701,815	2,824,700
Public safety	13,937,176	10,238,317	-	-	13,937,176	10,238,317
Housing and community development	1,556,452	2,058,024	-	-	1,556,452	2,058,024
Public works	3,728,734	2,357,684	-	-	3,728,734	2,357,684
Parks, buildings, and grounds	2,073,670	2,377,907	-	-	2,073,670	2,377,907
Recreation and culture	4,743,205	3,262,934	-	-	4,743,205	3,262,934
Economic development and redevelopment	310,065	84,274	-	-	310,065	84,274
Interest on long-term debt	1,321,028	1,674,767	-	-	1,321,028	1,674,767
Business-type activities:						
Parking District	-	-	117,417	148,354	117,417	148,354
Landfill	-	-	2,143,903	1,417,733	2,143,903	1,417,733
Ambulance Services	-	-	1,242,793	933,997	1,242,793	933,997
Golf	-	-	229,507	247,149	229,507	247,149
Conference Center	-	-	523,678	306,131	523,678	306,131
Airport	-	-	1,626,400	1,541,733	1,626,400	1,541,733
Electric	-	-	25,490,865	22,839,554	25,490,865	22,839,554
Street Lighting	-	-	189,463	146,475	189,463	146,475
Water	-	-	9,119,878	7,390,232	9,119,878	7,390,232
Wastewater	-	-	8,497,211	8,747,889	8,497,211	8,747,889
Total expenses	33,372,145	24,878,607	49,181,115	43,719,247	82,553,260	68,597,854
Change in net position before special items and transfers	2,961,806	9,356,752	(339,709)	(7,464,529)	2,622,097	1,892,223
Transfers	(577,591)	633,357	577,591	(633,357)	-	-
Change in net position	2,384,215	9,990,109	237,882	(8,097,886)	2,622,097	1,892,223
Total net position - beginning	57,884,412	47,894,303	110,908,306	119,006,192	168,792,718	166,900,495
Total net position - ending	\$ 60,268,627	\$ 57,884,412	\$ 111,146,188	\$ 110,908,306	\$ 171,414,815	\$ 168,792,718

Governmental Activities

In the realm of governmental activities, the City witnessed a moderate increase in overall revenues, ascending from \$34.2 million in 2022 to \$36.3 million in 2023. This uptick was largely due to a rise in charges for services and operating grants and contributions, which offset the slight decrease in tax revenues and capital grants and contributions. On the expenditure front, the total expenses saw a significant escalation from \$24.9 million in 2022 to \$33.4 million in 2023, with the general government category almost doubling its previous year's figure. Public safety costs also saw an incremental rise. The primary driver was changes to the net pension liability in which the City recognized lower than expected returns by CalPERS to its portfolio. The end result was a decrease in the change in net position before transfers, from a positive change of \$9.4 million in 2022 to \$2.4 million in 2023. Even with the augmented expenses, the total net position by the end of 2023 marked an increase, reaching \$60.3 million, compared to \$57.9 million in the previous year.

Expenses and Program Revenues
Governmental Activities
June 30, 2023

Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
General government	\$ 5,701,815	17.09%	\$ 1,089,818	7.61%	\$ (4,611,997)
Public safety	13,937,176	41.76%	3,409,852	23.80%	(10,527,324)
Housing and community development	1,556,452	4.66%	1,686,828	11.78%	130,376
Public works	3,728,734	11.17%	3,723,355	25.99%	(5,379)
Parks, buildings, and grounds	2,073,670	6.21%	317,730	2.22%	(1,755,940)
Recreation and culture	4,743,205	14.21%	3,845,518	26.85%	(897,687)
Economic development and redevelopment	310,065	0.93%	251,191	1.75%	(58,874)
Interest on long-term debt	1,321,028	4.32%	-	0.00%	(1,321,028)
Total	\$ 33,372,145	100.35%	\$ 14,324,292	100.00%	\$ (19,047,853)



A notable uptick was observed in the General Government expenses, which more than doubled from the previous year, rising from \$2.8 million in 2022 to \$5.7 million in 2023. This significant increase reflects the bulk of changes to net pension liability, discussed earlier.

The Public Safety expenses also increased, climbing from \$10.2 million to \$13.9 million. This category, encompassing police, fire, and emergency services, often commands a substantial share of municipal budgets. The upward trend reflects incremental investments aimed at improving public safety infrastructure, such as acquiring advanced equipment or expanding services to better serve the community. Further, resources derived from Measure Y, are deployed in full to support police and fire services.

In contrast, Housing and Community Development saw a reduction in expenditures, from \$2.1 million in 2022 to \$1.6 million in 2023. The decline represents the conclusion of specific development initiatives that were active in the previous year.

Public Works expenses witnessed a moderate rise, indicative of the city's commitment to maintaining and enhancing its critical infrastructure. The expenses grew from \$2.4 million to \$3.7 million, due to new or ongoing projects to improve streets, rights-of-ways, pedestrian and bicycle paths, and other vital public works.

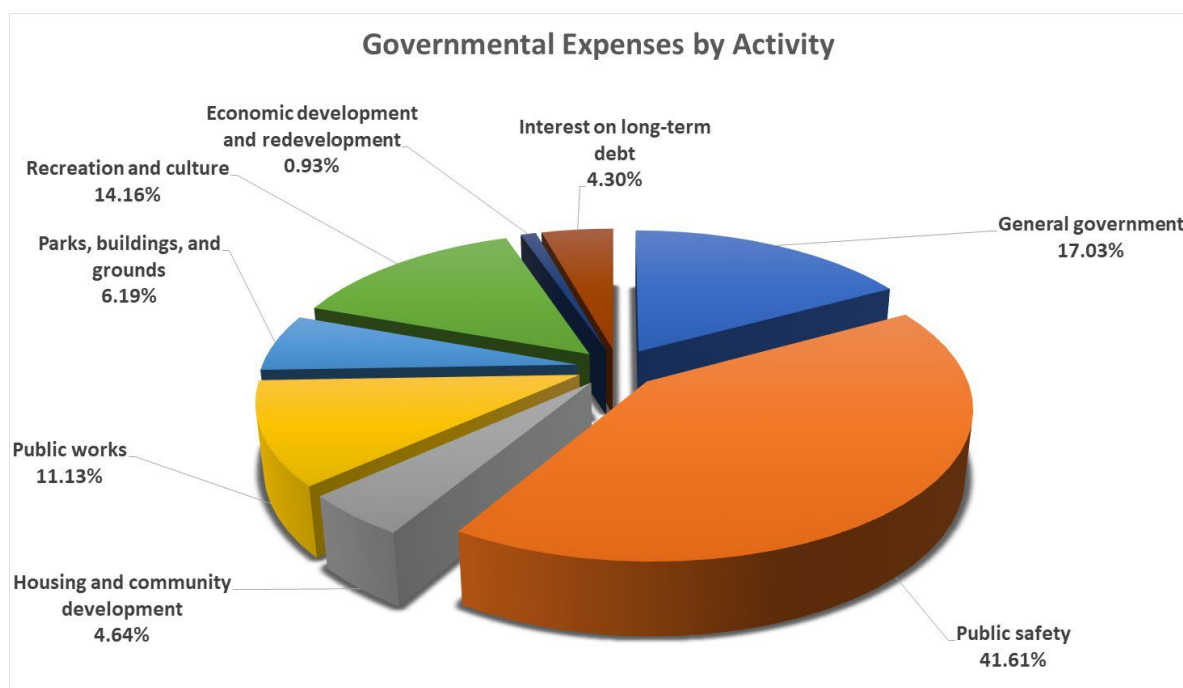
Parks, Buildings, and Grounds, which deal with the stewardship of public spaces and city properties, had a slight decrease in expenses, resulting from cost-saving measures.

The Recreation and Culture category experienced a considerable boost in funding, from \$3.3 million in 2022 to \$4.7 million in 2023. This substantial increment aligns with an investment in enhancing the community's cultural and recreational life, notably after school programs, an area that significantly contributes to the residents' well-being.

Economic Development and Redevelopment saw a more than threefold increase, reflecting the city's intensified efforts to invigorate economic growth and revitalize urban spaces, with expenditures rising from \$84,274 to \$310,065.

Furthermore, the city managed to decrease its Interest on Long-term Debt, from \$1.7 million to \$1.3 million, due mainly to issuance costs incurred in 2022 but not in 2023.

The City's increased total governmental expenses, which rose from \$24.9 million in 2022 to \$30.4 million in 2023, reflect its active approach to improving the city's operational capabilities, safety measures, and cultural offerings. This proactive fiscal stance, while enhancing current services and infrastructure, also underscores the importance of maintaining vigilance over the city's fiscal sustainability to ensure that these enhanced levels of service can be sustained in the long term without compromising financial health.



The pie chart underscores that Public Safety is the most significant expenditure, consuming 41.6 percent of the budget. This substantial share reflects the city's strategic decision to prioritize resources towards ensuring the safety and security of its citizens. It's a clear indicator that services such as law enforcement, fire protection, and emergency response are considered fundamental to the community's well-being.

General Government follows as the second-largest expense at 18.78 percent, a testament to the city's investment in its administrative and legislative functions. This allocation supports the foundational public services that enable the effective governance of the city but, as stated earlier, includes significant expenses related to changes to the net pension liability.

Recreation and Culture receive a notable 15.62 percent of the expenses, highlighting the city's commitment to enhancing the community's quality of life. This investment supports a variety of programs and facilities, from parks to cultural events, which serve as key components of community engagement and well-being.

Public Works, with 12.28 percent of the expenses, indicates ongoing efforts to maintain and develop critical infrastructure. These expenditures are vital for the city's functioning, ensuring that roads, bridges, and public buildings meet the needs of residents and businesses.

The allocation towards Parks, Buildings, and Grounds (6.83 percent) emphasizes maintenance and development of public spaces, an essential aspect of urban living that contributes to the aesthetic, environmental, and recreational value of the city's landscape.

Housing and Community Development commands a smaller but significant 5.12 percent slice of the budget. These funds likely support initiatives aimed at improving living conditions and fostering sustainable community growth, areas that are fundamental to the city's long-term development plans.

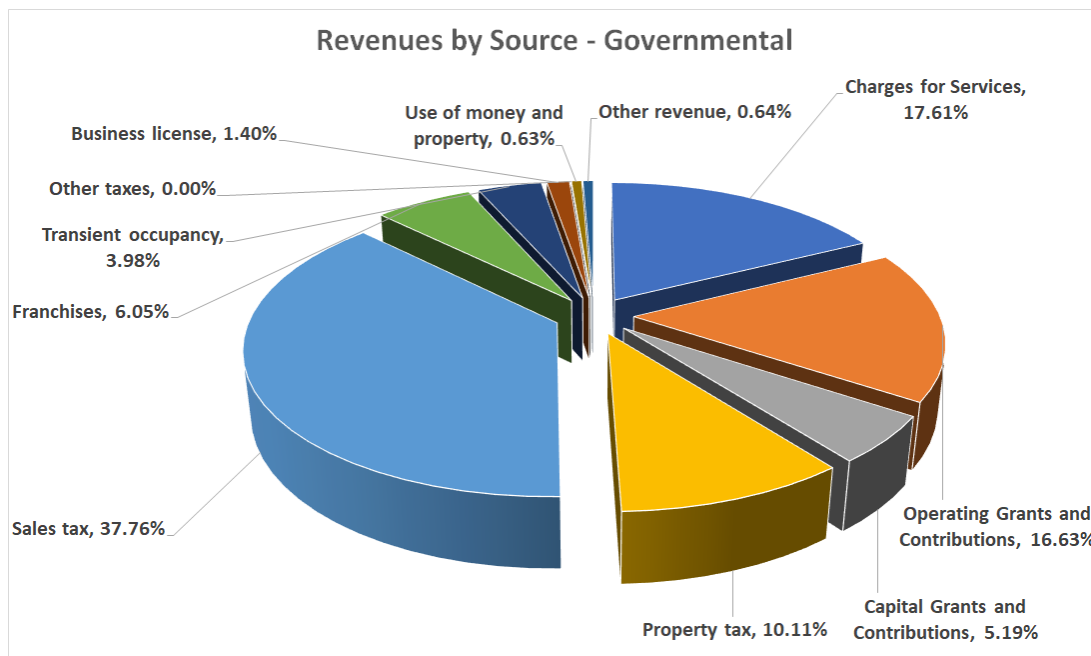
Interest on Long-term Debt, at 4.32 percent, reflects the city's financial obligations related to borrowing. While it is a necessary aspect of financing large-scale projects and initiatives, the percentage indicates a managed approach to debt that does not overshadow the other critical areas of expenditure.

Lastly, Economic Development and Redevelopment, though receiving the smallest portion at 1.02 percent, is nonetheless a crucial investment. It shows the city's focused yet prudent approach to stimulating economic growth and revitalizing areas that may benefit from redevelopment.

The revenue schedule and corresponding chart for the governmental activities of the fiscal year ending June 30, 2023, presents a diversified portfolio of income sources for the entity in question. From highest to lowest, revenues directly associated with governmental collections were as follows:

**Revenues by Source
Governmental Activities
For the Year Ended June 30, 2023**

Revenues Source	Revenue	% of Total
Sales tax	\$ 13,719,396	37.76%
Charges for Services	6,398,932	17.61%
Operating Grants and Contributions	6,040,597	16.63%
Property tax	3,674,829	10.11%
Franchises	2,197,540	6.05%
Capital Grants and Contributions	1,884,763	5.19%
Transient occupancy	1,446,678	3.98%
Business license	509,805	1.40%
Other revenue	233,241	0.64%
Use of money and property	227,389	0.63%
Other taxes	781	0.00%
Total	\$ 36,333,951	100.00%



Sales tax emerges as the predominant revenue stream, which included sales taxes (Bradley-Burns, Measure P and Measure Y transactions and use taxes), contributing a substantial 37.76 percent (\$13.7 million) to the total revenue, indicating a significant reliance on retail and consumer sales within the jurisdiction. General revenues from taxes decreased slightly from \$20.1 million in 2022 to \$19.4 million in 2023, which could be due to a number of factors, but principally are the result of the decline in the local cannabis industry and the waning of stimulus resources from the COVID-19 pandemic.

Following closely, charges for services account for 17.61 percent (\$6.4 million), reflecting the government's collection from public utilities or other chargeable services it provides to the residents and businesses. This revenue source increased from \$4.8 million in 2022 to \$6.4 million in 2023, a significant rise resulting from an expansion of services provided by the City related to after school programs, and an increase in user fees.

Operating grants and contributions also play a crucial role in funding governmental activities, comprising 16.63 percent (\$6.0 million) of the revenue, signaling a dependency on external funding such as state or federal aid, which supports various operational needs. Here the City recognized an increase, from \$4.9 million in 2022 to \$6.0 million in 2023, indicative of successful efforts in securing more grants and an increase in contributions from external sources.

Property tax, a cornerstone of local government finance, adds 10.11 percent (\$3.7 million) to the coffers, underscoring its importance in funding services closely tied to real estate and housing within the area. Changes to this revenue source from the prior year were nominal and historically have increased by 2-5 percent. Prop 8 adjustments processed by Mendocino County are still underway, which means the rate of change in future years should be more on the higher end of staff estimates.

Franchises generate 6.05 percent (\$2.2 million) of the revenue, derived from exclusive rights granted to businesses operating within government-owned property, notably cable, gas utility, and electric utilities. Changes here as well have been nominal from the prior year.

Capital grants and contributions make up 5.19 percent (\$1.9 million), funds which are generally allocated for the construction and maintenance of capital assets like roads, bridges, and buildings. The City recognized a decrease, moving from \$2.4 million in 2022 to \$1.9 million in 2023, reflecting the completion of capital projects and a reduction in funding for such initiatives associated with governmental activities.

Transient occupancy tax contributes 3.98 percent (\$1.5 million), sourced from temporary lodging facilities, indicating the impact of tourism or business travel in the area. Receipts from this source are up from the prior year as visitation to the Ukiah area, including tourism return to pre-pandemic levels.

Revenue from business licenses is relatively small at 1.40 percent (\$509,805), yet it is indicative of the government's regulatory role over commercial activities. Fiscal year 2022-23 saw a high point in receipts due to greater emphasis placed on business contact, processing of late payments, and new businesses opening in the city.

Other revenues and use of money and property, which include miscellaneous income and earnings from government-owned assets and investments, collectively add a minor 1.27 percent (\$460,630) to the revenue.

Lastly, other taxes are almost negligible at \$781, contributing less than 0.00 percent to the total, hinting at the presence of less significant tax categories.

In sum, the total revenue generated for governmental activities stands at \$36.3 million, with the schedule reflecting a comprehensive fiscal structure where tax income, especially from sales, forms the backbone of government revenue, complemented by a blend of service charges and external funding sources.

Business-type Activities

Turning to business-type activities, these showed even more robust growth in revenues, soaring from \$36.3 million in 2022 to \$48.8 million in 2023. This revenue surge was powered by substantial increases in charges for services and an exceptional rise in capital grants and contributions. Expenses across various service categories such as electric, water, and wastewater experienced fluctuations, but the total expenses had a marginal decrement. Interestingly, the change in net position before transfers took an upturn to a negative \$339,709 in 2023, contrasting with a negative change of \$7.5 million in the previous year. However, after accounting for transfers and other adjustments, including expenses related to business-

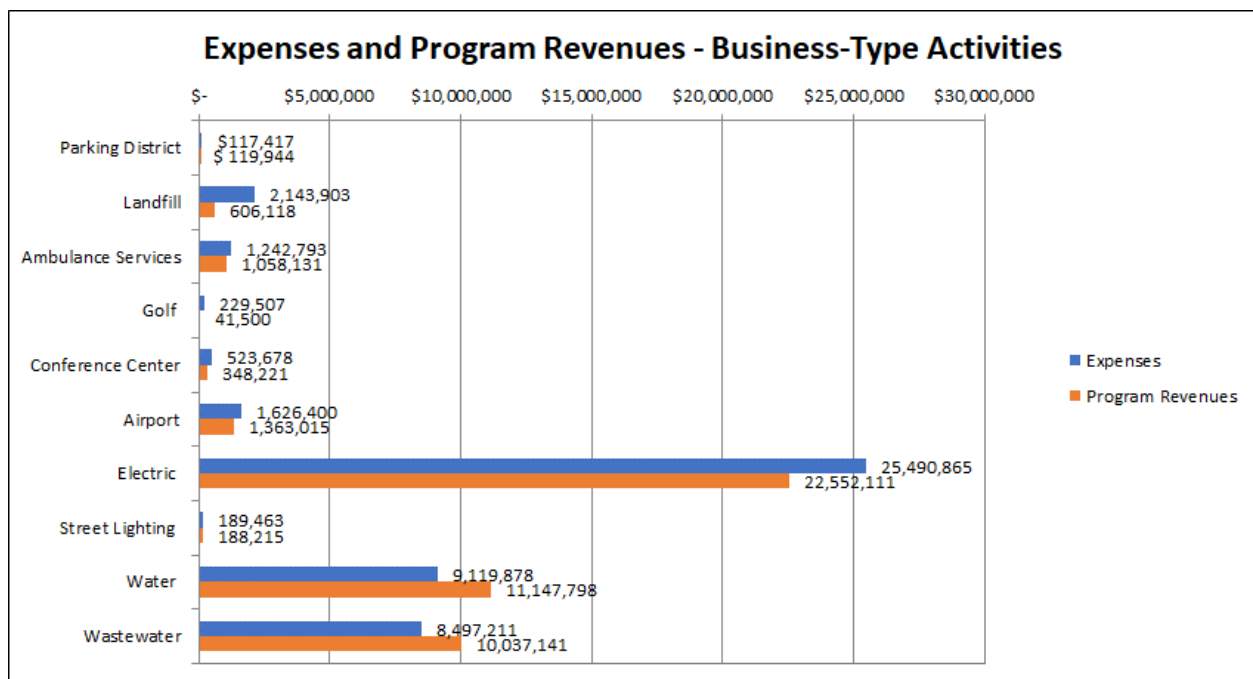
type net pension liabilities, inflationary pressures, and increased power costs, the business-type activities' net position still showed an increment, concluding the year 2023 with a net position of \$111.2 million, slightly up from \$110.9 million in 2022.

Expenses and Program Revenues

Business-Type Activities

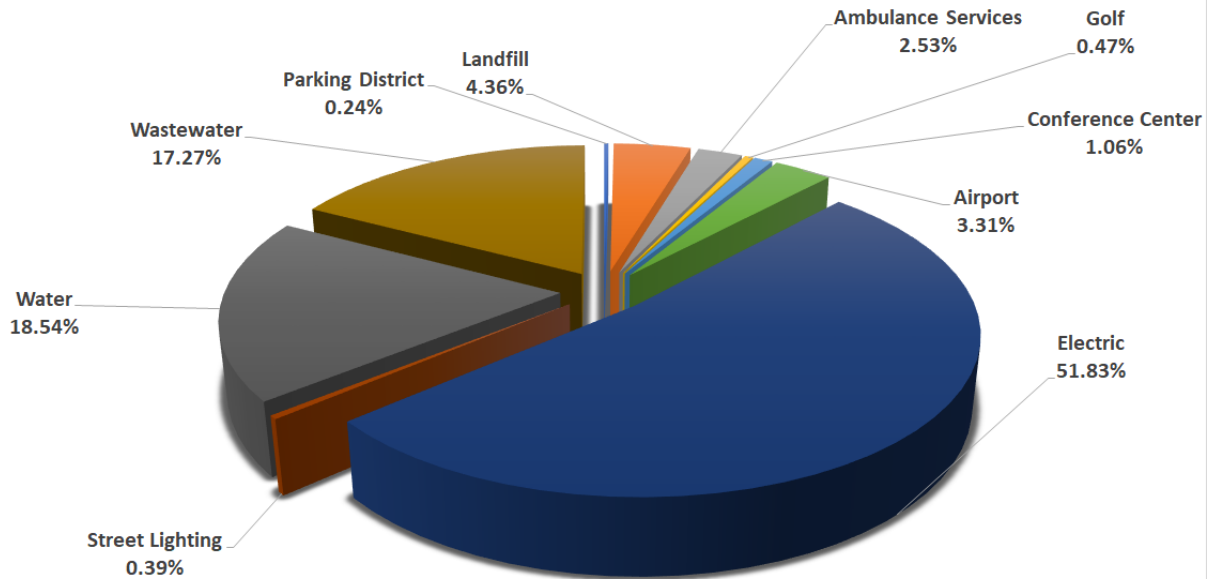
June 30, 2023

Business-type Activities	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
Parking District	\$ 117,417	0.24%	\$ 119,944	0.25%	\$ 2,527
Landfill	2,143,903	4.36%	606,118	1.28%	(1,537,785)
Ambulance Services	1,242,793	2.53%	1,058,131	2.23%	(184,662)
Golf	229,507	0.47%	41,500	0.09%	(188,007)
Conference Center	523,678	1.06%	348,221	0.73%	(175,457)
Airport	1,626,400	3.31%	1,363,015	2.87%	(263,385)
Electric	25,490,865	51.83%	22,552,111	47.52%	(2,938,754)
Street Lighting	189,463	0.39%	188,215	0.40%	(1,248)
Water	9,119,878	18.54%	11,147,798	23.49%	2,027,920
Wastewater	8,497,211	17.27%	10,037,141	21.14%	1,539,930
Total	\$ 49,181,115	100.00%	\$ 47,462,194	100.00%	\$ (1,718,921)



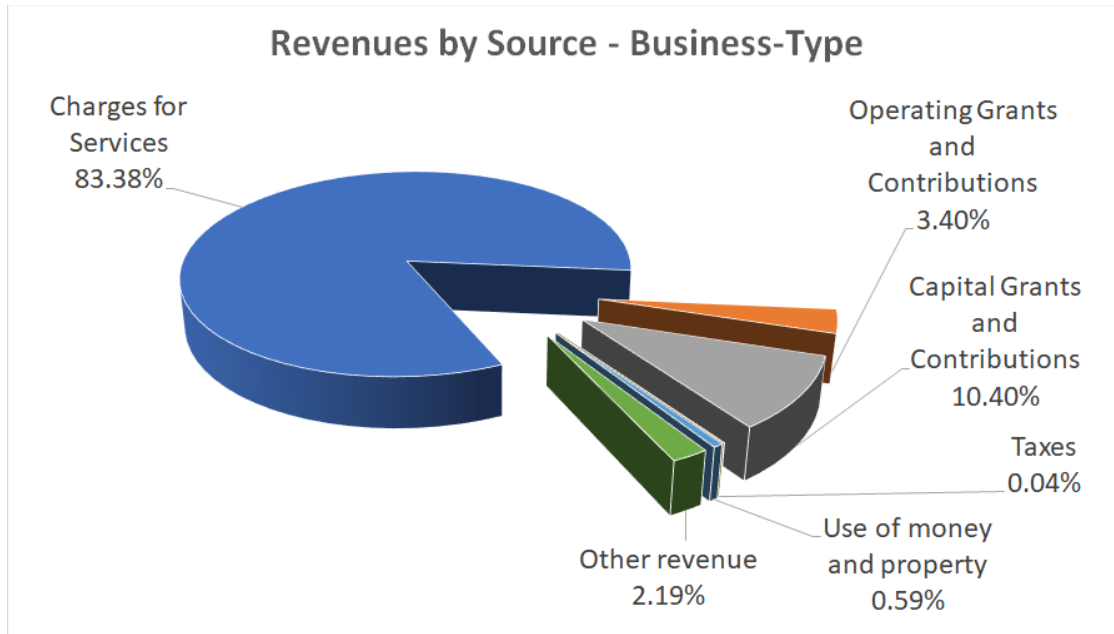
The following chart illustrates where business-type expenses were incurred by activity.

Business-Type Expenses by Activity



Revenues by Source Business-Type Activities For the Year Ended June 30, 2022

Revenues Source	Revenue	% of Total
Charges for Services	\$ 40,724,604	83.38%
Operating Grants and Contributions	1,659,916	3.40%
Capital Grants and Contributions	5,077,674	10.40%
Taxes	18,043	0.04%
Use of money and property	287,557	0.59%
Other revenue	1,073,603	2.19%
Total	\$ 48,841,397	100.00%



Capital Assets and Debt Administration

Capital Assets

The comparative capital assets statement for the City of Ukiah, as of June 30, 2022 and 2023, provides a detailed view of the city's investments in long-term assets for both governmental and business-type activities.

In 2023, governmental activities show a significant investment in various asset categories, with an overall net capital assets total of \$71.5 million. Notably, infrastructure and network and buildings and improvements represent the most substantial investments, with \$71.1 million and \$21.8 million, respectively. No land was purchased this fiscal year. Construction in progress increased to \$6.4 million, resulting from ongoing development projects, and machinery, equipment and vehicles also saw an increase to \$11.4 million. A new entry, technology subscriptions, a requirement under GASB Statement 96, appears in 2023 with \$1.1 million, reflecting the city's investment in digital assets. However, the overall increase in capital assets is offset by a significant accumulated depreciation and amortization amounting to \$44.8 million.

For business-type activities, the infrastructure and network category saw an increase from \$174.3 million in 2022 to \$176.8 million in 2023, and buildings and improvements also increased from \$63.3 million to \$63.3 million. There's a noteworthy rise in construction in progress from \$7.4 million in 2022 to \$10.5 million in 2023, highlighting ongoing capital projects. Similarly, machinery equipment and vehicles increased from \$14.1 million to \$15.3 million. The addition of intangible assets at \$270,000 in 2023 represents new assets that are non-physical in nature. The business-type activities show a substantial total net capital assets figure of \$181.8 million, up from \$181.7 million in 2022.

Across both categories, the total net capital assets have grown from \$243.3 million in 2022 to \$253.4 million in 2023, indicating the city's commitment to maintaining and expanding its capital infrastructure. The overall increase in capital assets for the city mirrors its development strategy and continued investment in significant infrastructure and capital projects.

Despite these investments, there's an increase in accumulated depreciation and amortizations, from \$126.9 million in 2022 to \$136.2 million in 2023, which is a standard accounting practice that reflects the aging and usage of the assets over time. The careful management of these assets and the associated depreciation is crucial for long-term financial sustainability and strategic capital planning.

Capital Assets, Comparative
June 30, 2022 and 2023

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Technology subscriptions	\$ 1,047,946	\$ -	\$ -	\$ -	\$ 1,047,946	\$ -
Land	4,596,065	4,596,065	7,747,880	7,747,880	12,343,945	12,343,945
Infrastructure and network	71,127,396	64,604,249	176,187,960	174,295,038	247,315,356	238,899,287
Buildings and improvements	21,862,814	21,861,416	63,283,227	63,250,560	85,146,041	85,111,976
Construction in progress	6,353,352	2,029,535	10,497,502	7,368,291	16,850,854	9,397,826
Machinery equipment and vehicles	11,305,423	10,103,782	15,303,830	14,048,150	26,609,253	24,151,932
Intangible assets	-	-	270,000	270,000	270,000	270,000
	<u>116,292,996</u>	<u>103,195,047</u>	<u>273,290,399</u>	<u>266,979,919</u>	<u>389,583,395</u>	<u>370,174,966</u>
Less: accumulated depreciation and amortizations	<u>(44,750,471)</u>	<u>(41,613,965)</u>	<u>(91,466,389)</u>	<u>(85,310,970)</u>	<u>(136,216,860)</u>	<u>(126,924,935)</u>
Capital assets, net	<u>\$ 71,542,525</u>	<u>\$ 61,581,082</u>	<u>\$ 181,824,010</u>	<u>\$ 181,668,949</u>	<u>\$ 253,366,535</u>	<u>\$ 243,250,031</u>

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

Long-Term Liabilities

The provided data details the long-term obligations of the City of Ukiah for both governmental and business-type activities over two fiscal years, 2022 and 2023, offering a comparative view of the changes in financial liabilities.

In the governmental activities for 2023, the total long-term obligations are reported at \$79.8 million, which marks an increase from \$73.8 million in 2022. This rise can be attributed to several factors, including an increase in compensated absences, which grew from \$1.1 million to \$1.2 million, suggesting a higher liability for employee benefits over time. The return of net pension liability at \$8.2 million in 2023 and loss of the corresponding pension asset reported in 2022, reflects poor investment performance by CalPERS, for which the City has to cover. Technology subscriptions at \$845,509 points to new categories of financial reporting requirements that governments like the City have undertaken adopting the provisions GASB Statement 96. Leases payable saw a slight decrease from \$4.8 million in 2022 to \$4.5 million in 2023, reflecting a reduction in lease obligations. Notably, bonds remain the most substantial liability, although decreasing from \$67.6 million in 2022 to \$64.9 million in 2023, due to the City successfully paying down its bond debt.

For business-type activities, the long-term obligations for 2023 amount to \$110,642,298, showing an increase from \$108.2 million in 2022. The most significant liability is for estimated landfill closure costs, which increased from \$19.9 million in 2022 to \$21.2 million in 2023, indicating an upward adjustment in the estimated cost for this environmental obligation. The net pension liability and compensated absences also reflect a similar trend to the governmental activities, increasing to \$5.2 million and \$547,776 respectively. The decrease in notes payable from \$17.9 million in 2022 to \$17.3 million in 2023 suggests a reduction in short-term borrowing. Bonds have also decreased from \$68.9 million in 2022 to \$66.4 million in 2023, aligning with the trend in the governmental sector.

Overall, the total long-term obligations for both the governmental and business-type activities combined have risen from \$182.1 million in 2022 to \$190.5 million in 2023. This indicates that while the City of Ukiah is managing certain debts

effectively, as seen by the reduced bonds and notes payable, it also faces increased liabilities, particularly related to environmental responsibilities and pensions. The introduction of new liabilities in technology suggests investment in digital infrastructure. The city's financial planning will need to consider these increasing obligations and the impact they may have on future budgets and financial strategies.

Long-term Obligations

Two-Year Comparison

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Landfill closure liability	\$ -	\$ -	\$ 21,145,540	\$ 19,890,002	\$ 21,145,540	\$ 19,890,002
Compensated absences	1,226,352	1,118,763	547,776	533,518	1,774,128	1,652,281
Total pension liability	11,167,808	-	5,237,038	-	16,404,846	-
Leases payable	4,544,125	4,800,950	-	-	4,544,125	4,800,950
Technology subscriptions	845,509	-	-	-	845,509	-
Notes payable	-	-	17,321,721	17,862,160	17,321,721	17,862,160
Settlements	-	-	-	1,000,000	-	1,000,000
Claims	143,486	286,972	-	49,583	143,486	336,555
Bonds	64,886,706	67,587,506	66,390,223	68,932,767	131,276,929	136,520,273
Total	\$ 82,813,986	\$ 73,794,191	\$ 110,642,298	\$ 108,268,030	\$ 193,456,284	\$ 182,062,221

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, 2023, the City's governmental fund balance was \$43.9 million, which decreased \$8.1 million from the year prior largely due to capital outlays, notably street and rights-of-way projects. GASB 54 established five new criteria for categorizing that balance based on its restricted and unrestricted use.

The five categories are the following:

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

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

Governmental Funds Financial Condition

Governmental funds reported a decrease in fund balance from \$51.9 million in 2022 to \$43.1 million in 2023, indicating a significant use financial resources over the year, including cash and investments, which decreased from \$17.8 million in 2022 to \$15.8 million in 2023.

The non-spendable fund balance at the end of the fiscal year 2023 stands at \$4.6 million, primarily comprising long-term interfund loans. This is a decrease of \$162,923 from the previous year's balance of \$4.7 million, which included other non-spendable items such as inventory and prepaids. The decrease was the result of loan payments received and inventory used.

The restricted fund balance shows a significant reduction from \$33.3 million in 2022 to \$25.7 million in 2023, with major allocations in capital projects, which have decreased notably from \$15.6 million to \$5.0 million, reflecting the city's ongoing capital expenditures or completion of certain bond-funded projects. These resources are earmarked for specific uses such as law enforcement, housing, and infrastructure projects and are often governed by legal restrictions or external requirements.

Committed fund balances, which are specific financial resources that the City Council has formally set aside for particular purposes, are reported at \$461,610 for park development and other planning activities. This is a decrease from the previous year's committed balance which included solid waste management and other capital projects.

The assigned fund balance, designated by management for future projects and capital acquisitions, includes amounts for economic development, equipment reserves, park development, and pensions, with a significant assignment for project reserves totaling \$5.9 million. This reflects a proactive approach to managing the city's financial planning for future needs.

Finally, the unassigned fund balance, which represents the amount available for new initiatives or unforeseen expenses, has decreased to \$6.5 million in 2023 from \$7.9 million in 2022. These funds are crucial for maintaining financial flexibility and ensuring that the government can respond to changing circumstances.

Additional information on deficit fund balances can be found in Note 2.

Specific to the major funds reported:

General Fund. The balance sheet for the fiscal year ending June 30, 2023, shows a decrease in total assets from \$16.1 million in 2022 to \$13.5 million in 2023, largely driven by a significant reduction in cash and investments, as the fund provided short-term interfund resources to various other governmental and enterprise funds. Conversely, accounts receivable and due from other funds have increased, indicating more outstanding receivables and inter-fund activities, respectively.

Liabilities have decreased, particularly in accounts payable and accrued payroll liabilities, leading to a reduction in total liabilities from \$1.9 million in 2022 to \$1.3 million in 2023. Deferred inflows of resources related to leases decreased, and there are no unavailable revenues reported in 2023.

The fund balance has also seen a decrease, with unassigned fund balances dropping from \$8.7 million in 2022 to \$7.7 million in 2023, reflecting a decrease in resources available for future use. Nonspendable fund balances saw a mixed change with an increase in interfund loans and a notable decrease in inventories and prepaids. The total fund balances have decreased from \$13.2 million in 2022 to \$12.1 million in 2023, primarily the result of lower sales tax receipts than the prior year.

Streets Capital Improvements. Resources transferred into this fund from the general fund, vis a vis Measure Y resources collected, among other intergovernmental sources and grants supported expenditure of \$3.3 million. The

fund has been very active in capital projects and in the repayment of capital debt issued for large scale street rehabilitation projects.

General Capital Projects. This fund primarily is used to account for bond-funded capital projects, for which bond proceeds in the amount of \$17 million were received in February of 2023. \$5.6 million of unspent bond proceeds remain. A \$600,000 grant from CalTrans' local partnership program is accounted for in this fund as well.

Pension Debt Service. This fund is used to service bond debt related to lease revenue bonds issued by the City in 2020 that provided advances fund the unfunded accrued liability with CalPERS. The City contributes additional amounts to the fund beyond the annual debt service requirement to ensure it maintains resources to meet future payment obligations without difficulty and to prepare for potential calls on bonds when the option is available.

Proprietary Funds

Landfill. This fund is to account for activities of closure and post closure of the Ukiah landfill. There was an operating revenue of \$597,239 but operating expenses were significantly higher at \$2.1 million, resulting in a substantial operating loss of \$1.5 million. Nonoperating revenues brought in an additional \$15,097, but this was not enough to offset the operating loss, leading to a negative change in net position of \$669,189. This downturn could reflect substantial maintenance and operations costs exceeding the revenues generated from the services.

Electric. Despite robust operating revenues of \$23.0 million, even higher operating expenses totaling \$24.3 million, driven by power purchases, lead to an operating loss of \$1.3 million. The negative impact was exacerbated by nonoperating expenses, including interest and fiscal charges, further increased the loss before contributions and transfers to \$1.8 million. Despite this, grants, contributions, and transfers in helped narrow the loss, but the fund still closed with a decrease in net position by \$1.2 million.

Water. This fund's situation was more positive, with operating revenues of \$7.5 million against operating expenses of \$8.3 million, leading to an operating loss of \$889,843. After accounting for nonoperating expenses and transfers, the fund experienced a positive change in net position of \$2.4 million.

Wastewater. This fund was the most financially positive, with operating revenues of \$9.7 million against expenses of \$7.5 million, resulting in an operating income of \$2.1 million. The fund's net position improved substantially by \$1.3 million; however, current resources, notably working capital, have been depleted considerably, as the fund paid its final lawsuit settlement installment this year.

The total nonmajor funds category reported operating revenues of \$3.0 million and operating expenses of \$3.9 million, leading to an operating loss of \$842,808 across various enterprise activities, including golf, conference center, airport, parking, ambulance services, and street lighting. However, this category ended the year with a decrease in net position of \$940,332, after including nonoperating revenues and expenses, contributions, and transfers.

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 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 over \$2.2 million from the year prior, driven by intergovernmental sources and charges for service (primarily after school day camp activities). Similarly, total expenditures were higher by \$5 million due to a variety of increased costs, the largest of which being personnel, insurance, supplies, internal services, and administration. After other financing sources and uses were accounted for, fund balance decreased by \$1.2 million.

The original budget estimated \$31.4 million in revenues. It was increased to \$31.5 in anticipation of miscellaneous receipts and charges for service, among other reasons. Actual revenues in the General Fund were \$681,009 thousand lower than was budgeted primarily due to decreased sales taxes.

Expenditures were \$1.1 million lower than budget appropriations primarily due to various cost and budgetary savings, including delayed capital outlays. Recreation and culture expenditures were higher than budgeted due to the aforementioned day camp activities.

Policy Resolution No. 39 (2013), passed the Ukiah City Council and incorporated in the City's financial management policies, established an unrestricted fund balance of at least 25 percent of annual operating expenditures in the General Fund. Its purpose is to serve as a strategic reserve, ensuring liquidity of the General Fund and to make certain adequate resources are available to manage economic uncertainties. The General Fund ended the year with a fund balance (consisting of nonspendable, committed, and unassigned amounts) of \$12.1 million, representing 41.9 percent of total expenditures for the year.

**Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Taxes	\$ 20,853,954	\$ 20,853,954	\$ 19,326,520	\$ (1,527,434)
Fees, charges, licenses, and permits	7,624,504	7,716,504	7,464,544	(251,960)
Use of money, property, interest and concessions	270,603	270,603	304,865	34,262
Intergovernmental	182,946	182,946	217,014	34,068
Other	2,478,105	2,531,610	3,561,665	1,030,055
Total revenues	31,410,112	31,555,617	30,874,608	(681,009)
EXPENDITURES				
Current:				
General government	54,896	82,151	58,195	23,956
Public safety	15,460,261	16,626,707	16,047,659	579,048
Housing and community development	1,323,840	1,393,840	1,339,854	53,986
Public works	1,798,601	1,958,628	1,939,767	18,861
Parks, buildings, and grounds	1,697,810	1,749,660	1,906,273	(156,613)
Recreation and culture	4,640,417	4,669,774	5,044,001	(374,227)
Economic development and redevelopment	153,650	153,650	316,477	(162,827)
Total current	25,129,475	26,634,410	26,652,226	(17,816)
Debt service	1,593,171	1,593,171	1,593,171	-
Capital outlay	528,410	1,759,156	635,629	1,123,527
Total expenditures	27,251,056	29,986,737	28,881,026	1,105,711
Excess (deficiency) of revenues over expenditures	4,159,056	1,568,880	1,993,582	424,702
OTHER FINANCING SOURCES (USES)				
Transfers	(2,963,358)	(2,989,608)	(3,144,035)	(154,427)
Net change in fund balances	1,195,698	(1,420,728)	(1,150,453)	270,275
Fund balances - beginning	13,239,953	13,239,953	13,239,953	-
Balances - ending	\$ 14,435,651	\$ 11,819,225	\$ 12,089,500	\$ 270,275

Economic Outlook

The City of Ukiah enjoys a diverse economic base serving as a hub for the greater geographic region around the city and Mendocino County. Consequently, the City's revenues are tied strongly to the financial health and well-being of its residents and businesses. City management took a conservative approach to revenue estimation when preparing the City's 2023 budget. Management continued that approach into the fiscal year 2024.

The following economic factors currently affect the City of Ukiah and were considered in developing the 2024 fiscal year budget.

- Sales tax revenue and transient occupancy taxes were estimated to increase by nominal amounts respectively from the prior year due. General fund appropriations were nonetheless adjusted to continue to generate a budgetary surplus as a hedge against unexpected revenue shortfalls.
- Water and sewer rates are in the middle of a five-year adjustment schedule. This was in response to anticipated current and future expenditure increases in operating costs, capital outlays, and settlement payments to the Ukiah Valley Sanitation District. The adjustment to rates will continue each July 1 for the next 2 years.
- Rate revenue in electric enterprise funds was estimated to increase as the most recent rate adjustment schedule is implemented. Additionally, power purchase surcharges have been enacted quarterly. Implementation of subsequent rate adjustment will occur for the next several years and may be implemented sooner than originally anticipated, due to rising costs.
- A property tax rate increase of 2 percent is expected in the general fund.

- Implementation of increased rates on the City of Ukiah's current fee schedule is anticipated.
- Regular increases are expected in health insurance premiums, as well as pension costs.
- Personnel costs related to current bargaining agreements will result in a 3 percent increase in the fall of 2023.

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 with the resources available.

Requests for Information

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

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

City of Ukiah, California
Statement of Net Position
June 30, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 15,639,851	\$ 8,048,188	\$ 23,688,039
Restricted cash and investments	26,619,999	14,552,650	41,172,649
Investment in NCPA reserves	-	4,840,316	4,840,316
Receivables (net allowance for uncollectibles)	5,488,244	9,295,851	14,784,095
Grants and intergovernmental receivable	991,238	3,931,005	4,922,243
Lease receivable	141,273	122,710	263,983
Internal balances	4,493,093	(4,493,093)	-
Inventories and prepaids	138,939	1,962,201	2,101,140
Land held for resale	2,435,114	-	2,435,114
Total current assets	55,947,751	38,259,828	94,207,579
Noncurrent assets:			
Notes and loans receivable	11,834,333	-	11,834,333
Technology subscription	859,476	-	859,476
Capacity rights	-	270,000	270,000
Land	4,596,065	7,747,880	12,343,945
Construction in progress	6,353,352	10,497,502	16,850,854
Buildings and improvements	11,780,022	26,564,923	38,344,945
Machinery equipment and vehicles	4,520,976	5,938,726	10,459,702
Infrastructure and network	43,432,634	130,804,979	174,237,613
Total noncurrent assets	83,376,858	181,824,010	265,200,868
Total assets	139,324,609	220,083,838	359,408,447
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	18,804,317	5,023,335	23,827,652
Total deferred outflows of resources	18,804,317	5,023,335	23,827,652
Total assets and deferred outflows of resources	158,128,926	225,107,173	383,236,099
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 3,606,006	\$ 1,798,158	\$ 5,404,164
Accrued payroll liabilities	788,809	177,110	965,919
Interest payable	615,321	780,768	1,396,089
Deposits payable	-	6,224	6,224
Due within one year	3,612,046	3,529,291	7,141,337
Total current liabilities	8,622,182	6,291,551	14,913,733
Noncurrent liabilities:			
Due in more than one year	79,201,940	107,113,007	186,314,947
Total noncurrent liabilities	79,201,940	107,113,007	186,314,947
Total liabilities	87,824,122	113,404,558	201,228,680
DEFERRED INFLOWS OF RESOURCES			
Lease related	141,273	122,710	263,983
Pension related	9,894,904	433,717	10,328,621
Total deferred inflows of resources	10,036,177	556,427	10,592,604
Total liabilities and deferred inflows of resources	97,860,299	113,960,985	211,821,284
NET POSITION			
Net investment in capital assets	57,015,033	126,323,676	183,338,709
Restricted for:			
Capital projects	22,395,404	-	22,395,404
Certifications and training	50,840	-	50,840
Community events	45,800	-	45,800
Debt service	2,449,504	-	2,449,504
Debt service reserve	-	706,668	706,668
Governmental services	1,487,815	-	1,487,815
Housing and community development	14,016,250	-	14,016,250
NCPA Projects	-	87,524	87,524
Public health services	61,185	-	61,185
Public safety	629,818	-	629,818
Public works	1,279,894	-	1,279,894
Solid waste abatement	35,564	-	35,564
Parks and recreation:			
Expendable	7,032	-	7,032
Nonexpendable	137,576	-	137,576
Unrestricted	(39,343,088)	(15,971,680)	(55,314,768)
Total net position	\$ 60,268,627	\$ 111,146,188	\$ 171,414,815

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

City of Ukiah, California
Statement of Activities
Year Ended June 30, 2023

		Net (Expense) Revenue and Changes in Net Position						
		Primary Government						
Functions/Programs	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 5,701,815	\$ 115,137	\$ 974,681	\$ -	\$ (4,611,997)	\$ -	\$ (4,611,997)	
Public safety	13,937,176	592,944	2,371,482	445,426	(10,527,324)	-	(10,527,324)	
Housing and community development	1,556,452	902,296	784,532	-	130,376	-	130,376	
Public works	3,728,734	721,741	1,745,111	1,256,503	(5,379)	-	(5,379)	
Parks, buildings, and grounds	2,073,670	132,311	3,776	181,643	(1,755,940)	-	(1,755,940)	
Recreation and culture	4,743,205	3,684,503	161,015	-	(897,687)	-	(897,687)	
Economic development and redevelopment	310,065	250,000	-	1,191	(58,874)	-	(58,874)	
Interest on long-term debt	1,321,028	-	-	-	(1,321,028)	-	(1,321,028)	
Total governmental activities	33,372,145	6,398,932	6,040,597	1,884,763	(19,047,853)	-	(19,047,853)	
Business-type activities:								
Parking District	117,417	119,944	-	-	-	2,527	2,527	
Landfill	2,143,903	606,118	-	-	-	(1,537,785)	(1,537,785)	
Ambulance Services	1,242,793	976,712	-	81,419	-	(184,662)	(184,662)	
Golf	229,507	41,500	-	-	-	(188,007)	(188,007)	
Conference Center	523,678	348,221	-	-	-	(175,457)	(175,457)	
Airport	1,626,400	1,358,665	-	4,350	-	(263,385)	(263,385)	
Electric	25,490,865	20,841,212	1,659,916	50,983	-	(2,938,754)	(2,938,754)	
Street Lighting	189,463	188,215	-	-	-	(1,248)	(1,248)	
Water	9,119,878	7,459,767	-	3,688,031	-	2,027,920	2,027,920	
Wastewater	8,497,211	8,784,250	-	1,252,891	-	1,539,930	1,539,930	
Total business-type activities	49,181,115	40,724,604	1,659,916	5,077,674	-	(1,718,921)	(1,718,921)	
Total primary government	\$ 82,553,260	\$ 47,123,536	\$ 7,700,513	\$ 6,962,437	\$ (19,047,853)	\$ (1,718,921)	\$ (20,766,774)	
General revenues:								
Property tax					\$ 3,674,829	\$ 18,043	\$ 3,692,872	
Sales tax					13,719,396	-	13,719,396	
Franchises					2,197,540	-	2,197,540	
Transient occupancy					1,446,678	-	1,446,678	
Business license					509,805	-	509,805	
Other taxes					781	-	781	
Use of money and property					227,389	287,566	514,955	
Other revenue					233,241	1,073,603	1,306,844	
Transfers					(577,591)	577,591	-	
Total general revenues, special items, and transfers					21,432,068	1,956,803	23,388,871	
Change in net position					2,384,215	237,882	2,622,097	
Net position - beginning					57,884,412	110,908,306	168,792,718	
Net position - ending					\$ 60,268,627	\$ 111,146,188	\$ 171,414,815	

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

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 2023. Individual nonmajor funds may be found in the Supplemental section.

Governmental Funds

General Fund

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

Streets Capital Improvement

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

General Capital Projects

This general capital projects fund was created in 2023 to account for bond proceeds and other resources for street and rights-of-way projects.

Pension Debt Service

This debt service fund was created in 2023 to account for resources accumulated, used, and reserved for the retirement of lease revenue bonds.

City of Ukiah, California
Balance Sheet
Governmental Funds
June 30, 2023

	General Fund	Streets Capital Improvements	General Capital Projects	Pension Debt Service	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 733,910	\$ 16,311	\$ 319,105	\$ 4,186,657	\$ 10,584,165	\$ 15,840,148
Restricted cash and investments	-	-	7,485,987	-	-	7,485,987
Accounts receivable	5,068,238	-	-	-	196,847	5,265,085
Lease receivable	141,273	-	-	-	-	141,273
Notes receivable	1,176	-	-	-	10,526,843	10,528,019
Interest receivable	9,439	-	449	5,806	12,794	28,488
Grants and subventions receivable	33,497	131,132	-	-	815,275	979,904
Inventories and prepaids	138,939	-	-	-	-	138,939
Due from other funds	3,119,854	-	-	-	-	3,119,854
Advances to other funds	2,996,359	-	-	-	-	2,996,359
Land held for resale	-	-	-	-	2,435,114	2,435,114
Grants, contributions, and donations	-	-	-	-	11,334	11,334
Due from other agencies	1,306,314	-	-	-	-	1,306,314
Total assets	<u>13,548,999</u>	<u>147,443</u>	<u>7,805,541</u>	<u>4,192,463</u>	<u>24,582,372</u>	<u>50,276,818</u>
LIABILITIES						
Accounts payable	616,855	1,463	1,996,341	-	279,671	2,894,330
Accrued payroll liabilities	701,371	2,108	-	-	6,606	710,085
Unearned revenues	-	-	-	-	8,750	8,750
Due to other funds	-	349,168	169,241	-	250,161	768,570
Advance from other funds	-	-	-	-	514,550	514,550
Total liabilities	<u>1,318,226</u>	<u>352,739</u>	<u>2,165,582</u>	<u>-</u>	<u>1,059,738</u>	<u>4,896,285</u>
DEFERRED INFLOWS OF RESOURCES						
Lease related	141,273	-	-	-	-	141,273
Unavailable revenues - grants and subventions	-	-	-	-	2,136,075	2,136,075
Total deferred inflows of resources	<u>141,273</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,136,075</u>	<u>2,277,348</u>
Total liabilities and deferred inflows of resources	<u>1,459,499</u>	<u>352,739</u>	<u>2,165,582</u>	<u>-</u>	<u>3,195,813</u>	<u>7,173,633</u>
FUND BALANCES (DEFICITS)						
Nonspendable:						
Interfund loans	2,996,359	-	-	-	-	2,996,359
Inventories and prepaids	138,939	-	-	-	-	138,939
Notes and interagency receivables	1,307,490	-	-	-	-	1,307,490
Riparian corridor management	-	-	-	-	137,576	137,576
Restricted:						
Capital projects	-	-	5,639,959	-	4,362	5,644,321
CDBG activities	-	-	-	-	618,671	618,671
Certifications and training	-	-	-	-	50,840	50,840
Clean-up and solid waste remediation	-	-	-	-	35,564	35,564
Debt service reserve	-	-	-	-	2,449,504	2,449,504
Downtown business improvements	-	-	-	-	14	14
Governmental services	-	-	-	-	1,487,815	1,487,815
Housing activities	-	-	-	-	13,321,188	13,321,188
Opioid settlement	-	-	-	-	61,185	61,185
Project reserve	-	-	-	-	14,287	14,287
Public safety	-	-	-	-	629,818	629,818
Riparian corridor management	-	-	-	-	7,032	7,032
Special recreation events	-	-	-	-	45,800	45,800
Streets and rights-of-way	-	-	-	-	1,279,894	1,279,894
Committed:						
Park development	-	-	-	-	168,313	168,313
Planning activities	-	-	-	-	256,813	256,813
Solid waste management	-	-	-	-	36,484	36,484
Assigned:						
Capital projects	-	-	-	-	55,613	55,613
Equipment reserve	-	-	-	-	375,705	375,705
Park development	-	-	-	-	20,278	20,278
Pension reserve	-	-	-	4,192,463	-	4,192,463
Project reserve	-	-	-	-	1,228,890	1,228,890
Unassigned	7,646,712	(205,296)	-	-	(899,087)	6,542,329
Total fund balances (deficits)	<u>12,089,500</u>	<u>(205,296)</u>	<u>5,639,959</u>	<u>4,192,463</u>	<u>21,386,559</u>	<u>43,103,185</u>
Total liabilities and fund balances (deficits)	<u>\$ 13,548,999</u>	<u>\$ 147,443</u>	<u>\$ 7,805,541</u>	<u>\$ 4,192,463</u>	<u>\$ 24,582,372</u>	<u>\$ 50,276,818</u>

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

City of Ukiah, California
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2023

Fund balances of governmental funds		\$ 43,103,185
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds:		
Capital assets	111,739,547	
Accumulated depreciation	<u>(43,566,721)</u>	
		68,172,826
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences	(817,967)	
Net pension liability	(11,167,808)	
2017 fire engine lease	(540,505)	
2017 I-Bank financing lease	(3,572,341)	
2020 Fire brush truck	(164,943)	
Fire apparatus	(265,369)	
2020B CalPERS Taxable Lease Revenue Bonds	(31,175,043)	
2022 Lease Revenue Bonds	<u>(15,446,893)</u>	
		(63,150,869)
Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability are not reported in the funds:		
Deferred outflows - pension related items	18,804,317	
Deferred inflows - pension related items	<u>(9,894,904)</u>	
		8,909,413
Internal service funds are used by management to charge the costs of certain activities, such as insurance and vehicle maintenance, to individual funds.		
The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	<u>1,552,176</u>	
		1,552,176
Accrued interest on long-term debt is not due and payable in the current period and is not reported in the funds.	<u>(464,329)</u>	
		(464,329)
Amounts are unavailable under the modified accrual basis of accounting.	<u>2,146,225</u>	
		2,146,225
Net position of governmental activities		<u>\$ 60,268,627</u>

City of Ukiah, California
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2023

	General Fund	Streets Capital Improvements	General Capital Projects	Pension Debt Service	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Property tax	\$ 3,674,829	\$ -	\$ -	\$ -	\$ -	\$ 3,674,829
Sales tax	13,719,396	-	-	-	-	13,719,396
Transient occupancy	1,443,140	-	-	-	-	1,443,140
Business license tax	488,374	-	-	-	21,431	509,805
Other taxes	781	-	-	-	-	781
Franchise fees	2,197,540	-	-	-	-	2,197,540
Charges for service	4,835,549	-	-	-	340,702	5,176,251
Licenses and permits	431,455	-	-	-	-	431,455
Grants, contributions, and donations	268,634	99,990	-	-	46,657	415,281
Use of money and property	217,014	-	(874)	15,443	596,543	828,126
Intergovernmental	3,440,933	76,927	600,000	-	3,843,058	7,960,918
Fines penalties and forfeitures	36,231	-	-	-	-	36,231
Interest, rent, and concessions	-	-	-	-	1	1
Miscellaneous	120,732	-	-	-	20,004	140,736
Total revenues	<u>30,874,608</u>	<u>176,917</u>	<u>599,126</u>	<u>15,443</u>	<u>4,868,396</u>	<u>36,534,490</u>
EXPENDITURES						
Current:						
General government	58,195	-	-	11,145	6,780	76,120
Public safety	16,047,659	-	-	-	374,686	16,422,345
Housing and community development	1,339,854	-	-	-	414,764	1,754,618
Public works	1,939,767	1,103,380	-	-	80,094	3,123,241
Parks, buildings, and grounds	1,906,273	-	-	-	1,474	1,907,747
Recreation and culture	5,044,001	-	-	-	306,748	5,350,749
Economic development and redevelopment	316,477	-	-	-	23,289	339,766
Debt service:						
Interest	857,467	703,069	-	-	19,334	1,579,870
Principal	582,000	1,280,881	-	-	40,290	1,903,171
Lease principal	133,727	-	-	-	-	133,727
Lease interest	19,977	-	-	-	-	19,977
Capital outlay:						
Public safety	573,326	-	-	-	-	573,326
Public works	11,459	206,839	10,532,518	-	177,184	10,928,000
Parks, buildings, and grounds	50,844	-	-	-	1,833	52,677
Recreation and culture	-	-	-	-	247,538	247,538
Total expenditures	<u>28,881,026</u>	<u>3,294,169</u>	<u>10,532,518</u>	<u>11,145</u>	<u>1,694,014</u>	<u>44,412,872</u>
Excess (deficiency) of revenues over expenditures	<u>1,993,582</u>	<u>(3,117,252)</u>	<u>(9,933,392)</u>	<u>4,298</u>	<u>3,174,382</u>	<u>(7,878,382)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	622,500	2,930,287	-	259,772	628,517	4,441,076
Transfers out	(3,766,535)	(2,359)	-	-	(1,615,803)	(5,384,697)
Total other financing sources (uses)	<u>(3,144,035)</u>	<u>2,927,928</u>	<u>-</u>	<u>259,772</u>	<u>(987,286)</u>	<u>(943,621)</u>
Net change in fund balances	(1,150,453)	(189,324)	(9,933,392)	264,070	2,187,096	(8,822,003)
Fund balances - beginning	13,239,953	(15,972)	15,573,351	3,928,393	19,199,463	51,925,188
Fund balances - ending	<u>\$ 12,089,500</u>	<u>\$ (205,296)</u>	<u>\$ 5,639,959</u>	<u>\$ 4,192,463</u>	<u>\$ 21,386,559</u>	<u>\$ 43,103,185</u>

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

City of Ukiah, California
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the
Statement of Activities
For the Fiscal Year Ended June 30, 2023

Net change in fund balances - total government funds		\$ (8,822,003)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense.		
Capital outlay	10,966,421	
Depreciation expense	<u>(2,079,036)</u>	8,887,385
The amounts below included in the Statement of Activities do not provide (require) the use of current financial resources and, therefore, are not reported as revenues or expenditures in governmental funds (net change):		
Change to net pension liability	(11,167,808)	
Compensated absence expense	<u>(86,814)</u>	(11,254,622)
Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability are not reported in the funds. This is the net change in deferred inflows and deferred outflows related to the net pension liability:		
Changes to deferred outflows: pension-related items	6,088,455	
Changes to deferred inflows: pension-related items	<u>14,299,081</u>	20,387,536
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, government funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The effect of these differences are as follows:		
Principal paid on loans and leases	2,167,164	
Amortization of debt premium	<u>297,117</u>	2,464,281
Some revenues reported in the Statement of Activities are not considered available to finance current expenditures and, therefore, are not reported as revenues in the governmental funds.		
		(200,540)
Accrued interest for long-term debt. This is the net change in accrued interest for the current period.		
		13,623
Internal service funds are used by management to charge the costs of certain activities, such as insurance and vehicle maintenance, to individual funds. The net revenue (expense) of the internal services funds is reported with governmental activities.		
		1,533,740
The amounts below included in the Statement of Activities do not provide (require) the use of current financial resources and, therefore, are not reported as revenues or expenditures in governmental funds (net change):		
Change to net pension asset	<u>(10,625,185)</u>	(10,625,185)
Change in net position of governmental activities		<u>\$ 2,384,215</u>

Proprietary Funds

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

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

Landfill

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

Electric Enterprise Fund

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

Water Enterprise Fund

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

Wastewater Enterprise Fund

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

The City also employs the use of internal service funds.

Internal Service Funds

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

City of Ukiah, California
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-type Activities						Governmental Activities
	Landfill	Electric	Water	Wastewater	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
ASSETS							
Current assets:							
Cash and investments	\$ 10,213,311	\$ 450,115	\$ 1,427,470	\$ 338,801	\$ 236,662	\$ 12,666,359	\$ 2,428,915
Restricted cash and investments	-	6,935,639	5,076,944	2,530,217	-	14,542,800	16,736,796
Accounts receivable	47,073	4,940,318	1,755,719	1,985,853	533,395	9,262,358	32,653
Lease receivable	-	-	-	-	122,710	122,710	-
Interest receivable	13,475	8,513	5,155	3,510	734	31,387	1,308
Grants and subventions receivable	-	49,568	3,423,431	395,166	62,840	3,931,005	162,816
Inventories and prepaids	-	1,807,100	131,973	23,128	-	1,962,201	-
Due from other funds	-	-	293,243	-	-	293,243	-
Total current assets	10,273,859	14,191,253	12,113,935	5,276,675	956,341	42,812,063	19,362,488
Noncurrent assets:							
Advances to other funds	-	289,121	-	-	576,223	865,344	-
Intangible assets	-	-	270,000	-	-	270,000	-
Land	699,654	2,316,013	2,267,920	670,431	1,793,862	7,747,880	762,562
Construction in progress	-	4,227,295	3,839,948	1,673,085	757,174	10,497,502	792,843
Infrastructure and network	-	27,535,975	49,989,739	91,942,959	6,719,287	176,187,960	-
Buildings and improvements	26,700	26,270,859	22,271,536	10,328,621	4,385,511	63,283,227	516,596
Machinery equipment and vehicles	516,075	5,663,927	3,656,939	4,448,623	1,018,266	15,303,830	1,584,138
Less accumulated depreciation	(443,302)	(34,177,631)	(18,821,809)	(32,919,996)	(5,103,651)	(91,466,389)	(1,131,949)
Total noncurrent assets	799,127	32,125,559	63,474,273	76,143,723	10,146,672	182,689,354	2,524,190
Total assets	11,072,986	46,316,812	75,588,208	81,420,398	11,103,013	225,501,417	21,886,678
DEFERRED OUTFLOWS OF RESOURCES							
Pension related	150,565	1,973,198	1,162,523	1,278,221	458,828	5,023,335	-
Total deferred outflows of resources	150,565	1,973,198	1,162,523	1,278,221	458,828	5,023,335	-
Total assets and deferred outflows of resources	\$ 11,223,551	\$ 48,290,010	\$ 76,750,731	\$ 82,698,619	\$ 11,561,841	\$ 230,524,752	\$ 21,886,678
LIABILITIES							
Current liabilities:							
Accounts payable	96,071	198,522	567,381	705,445	220,961	1,788,380	695,240
Accrued payroll liabilities	3,415	60,961	38,552	33,848	24,615	161,391	121,621
Unearned revenues	-	-	-	-	-	-	1,400
Due to other funds	-	-	2,049,808	293,243	301,478	2,644,529	-
Deposits payable	-	-	-	-	6,224	6,224	-
Interest payable	4,459	181,215	340,077	241,804	13,213	780,768	150,993
Claims payable - current	-	-	-	-	-	-	143,486
Compensated absences - current	1,090	21,150	12,371	10,265	5,365	50,241	45,375
Capital project installment obligations - current	-	-	534,421	-	11,157	545,578	-
Capital project bonds - current	-	365,200	562,610	1,534,099	-	2,461,909	424,510
Pension-related bonds - current	13,803	176,950	112,103	126,998	37,173	467,027	-
Total current liabilities	118,838	1,003,998	4,217,323	2,945,702	620,186	8,906,047	1,582,625
Noncurrent liabilities:							
Advance from other funds	-	-	576,223	-	2,430,930	3,007,153	340,000
Compensated absences	9,806	190,346	111,337	92,385	48,287	452,161	408,385
Capital project installment obligations	-	-	16,649,223	-	126,920	16,776,143	-
Capital project bonds	-	9,818,409	13,673,035	23,661,913	-	47,153,357	17,840,261
Pension-related bonds	481,981	6,178,830	3,914,464	4,434,610	1,298,045	16,307,930	-
Net pension liability	156,971	2,057,142	1,211,979	1,332,599	478,347	5,237,038	-
Landfill closure/post-closure	21,145,540	-	-	-	-	21,145,540	-
Total noncurrent liabilities	21,794,298	18,244,727	36,136,261	29,521,507	4,382,529	110,079,322	18,588,646
Total liabilities	21,913,136	19,248,725	40,353,584	32,467,209	5,002,715	118,985,369	20,171,271
DEFERRED INFLOWS OF RESOURCES							
Lease related	-	-	-	-	122,710	122,710	-
Pension related	13,000	170,367	100,373	110,362	39,615	433,717	-
Total deferred inflows of resources	13,000	170,367	100,373	110,362	162,325	556,427	-
Total liabilities and deferred inflows of resources	21,926,136	19,419,092	40,453,957	32,577,571	5,165,040	119,541,796	20,171,271
NET POSITION							
Net investment in capital assets	799,127	28,407,253	34,742,043	52,942,881	9,432,372	126,323,676	996,215
Restricted for:							
Debt service reserve	-	-	706,668	-	-	706,668	-
NCPA Projects	-	87,524	-	-	-	87,524	-
Unrestricted	(11,501,712)	376,141	848,063	(2,821,833)	(3,035,571)	(16,134,912)	719,192
Total net position	\$ (10,702,585)	\$ 28,870,918	\$ 36,296,774	\$ 50,121,048	\$ 6,396,801	110,982,956	\$ 1,715,407
Difference between business-type adjustments to assets and liabilities.						163,232	
Net position of business-type activities						\$ 111,146,188	

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

City of Ukiah, California
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2023

	Business-type Activities						Governmental Activities
	Landfill	Electric	Water	Wastewater	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES							
Charges for service	\$ 597,239	\$ 20,827,124	\$ 7,459,767	\$ 8,814,483	\$ 1,263,998	\$ 38,962,611	\$ 18,265,789
Licenses and permits	-	-	-	-	20	20	-
Intergovernmental	-	428,742	-	-	-	428,742	-
Cap and trade	-	783,096	-	-	-	783,096	-
Fines penalties and forfeitures	-	-	-	-	48,895	48,895	-
Facility rental	8,879	-	-	-	801,771	810,650	-
Fuel sales	-	-	-	-	909,296	909,296	-
Connection fees	-	-	-	827,492	-	827,492	-
Miscellaneous	-	962,900	-	5,159	9,277	977,336	102,374
Total operating revenues	606,118	23,001,862	7,459,767	9,647,134	3,033,257	43,748,138	18,368,163
OPERATING EXPENSES							
General and administrative	128,605	3,036,127	1,449,796	1,728,325	669,378	7,012,231	2,506,052
Maintenance and operations	1,982,118	19,872,868	5,021,129	3,618,425	2,368,604	32,863,144	13,991,049
Fuel	-	-	-	-	560,939	560,939	-
Depreciation	14,681	1,430,914	1,878,685	2,206,884	277,144	5,808,308	133,868
Total operating expenses	2,125,404	24,339,909	8,349,610	7,553,634	3,876,065	46,244,622	16,630,969
Operating income (loss)	(1,519,286)	(1,338,047)	(889,843)	2,093,500	(842,808)	(2,496,484)	1,737,194
NONOPERATING REVENUES (EXPENSES)							
Property tax	-	-	-	-	18,043	18,043	-
Grants, contributions, and donations	-	447,508	264,600	-	-	712,108	179,077
Interest, rent, and concessions	33,593	139,634	3,247	(2,213)	113,283	287,544	5,013
Interest expense and fiscal charges	(18,496)	(552,392)	(716,196)	(849,909)	(53,194)	(2,190,187)	(1,003,098)
Sale of property	-	-	-	-	10	10	-
Total nonoperating revenues (expenses)	15,097	34,750	(448,349)	(852,122)	78,142	(1,172,482)	(819,008)
Income (loss) before contributions and transfers	(1,504,189)	(1,303,297)	(1,338,192)	1,241,378	(764,666)	(3,668,966)	918,186
Capital grants, contributions, and donations	-	(396,525)	3,423,431	365,166	205,401	3,597,473	17,726
Intergovernmental	-	570	-	-	-	570	-
Transfers in	835,000	489,688	293,243	-	108,621	1,726,552	-
Transfers out	-	-	-	(293,243)	(489,688)	(782,931)	-
Change in net position	(669,189)	(1,209,564)	2,378,482	1,313,301	(940,332)	872,698	935,912
Total net position - beginning	(10,033,396)	30,080,482	33,918,292	48,807,747	7,337,133	110,110,258	779,495
Total net position - ending	\$ (10,702,585)	\$ 28,870,918	\$ 36,296,774	\$ 50,121,048	\$ 6,396,801	\$ 110,982,956	\$ 1,715,407
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(634,816)	
Changes in net position of business-type activities						\$ 237,882	

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

City of Ukiah, California
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds					Governmental Activities	
	Landfill	Electric	Water	Wastewater	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash receipts from customers	\$ 692,584	\$ 20,120,099	\$ 7,323,946	\$ 8,868,832	\$ 2,698,167	\$ 39,703,628	\$ 105,867
Receipts from interfund services provided	-	-	-	-	-	-	11,796,959
Payments to employees	(200,255)	(3,285,997)	(2,182,613)	(2,293,065)	(1,393,709)	(9,355,639)	(8,009,555)
Payments to suppliers	(439,119)	(15,473,265)	(3,185,561)	(1,454,529)	(1,581,183)	(22,133,657)	(5,970,684)
Payments for interfund services used	(128,605)	(3,036,127)	(1,449,796)	(1,728,325)	(669,378)	(7,012,231)	3,466,200
Receipts from other governmental agencies	-	277,028	-	-	-	277,028	395,662
Other payments	-	-	-	-	-	-	(10,000)
Other operating cash receipts (payments)	-	4,526	-	-	-	4,526	-
Net cash provided (used) by operating activities	(75,395)	(1,393,736)	505,976	3,392,913	(946,103)	1,483,655	1,774,449
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Principal paid on lease revenue bonds	(12,614)	(161,711)	(98,529)	(232,124)	(33,972)	(538,950)	-
Cash received (paid) to other funds	835,000	24,312	1,978,404	-	725,760	3,563,476	(300,000)
Property taxes received	-	-	-	-	18,043	18,043	-
Lawsuit settlement payments	-	-	-	(1,030,000)	-	(1,030,000)	-
Grants and contributions	-	570	-	(30,000)	230,730	201,300	3,987
Net cash provided (used) by noncapital financing activities	822,386	(136,829)	1,879,875	(1,292,124)	940,561	2,213,869	(296,013)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Capital grants and contributions	-	52,172	264,600	-	308,431	625,203	30,000
Interest paid	(18,648)	(602,599)	(892,804)	(871,784)	(53,692)	(2,439,527)	(1,074,007)
Principal paid on capital and related debt	-	-	(948,456)	(1,354,938)	(10,903)	(2,314,297)	(325,000)
Acquisition and construction of capital assets	-	(1,332,410)	(2,308,577)	(2,960,051)	(265,068)	(6,866,106)	(261,413)
Proceeds from sale of property	-	-	-	-	10	10	-
Net cash provided (used) by capital and related financing activities	(18,648)	(1,882,837)	(3,885,237)	(5,186,773)	(21,222)	(10,994,717)	(1,630,420)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest received	22,786	132,565	116	(3,963)	22,704	174,208	4,154
Net cash provided (used) by investing activities	22,786	132,565	116	(3,963)	22,704	174,208	4,154
Net increase (decrease) in cash and cash equivalents	751,129	(3,280,837)	(1,499,270)	(3,089,947)	(4,060)	(7,122,985)	(147,830)
Balances - beginning of year	9,462,182	10,666,591	8,003,684	5,958,965	240,722	34,332,144	19,313,541
Balances - end of the year	\$ 10,213,311	\$ 7,385,754	\$ 6,504,414	\$ 2,869,018	\$ 236,662	\$ 27,209,159	\$ 19,165,711
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating Income	\$ (1,519,286)	\$ (1,338,047)	\$ (889,843)	\$ 2,093,500	\$ (842,808)	\$ (2,496,484)	\$ 1,737,194
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	14,681	1,430,914	1,878,685	2,206,884	277,144	5,808,308	133,868
Changes in assets and liabilities:							
Decrease (increase) in accounts receivable	86,466	(1,553,777)	(135,821)	(778,302)	(300,313)	(2,681,747)	368
Decrease (increase) in prepaids	-	-	-	-	-	-	1,500
Decrease (increase) in inventory	-	(192,829)	(25,824)	(1,551)	-	(220,204)	-
Decrease (increase) in deferred outflows	(128,299)	(1,677,553)	(966,209)	(1,089,824)	(411,816)	(4,273,701)	-
Increase (decrease) in accounts payable	78,676	110,257	(398,055)	(186,403)	(61,060)	(456,585)	335,637
Increase (decrease) in accrued salaries and benefits	(6,684)	(100,004)	(61,546)	(70,483)	(41,291)	(280,008)	(264,804)
Increase (decrease) in compensated absences	(2,254)	21,185	5,646	(19,066)	5,773	11,284	23,755
Increase (decrease) in deferred inflows	(69,963)	(931,201)	(631,087)	(591,600)	(267,810)	(2,491,661)	-
Increase (decrease) in net pension liability/(asset)	215,729	2,837,319	1,730,030	1,829,758	696,078	7,308,914	-
Increase (decrease) in landfill liability	1,255,539	-	-	-	-	1,255,539	-
Increase (decrease) in claims payable	-	-	-	-	-	-	(193,069)
Net cash provided (used) by operating activities	(75,395)	(1,393,736)	505,976	3,392,913	(946,103)	1,483,655	1,774,449
Noncash investing, capital and financing activities							
Contributions of capital assets	\$ -	\$ 489,688	\$ -	\$ -	\$ (489,688)	\$ -	\$ -
Amortization related to long-term debt	-	(55,200)	(138,406)	(36,132)	-	(229,738)	(58,047)
Acquisition of capital assets on account	-	(631,140)	(154,581)	(183,950)	(7,857)	(977,528)	-
Total noncash investing, capital and financing activities	-	(196,652)	(292,987)	(220,082)	(497,545)	(1,207,266)	(58,047)

Fiduciary Funds

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

PRIVATE PURPOSE TRUST FUND

Redevelopment Non-Housing Housing Successor Private Purpose Trust Fund

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

CUSTODIAL FUNDS

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

City of Ukiah, California
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2023

	Private-Purpose Trust Funds	Custodial Funds
ASSETS		
Cash and investments	\$ 6,043,193	\$ 1,706,338
Accounts receivable	-	513,163
Interest receivable	8,323	2,484
Land held for resale	5,443	-
Total Cash	6,056,959	2,221,985
LIABILITIES		
Accounts payable	-	192,403
Accrued payroll liabilities	46	25,161
Deposits payable	-	597,690
Interest payable	7,371	5,697
Due to other agencies	-	139,798
Intergovernmental payable	-	24,744
Due to City of Ukiah	-	1,532,055
Due in more than one year	3,535,882	-
Total liabilities	3,543,299	2,517,548
NET POSITION		
Restricted for:		
Held for the benefit of the state	2,513,660	-
Individuals, organizations, and other governments	-	(295,563)
Total net position	\$ 2,513,660	\$ (295,563)

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

City of Ukiah, California
Statement of Changes in Fiduciary Net Position
Fiduciary Activities
Year Ended June 30, 2023

	Private-Purpose Trust Funds	Custodial Funds
ADDITIONS		
Contributions:		
Addition to agency assets	\$ -	\$ 131,124
Taxes and assessments collected for other governments	1,700,221	2,224,809
Service charges collected for other governments	-	219,291
Service charges collected for other agencies	-	2,139,012
Intergovernmental	-	233,476
Miscellaneous	-	3,131
Members	-	513,880
Total contributions	1,700,221	5,464,723
Investment earnings:		
Interest, rent, and concessions	19,740	9,423
Total investment earnings	19,740	9,423
Total additions	1,719,961	5,474,146
DEDUCTIONS		
General and administrative	250,000	64,122
Maintenance and operations	22,126	588,703
Interest expense and fiscal charges	109,485	72,382
Distributions to other governments	-	583,640
Payments to other agencies for service charges collected	-	628,020
Payments to City for services provided	-	3,279,625
Total deductions	381,611	5,216,492
Net increase (decrease) in fiduciary net position	1,338,350	257,654
Net Position -- beginning of the year	1,175,310	(553,217)
Net Position -- end of the year	\$ 2,513,660	\$ (295,563)

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

Notes to the Basic Financial Statements

CITY OF UKIAH, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS INDEX

June 30, 2023

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 accompanying financial statements present the City of Ukiah and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations. 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.

Blended Component Unit

The City of Ukiah Public Financing Authority is a Joint Exercise of Powers Authority organized and existing under and by virtue of the Joint Exercise of Power Act of the Government Code of the State of California. The City and the Industrial Development Authority of the City of Ukiah form the Authority by the execution of a Joint Exercise of Powers Agreement. The primary purpose of the Authority is to issue bonds and make lease agreements with the City of Ukiah and the Industrial Development Authority of the City of Ukiah. The City appoints the voting majority of the board and is able to impose its will on this component unit. There are no separate financial statements prepared for the authority.

B. Government-wide and Fund Financial Statement

The government-wide financial statements report information on all the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Notes to the Basic Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

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:

The City reports four major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in another fund.

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

The *General Capital Projects* fund is used to account for the accumulation of financial resources for certain capital projects, notably streets and rights-of-way, funded by various sources, including the general fund.

The *Pension Debt Service* fund is used to account for the accumulation of financial resources to meet the City's lease revenue bonds. The reserve accumulated is to be used to ensure the City has resources to meet debt service in future periods.

The City reports the following major proprietary funds:

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

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

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

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

Additionally, the City reports the following fund types:

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

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

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

Notes to the Basic Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's proprietary fund functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

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

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

The City reports the following major funds:

- General Fund
- Streets Capital Projects
- Pension Stabilization
- General Capital Projects
- Landfill
- Electric
- Water
- Wastewater

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.

Notes to the Basic Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

Fiduciary fund revenue and expenditures (as appropriate) are accounted for using the economic resources measurement focus.

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.

Notes to the Basic Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

E. Cash and Investments

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

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

F. Receivable and Payables

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

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

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

G. Allowance for Doubtful Accounts

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

H. Prepaid Items and Inventory

The City utilizes the consumption method for recoding inventories and prepaid items in governmental funds. All inventories are valued at cost using the first-in/first-out (FIFO) method. An annual charge is made to various City funds to assist in the financing of warehouse operations in addition to being billed as inventory is issued. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Notes to the Basic Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

I. Capital Assets

Government-Wide Statements

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

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

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

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

Fund Financial Statements

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

J. Compensated Absences

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

K. Deferred Outflows/Inflows of Resources

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

L. Net Position Flow Assumptions

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

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

M. Long-term Liabilities

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

In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources.

N. Equity Classification

Government-Wide Statements

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

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

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

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

Notes to the Basic Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

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

Nonspendable Fund Balance –

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

Restricted Fund Balance –

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

Committed Fund Balance –

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

Assigned Fund Balance –

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

Unassigned Fund Balance –

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

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

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

Notes to the Basic Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

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

O. Property Taxes

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

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

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

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

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

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

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

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

Notes to the Basic Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

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

P. Interfund Transfers

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

Q. Pensions

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

R. New or Closed Funds

The City opened a new fund, Opioid Settlement Fund, to account for the sources, uses, and balances of settlement funds.

S. Leases

Lessor: The City is a lessor for noncancellable leases of land owned by the City. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.
- The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that expected to significantly affect the amount of the lease receivable.

Notes to the Basic Financial Statements

Note 2 - Stewardship, Compliance, and Accountability

The following major and non-major funds had deficit fund balances as of June 30, 2023,

Deficit Fund Equity

Major and Non-major Governmental Funds

Fund Name	Deficit Amount	Discussion/Explanation
Streets Capital Improvement Fund	\$ (205,296)	Deficit amount is the result of capital projected funded by a specific general revenue source (Measure Y) and will be eliminated with revenues received in 2024.
ARRC	(29,574)	Deficit amount is the result of prior capital projects and operational deficiencies. The deficit is being eliminated with future revenues generated by ARRC operations.
Winter Special Events	(195,646)	Deficit amount is the result of a capital acquisition using an interfund loan with the general fund and losses in the reporting year. The loan will be repaid with current available revenues annually, with full payoff expected in five years.
Playground & Park Amenities	(168,408)	Deficit amount resulted from capital projects funded by expenditure driven grants. Will be eliminated when grant revenues are collected in FY 2024.
Rail Trail	(505,459)	Deficit amount is the result of capital projected funded by a specific revenue sources and will be eliminated when future and unavailable revenues are recognized.

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Notes to the Basic Financial Statements

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, 2023 are classified in the accompanying financial statements as follows:

Cash and Investments

	Total
<u>Cash equivalents and investments</u>	
Pooled cash and investments, at fair value	
Cash in bank	\$ 6,090,217
Cash in investment portfolio, excluding LAIF	22,687,944
Cash with LAIF	593,548
Total pooled investment balances	23,281,492
Non pooled cash and investments, at fair value	
Petty cash	7,167
Deposits	196,807
Total non pooled cash, at fair value	203,974
Cash with fiscal agent	43,034,537
Total non pooled investments, at fair value	43,034,537
Total cash equivalents and investments	\$ 72,610,220

Investment Portfolio Analysis

Investment Portfolio Analysis					Maturities (in years)				
		% of Portfolio	Permitted by Policy	In compliance with investment policy	<1	1 to 2	>2		
PAR									
\$	9,325,000	US treasury obligations	38.77%	100%	Yes	\$ -	\$ 3,934,969	\$ 5,047,754	\$ 8,982,723
		Federal agency:							\$ -
	500,000	Bond / Note	2.08%	100%	Yes	\$ 493,103	\$ -	\$ -	\$ 493,103
	2,139,312	Commercial Mortgage-Backed Security	8.90%	100%	Yes	\$ -	\$ 933,399	\$ 1,117,693	\$ 2,051,092
	610,000	Municipal obligations	2.54%	100%	Yes	\$ 359,182	\$ 231,679	\$ -	\$ 590,861
	420,000	Supra-National agency	1.75%	30%	Yes	\$ 161,698	\$ 240,313	\$ -	\$ 402,011
	5,620,000	Corporate notes	23.37%	30%	Yes	\$ 753,896	\$ 2,147,221	\$ 2,552,658	\$ 5,453,775
	475,000	Certificates of deposit	1.98%	30%	Yes	\$ -	\$ -	\$ 472,872	\$ 472,872
	4,352,024	Asset-backed securities	18.10%	20%	Yes	\$ 11,054	\$ 86,260	\$ 4,129,093	\$ 4,226,407
	593,548	Local agency investment fund	2.47%	\$75M	Yes	\$ 593,548	\$ -	\$ -	\$ 593,548
	15,100	Money market	0.06%	20%	Yes	\$ 15,100	\$ -	\$ -	\$ 15,100
\$	24,049,984	Total pooled investments	100.00%			\$ 2,387,581	\$ 7,573,841	\$ 13,320,070	\$ 23,281,492
	42,890,488	Money market	99.67%	20%	Yes	42,890,488	-	-	42,890,488
	144,049	County of Mendocino treasury	0.33%	100%	Yes	144,049			144,049
		Total non-pooled investments	100.00%			\$ 43,034,537	\$ -	\$ -	\$ 43,034,537

Notes to the Basic Financial Statements

Note 3 - Cash and Investments (continued)

Collateral and Categorization Requirements

At the fiscal year end, the City's carrying amount of demand deposits was \$6,090,217 and the bank account balance was \$6,536,544. The difference of \$446,327 represented outstanding checks and deposits in transit. All deposits not insured by Federal Depository Insurance Corporation (FDIC) would be covered by collateralized securities in accordance with California Government Code Section 53600-53609.

Investment Policy

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
City of Ukiah Bonds	5 Years	None	10%
U.S. treasury obligations	5 Years	Unlimited	None
State of California obligations	5 Years	None	10%
Non-California state obligations	5 Years	None	10%
Local agency obligations	5 Years	None	10%
Federal agency or government sponsored enterprise obligations	5 Years	None	10%
Bankers' acceptances	180 Days	40%	5%
U.S. Commercial paper (highest rating)	270 Days	25%	5%
Negotiable certificates of deposit	5 Years	30%	5%
Repurchase agreements (1)	365 Days	None	10%
Reverse repurchase agreements (2)	92 Days	20%	10%
Medium-term notes-corporate or depository institutions (3)	5 Years	30%	5%
Money market funds (highest rating)	n/a	20%	10%
Local Agency Investment Fund (LAIF)	N/A	\$75m	\$75m
Time deposits	5 Years	25%	10%
Mortgage-backed and Asset-backed Securities (rated "AA" or better)	5 Years	20%	10%

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

Notes to the Basic Financial Statements

Note 3 - Cash and Investments (continued)

Disclosures Relating to Interest Rate Risk

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

Disclosures Relating to Credit Risk

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

Concentration of Credit Risk

Except for securities of the U.S. Government and its agencies, the investment policy of the City limits the amount that can be invested in any one issuer to no more than 10 percent of the total portfolio. As of June 30, 2023, holdings in any one issuer did not exceed 5 percent of the total portfolio.

Custodial Credit Risk

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

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

At June 30, 2023, the City had \$5,536,544 in financial institutions that were not covered by the FDIC but were covered by collateralized securities of the financial institutions where the deposits were maintained.

The credit risk for *investments* is the risk that, in the event of the failure of counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of another party. The California government code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities using mutual funds or government investment pools (such as LAIF).

Notes to the Basic Financial Statements

Note 3 - Cash and Investments (continued)

Credit Risk Schedule

Investment Type	Total Investment	Minimum Legal Rating	Rating as of Fiscal Year End			
			AAA	AA+ to A-	BBB+	Unrated
US Treasury obligations	\$ 8,982,723	N/A	\$ -	\$ 8,982,723	\$ -	\$ -
Federal agency/GSE	493,103	N/A	-	493,103	-	-
Federal agency/CMO	2,051,092	N/A	-	2,051,092	-	-
Municipal obligations	590,861	N/A	48,977	111,799	-	430,085
Supra-National agency	402,011	N/A	402,011	-	-	-
Corporate notes	5,453,775	N/A	-	4,969,506	484,269	-
Negotiable certificates of deposit	472,872	N/A	-	472,872	-	-
Asset-backed securities	4,226,407	N/A	-	3,641,482	-	584,925
LAIF	593,548	N/A	-	-	-	593,548
Money market	15,100	N/A	-	-	-	15,100
County of Mendocino treasury	144,049	N/A	-	-	-	144,049
Held by fiscal agent:						
Money market	42,890,488	N/A	-	-	-	42,890,488
Total	\$ 66,316,029		\$ 450,988	\$ 20,722,577	\$ 484,269	\$ 44,658,195

Fair Value

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

Fair Value Schedule

Investment Type	Total Investment	Investments Not Measured at Fair Value	Level	
			1	2
US Treasury obligations	\$ 8,982,723	\$ -	\$ -	\$ 8,982,723
Federal agency/GSE	493,103	-	-	493,103
Federal agency/CMO	2,051,092	-	-	2,051,092
Municipal obligations	590,861	-	-	590,861
Supra-National agency	402,011	-	-	402,011
Corporate notes	5,453,775	-	-	5,453,775
Negotiable certificates of deposit	472,872	-	-	472,872
Asset-backed securities	4,226,407	-	-	4,226,407
LAIF	593,548	593,548	-	-
Money market	15,100	15,100	-	-
County of Mendocino treasury	144,049	144,049	-	-
Held by fiscal agent:				
Money market	42,890,488	42,890,488	-	-
Total	\$ 66,316,029	\$ 43,643,185	\$ -	\$ 22,672,844

Notes to the Basic Financial Statements

Note 3 - Cash and Investments (continued)

Participation in an External Investment Pool

The City is a voluntary participant in the California Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section under the oversight of the Local Investment Advisory Board (Board). The Board consists of five members as designated by state statute and is chaired by the State Treasurer who is responsible for the day to day administration of LAIF. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis, which is different from the fair value of the City's position in the LAIF pool. The State Treasurer determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available. As of June 30, 2023, the City's investment in LAIF was \$593,548. The total amount invested by all public agencies at that date was \$25.67 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2023 has a balance of \$178.4 billion. Financial Statements of LAIF and PMIA may be obtained from the California Treasurer's web site at www.treasurer.ca.gov.

Note 4 - Accounts Receivable

Accounts receivable consisted of the following at June 30, 2023:

Accounts Receivable			
	<u>Receivables</u>	<u>Allowance</u>	<u>Net</u>
Governmental activities			
Interest	\$ 28,490	\$ -	\$ 28,490
Taxes	3,496,544	-	3,496,544
Grants and subventions	334,178	-	334,178
Due from other governments	23,555	-	23,555
Accounts receivable:			
Customers	<u>1,605,477</u>	<u>-</u>	<u>1,605,477</u>
Total Governmental activities	<u>5,488,244</u>	<u>-</u>	<u>5,488,244</u>
Business-type activities			
Interest	31,388	-	31,388
Accounts receivable:			
Customers	<u>9,385,037</u>	<u>(120,574)</u>	<u>9,264,463</u>
Total Business-type activities	<u>9,416,425</u>	<u>(120,574)</u>	<u>9,295,851</u>
Total receivables	<u>\$ 14,904,669</u>	<u>\$ (120,574)</u>	<u>\$ 14,784,095</u>
Concentration of Receivables			
Other governments			25.9%
Individuals/businesses			73.9%

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

Notes to the Basic Financial Statements

Note 5 – Notes and Loans Receivable

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

Loans and notes receivable for the year ended June 30, 2023, consisted of the following:

Loans and Notes Receivable				
	Beginning 7/1/2022	Additions	Deletions	Ending 6/30/2023
Major governmental funds:				
Successor Agency Note	\$ 1,500,000	\$ -	\$ (1,500,000)	\$ -
Other Agencies	708,098	598,216	-	1,306,314
Miscellaneous	1,052	124	-	1,176
Nonmajor governmental funds:				
Special revenue funds:				
LMIHF Housing Asset Fund	1,490,765	7,292	-	1,498,057
CDBG Program Income	294,902	154,281	-	449,183
Home Program Income	8,373,573	206,030	-	8,579,603
Total governmental funds	12,368,390	965,943	(1,500,000)	11,834,333
Total loans/notes receivable	\$ 12,368,390	\$ 965,943	\$ (1,500,000)	\$ 11,834,333

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Notes to the Basic Financial Statements

Note 6 - Capital Assets

Governmental capital asset activity for the year ended June 30, 2023, was as follows:

Capital Assets - Governmental					
	Balance July 1, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Governmental activities:					
Nondepreciable assets:					
Land	\$ 4,596,065	\$ -	\$ -	\$ -	\$ 4,596,065
Construction in progress	2,029,535	8,082,357	-	(3,758,540)	6,353,352
Total nondepreciable assets	6,625,600	8,082,357	-	(3,758,540)	10,949,417
Depreciable assets:					
Buildings and improvements	21,861,416	-	(771,219)	-	21,090,197
Technology subscriptions	-	1,047,946	-	-	1,047,946
Machinery, equipment, and vehicles	10,103,782	929,853	-	309,271	11,342,906
Infrastructure and network	64,604,249	3,073,879	-	3,449,269	71,127,397
Total depreciable assets	96,569,447	5,051,678	(771,219)	3,758,540	104,608,446
Total	103,195,047	13,134,035	(771,219)	-	115,557,863
Accumulated depreciation and amortization:					
Buildings and improvements	(8,579,620)	(730,555)	-	-	(9,310,175)
Technology subscriptions	-	(188,470)	-	-	(188,470)
Machinery, equipment, and vehicles	(6,290,563)	(531,367)	-	-	(6,821,930)
Infrastructure and network	(26,743,782)	(950,981)	-	-	(27,694,763)
Total accumulated depreciation	(41,613,965)	(2,401,373)	-	-	(44,015,338)
Net depreciable assets	54,955,482	2,650,305	(771,219)	3,758,540	60,593,108
Total governmental capital assets, net	\$ 61,581,082	\$ 10,732,662	\$ (771,219)	\$ -	\$ 71,542,525

Allocation of Depreciation and Amortization Expense

Governmental Activities:	
General government	\$ 457,631
Public works	1,275,179
Public safety	171,740
Recreation and culture	123,590
Parks, buildings, and grounds	373,233
Total Depreciation Expense	\$ 2,401,373

Notes to the Basic Financial Statements

Note 6 – Capital Assets (Continued)

Business-type capital asset activity for the year ended June 30, 2023, was as follows:

Capital Assets - Business-type

	Balance July 1, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Business-type activities:					
Nondepreciable assets:					
Land	\$ 7,747,880	\$ -	\$ -	\$ -	\$ 7,747,880
Capacity rights	270,000	-	-	-	270,000
Construction in progress	7,368,291	5,333,732	(182,258)	(2,022,263)	10,497,502
Total nondepreciable assets	15,386,171	5,333,732	(182,258)	(2,022,263)	18,515,382
Depreciable assets:					
Buildings and improvements	63,250,559	-	-	-	63,250,559
Machinery, equipment, and vehicles	14,048,151	648,894	(3,998)	296,342	14,989,389
Infrastructure and network	174,295,039	166,997	-	1,725,921	176,187,957
Total depreciable assets	251,593,749	815,891	(3,998)	2,022,263	254,427,905
Total	266,979,920	6,149,623	(186,256)	-	272,943,287
Accumulated depreciation:					
Buildings and improvements	(35,303,976)	(1,381,660)	-	-	(36,685,636)
Machinery, equipment, and vehicles	(8,304,837)	(745,826)	-	-	(9,050,663)
Infrastructure and network	(41,702,157)	(3,680,821)	-	-	(45,382,978)
Total accumulated depreciation	(85,310,970)	(5,808,307)	-	-	(91,119,277)
Net depreciable assets	166,282,779	(4,992,416)	(3,998)	2,022,263	163,308,628
Total governmental capital assets, net	\$ 181,668,950	\$ 341,316	\$ (186,256)	\$ -	\$ 181,824,010

Business-type Activities:

Water	\$ 1,878,685
Sewer	2,206,884
Electric	1,430,914
Landfill	14,681
Parking	1,195
Airport	193,137
Conference Center	45,889
Golf	6,456
Ambulance	30,467
Total Depreciation Expense	\$ 5,808,307

Notes to the Basic Financial Statements

Note 7 - Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2023.

Long-term Obligations					
	Beginning Balance July 1, 2022	Additions	Reductions	Ending Balance June 30, 2023	Due within One Year
Governmental Activities					
2017 fire engine lease (direct borrowing)	\$ 653,810	\$ -	\$ 113,305	\$ 540,505	\$ 115,159
2017 I-Bank financing lease (direct borrowing)	3,663,515	-	91,174	3,572,341	94,182
Technology subscription liability	-	845,509	-	845,509	318,226
2020 fire brush truck equipment lease (direct borrowing)	186,332	-	21,389	164,943	21,907
2020 fire self-contained breathing apparatus equipment lease (direct borrowing)	297,290	-	31,921	265,369	32,694
Series 2020A Community Facilities Lease Revenue Bonds	2,290,000	-	90,000	2,200,000	95,000
2020A unamortized premium	333,572	-	17,556	316,016	17,556
Series 2020B CalPERS Taxable Lease Revenue Bonds	31,968,235	-	793,192	31,175,043	827,973
Series 2022 Lease Revenue Bonds (Street Projects)	15,350,000	-	1,245,000	14,105,000	1,335,000
2022 unamortized premium- Streets Projects	1,621,453	-	279,560	1,341,893	167,737
Series 2022 Lease Revenue Bonds (Corporation Yard Projects)	14,850,000	-	235,000	14,615,000	280,000
2022 unamortized premium-Corp Yard Projects	1,174,246	-	40,491	1,133,755	40,491
Claims payable	286,972	-	143,486	143,486	143,486
Net pension liability	-	8,167,808	-	11,167,808	-
Compensated absences	1,118,763	111,931	3,376	1,227,318	122,635
Total	\$ 73,794,188	\$ 9,125,248	\$ 3,105,450	\$ 82,813,986	\$ 3,612,046
Business-Type Activities					
2017 CalTrans Aeronautics Loan - Airport (direct borrowing)	\$ 148,980	\$ -	\$ 10,903	\$ 138,077	\$ 11,157
2016 Water Revenue Refunding Bonds	8,055,000	-	415,000	7,640,000	435,000
2016 unamortized premium	1,333,122	-	95,223	1,237,899	95,223
Lawsuit settlement liability	1,000,000	-	1,000,000	-	-
Landfill closure and post-closure	19,890,002	1,255,538	-	21,145,540	-
2017 SWRCB recycled water loan (direct borrowing)	17,713,180	-	529,536	17,183,644	534,421
Series 2020 Wastewater Refunding Bonds	22,184,000	-	1,471,000	20,713,000	1,507,000
Series 2020B CalPERS Taxable Lease Revenue Bonds	17,201,765	-	426,808	16,774,957	467,027
Series 2022 Lease Revenue Bonds (Utilities Projects)	8,770,000	-	-	8,770,000	-
2022 Utilities unamortized premium - Utilities Projects	1,150,071	-	79,315	1,070,758	59,486
Series 2022 Electric Revenue Bonds	9,190,000	-	-	9,190,000	310,000
2022 Electric unamortized premium	1,048,809	-	55,200	993,609	55,200
Claims payable	49,583	-	49,583	-	-
Net pension liability	-	5,237,038	-	5,237,038	-
Compensated absences	533,518	479,802	465,537	547,776	54,777
Total	\$108,268,030	\$ 6,972,378	\$ 4,598,105	\$110,642,298	\$ 3,529,291

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

Governmental Activities

2017 Fire Engine Lease (direct borrowing)

In October 2017, the City entered into a finance purchase agreement with Umpqua Bank for the purchase of two Type-1 fire engines totaling \$1,125,731. Principal and interest payments are due semi-annually on May 1 and November 1 of each year with an interest rate of 2.45 percent. Lease payments are made by the General Fund. The total combined amount of accumulated depreciation on both fire engines is \$352,705. The agreement contains a provision that when a default occurs then the City shall pay to the lessor the entire outstanding balance of all progress payments advanced by lessor plus all interim rent due through the commitment termination date. Interest shall accrue on the total amount due hereunder at the

Notes to the Basic Financial Statements

Note 7 – Long-Term Liabilities (Continued)

lesser of eighteen percent (18 percent) per annum or the maximum rate permitted by law from the commitment termination date to the date of actual payment.

2017 I-Bank Financing Lease (direct borrowing)

In August 2017, the City entered into an agreement for \$4,000,000 with the California Infrastructure and Economic Development Bank (I-Bank) to finance roadway and other right-of-way improvements related to the Redwood Business Park. Principal is paid annually commencing on August 1, 2018, and interest payments are made semi-annually on August 1 and February 1 at an interest rate of 3.30 percent. Lease payments are made primarily by the General Fund. The total combined amount of accumulated depreciation on the roadway improvements is \$320,000. The funds are secured with collateral of a leased asset located at 300 Seminary Avenue, Ukiah. The note contains a provision that in the event of default, and to terminate the financing lease, the City will surrender the possession of the leased asset. The City may elect not to terminate the lease, and to continue to pay each installment. There contain no acceleration clauses.

2020 Fire Brush Truck Lease (direct borrowing)

In February 2020, the City entered into a finance purchase agreement with Umpqua Bank for the purchase of one Skeeter fire brush truck totaling \$227,606. Principal and interest payments are due semi-annually on March 1 and September 1 of each year with an interest rate of 2.8 percent. Lease payments are made by the General Fund. The total combined amount of accumulated depreciation on this truck is \$22,761. The agreement contains a provision that when a default occurs then the City shall pay to the lessor the entire outstanding balance of all progress payments advanced by lessor plus all interim rent due through the commitment termination date. Interest shall accrue on the total amount due hereunder at the lesser of eighteen percent (18 percent) per annum or the maximum rate permitted by law from the commitment termination date to the date of actual payment.

2020 Self-Contained Breathing Apparatus Lease (direct borrowing)

In November 2020, the City entered an equipment lease with Umpqua Bank for the purchase of one self-contained breathing apparatus system totaling \$343,762.85. Principal and interest payments are due on June 1 and December 1 of each year with an interest rate of 2.39 percent. Lease payments are made by both the General Fund and the Ukiah Valley Fire District at an even 50 percent split. The agreement contains a provision that when a default occurs then the City shall pay to the lessor the entire outstanding balance of all progress payments advanced by lessor plus all interim rent due through the commitment termination date. Interest shall accrue on the total amount due hereunder at the lesser of eighteen percent (18 percent) per annum or the maximum rate permitted by law from the commitment termination date to the date of actual payment.

Series 2020A Lease Revenue Bonds (Community Facilities Improvement Project)

Dated December 1, 2020 the original amount of the obligation was \$2,530,000 and is secured with a pledge consisting primarily of base rental payments to be made by the City as rental for certain City-owned property. The obligation principal is payable in annual installments beginning April 1, 2022 ranging from \$150,000 to \$175,000 through year 2040. Interest is payable semi-annually on April 1 and October 1 of each year, commencing April 1, 2023, with an interest rate ranging from 3.00 percent to 4.00 percent. The Series 2020A Lease Revenue Bonds were issued to reimburse the City for the cost to purchase the Bank of America building, and to pay the costs associated with renovating the new customer service center and roof replacement project for the museum. In the event of a default, there is no remedy of acceleration of the total base rental payments due over the term of the lease and neither the Ukiah Public Financing Authority nor the Trustee are empowered to sell or relet the leased facilities and use the proceeds of such sale or relenting to redeem the bonds or pay debt service with respect thereto.

Notes to the Basic Financial Statements

Note 7 – Long-Term Liabilities (Continued)

Series 2020B Taxable Lease Revenue Bonds (CalPERS Prepayment Project)

Dated December 1, 2020 the original amount of the obligation was \$49,875,000 and is secured with a pledge consisting primarily of base rental payments to be made by the City as rental for certain City-owned property. This obligation is shared with business-type funds, with the governmental fund's share being 65 percent. The obligation principal is payable in annual installments beginning April 1, 2022 ranging from \$705,000 to \$3,015,000 through year 2049. Interest is payable semi-annually on April 1 and October 1 of each year, commencing October 1, 2023, with an interest rate ranging from 1.37 percent to 3.706 percent. The Series 2020B Taxable Lease Revenue Bonds were issued to refinance a portion of the UAL of the City's Miscellaneous, Safety Fire, and Safety Police pension plans with CalPERS. In the event of a default, there is no remedy of acceleration of the total base rental payments due over the term of the lease and neither the Ukiah Public Financing Authority nor the Trustee are empowered to sell or relet the leased facilities and use the proceeds of such sale or reletting to redeem the bonds or pay debt service with respect thereto.

Series 2022 Lease Revenue Bonds (Street Projects)

Dated March 9, 2022 the original amount of the obligation was \$15,350,000 and is secured with a pledge consisting primarily of base rental payments made for the use of all the city's street. The obligation principal is payable in annual installments beginning April 1, 2022 ranging from \$1,245,000 to \$1,825,000. Interest on the Bonds are payable semiannually on April 1 and October 1 of each year, commencing October 1, 2022, and bear an interest rate of 4.0 percent. The Series 2022 Lease Revenue Bonds (Street Projects) were issued to finance various street improvement projects. In the event of a default, there is no remedy of acceleration of the total base rental payments due over the term of the lease and neither the Ukiah Public Financing Authority nor the Trustee are empowered to sell or relet the leased facilities and use the proceeds of such sale or reletting to redeem the bonds or pay debt service with respect thereto.

Series 2022 Lease Revenue Bonds (Corporation Yard Projects)

Dated March 9, 2022 the original amount of the obligation was \$14,850,000 and is secured with a pledge consisting primarily of base rental payments made for the use of all the city's street. The obligation principal is payable in annual installments beginning April 1, 2023 ranging from \$235,000 to \$815,000. Interest on the Bonds are payable semiannually on April 1 and October 1 of each year, commencing October 1, 2022, and bear an interest rate of 4.0 percent. The Series 2022 Lease Revenue Bonds (Corporation Yard Projects) were issued to finance the renovation of the city's Corporation Yard facilities. In the event of a default, there is no remedy of acceleration of the total base rental payments due over the term of the lease and neither the Ukiah Public Financing Authority nor the Trustee are empowered to sell or relet the leased facilities and use the proceeds of such sale or reletting to redeem the bonds or pay debt service with respect thereto.

Notes to the Basic Financial Statements

Note 7 – Long-Term Liabilities (Continued)

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

Debt Service Schedule Governmental										
Governmental Activities										
Year Ending June 30,	Capital Lease, Fire Engines (2017)		I-Bank Financing Lease (2017)		Technology Subscription Liability		Capital Lease, Fire Brush Truck (2020)		Equipment Lease, Self-Contained Breathing Apparatus (2020)	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 115,159	\$ 12,800	\$ 94,182	\$ 127,050	\$ 318,226	\$ 15,337	\$ 21,907	\$ 3,837	\$ 32,694	\$ 6,188
2025	118,051	9,908	97,290	123,609	315,108	18,455	22,437	3,307	33,485	5,397
2026	121,016	6,943	100,501	120,053	173,287	7,426	22,980	2,764	34,295	4,587
2027	124,055	3,904	103,817	116,381	38,889	1,361	23,536	2,208	35,125	3,757
2028	62,224	789	107,243	112,587	-	-	24,106	1,638	35,975	2,907
2029-2033	-	-	591,697	501,491	-	-	49,977	1,512	93,795	3,411
2034-2038	-	-	695,987	385,999	-	-	-	-	-	-
2039-2043	-	-	818,658	250,153	-	-	-	-	-	-
2044-2048	-	-	962,966	124,425	-	-	-	-	-	-
2049-2053	-	-	-	-	-	-	-	-	-	-
Total	\$ 540,505	\$ 34,344	\$ 3,572,341	\$ 1,861,748	\$ 845,510	\$ 42,579	\$ 164,943	\$ 15,266	\$ 265,369	\$ 26,247
Due within one year	\$ 115,159	\$ 12,800	\$ 94,182	\$ 127,050	\$ 318,226	\$ 15,337	\$ 21,907	\$ 3,837	\$ 32,694	\$ 6,188
Due after one year	425,346	21,544	3,478,159	1,734,698	527,284	27,242	143,036	11,429	232,675	20,059
Total	\$ 540,505	\$ 34,344	\$ 3,572,341	\$ 1,861,748	\$ 845,510	\$ 42,579	\$ 164,943	\$ 15,266	\$ 265,369	\$ 26,247

Year Ending June 30,	Series 2020A Community Facilities Lease Revenue Bonds		Series 2020B CalPERS Taxable Lease Revenue Bonds		Series 2022 Lease Revenue Bonds (Street Projects)		Series 2022 Lease Revenue Bonds (Corporation Yard Projects)		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 95,000	\$ 87,050	\$ 841,750	\$ 1,159,843	\$ 1,335,000	\$ 564,200	\$ 280,000	\$ 560,063	\$ 3,133,918	\$ 2,536,368
2025	95,000	84,200	864,500	1,144,675	1,385,000	510,800	290,000	548,863	3,220,871	2,449,214
2026	100,000	80,400	897,000	1,127,367	1,440,000	455,400	305,000	537,263	3,194,079	2,342,203
2027	105,000	76,400	916,500	1,105,489	1,500,000	397,800	315,000	525,063	3,161,922	2,232,363
2028	110,000	72,200	952,250	1,081,303	1,560,000	337,800	325,000	512,463	3,176,798	2,121,687
2029-2033	610,000	291,600	5,391,750	4,949,606	6,885,000	702,200	1,850,000	2,355,313	15,472,219	8,805,133
2034-2038	745,000	159,800	6,698,250	3,911,952	-	-	2,260,000	1,937,313	10,399,237	6,395,064
2039-2043	340,000	20,600	8,485,750	2,403,209	-	-	2,715,000	1,442,363	12,359,408	4,116,325
2044-2048	-	-	5,768,750	719,754	-	-	3,165,000	871,563	9,896,716	1,715,742
2049-2053	-	-	358,543	14,963	-	-	3,110,000	256,750	3,468,543	271,713
Total	\$ 2,200,000	\$ 872,250	\$ 31,175,043	\$ 17,618,161	\$ 14,105,000	\$ 2,968,200	\$ 14,615,000	\$ 9,547,017	\$ 67,483,711	\$ 32,985,812
Due within one year	\$ 95,000	\$ 87,050	\$ 841,750	\$ 1,159,843	\$ 1,335,000	\$ 564,200	\$ 280,000	\$ 560,063	\$ 3,133,918	\$ 2,536,368
Due after one year	2,105,000	785,200	30,333,293	16,458,318	12,770,000	2,404,000	14,335,000	8,986,954	64,349,793	30,449,444
Total	\$ 2,200,000	\$ 872,250	\$ 31,175,043	\$ 17,618,161	\$ 14,105,000	\$ 2,968,200	\$ 14,615,000	\$ 9,547,017	\$ 67,483,711	\$ 32,985,812

Business-Type Activities

2017 Caltrans Aeronautics Loan – Airport (direct borrowing)

Loan issued to the City for the design, purchase, and installation of a 12,000-gallon service aviation gas fuel tank at the Ukiah Municipal Airport. Annual principal and interest payments are made at an annual interest rate of 2.33 percent, are due February each year. Revenues generated by airport operations secure payments. In the event of default, the State may take one or more of the following actions: (i) declare the entire outstanding principal amount of the loan and all accrued interest immediately due and payable; (ii) notify the City that they may be ineligible for future financing under the program.

2016 Water Revenue Refunding Bonds

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

Notes to the Basic Financial Statements

Note 7 – Long-Term Liabilities (Continued)

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

Dated February 24, 2020 the original amount of the obligation was \$25,010,000 and is secured with a pledge of net revenues from the City's wastewater system. Proceeds were used to refund the ABAG 2006 Water & Wastewater Revenue Bonds, Series A. The obligation principal and interest payments at an annual interest rate of 2.42 percent are payable in annual installments beginning March 1, 2023 ranging from \$1,998,772 to \$1,999,719 through March 1, 2035. The bonds contain a provision that, in an event of default, outstanding amounts may become immediately due.

Lawsuit Settlement Liability

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

2017 SWRCB Recycled Water Loan (direct borrowing)

In July 2017, the City entered into an agreement with the California State Water Resource Control Board (SWRCB) to finance the development and construction of a recycled water system. Construction was completed in September 2019. The loan balance as of June 30, 2023 was \$16,778,411. Subsequent to fiscal year end June 30, 2023, the last drawdown was made in September 2020. The final total amount funded by the loan, including accrued interest, is \$18,224,756. Annual principal and interest payments will be made for a thirty-year term beginning in July 2023 at an interest rate of 1.00 percent. The loan will be repaid with revenues from the Water Enterprise Fund. In the event of a breach of contract, the City will immediately repay any amount equal to the project funds disbursed, accrued interest, penalty assessments and additional payments.

Series 2020B Taxable Lease Revenue Bonds (CalPERS Prepayment Project)

Dated December 1, 2020 the original amount of the obligation was \$49,875,000 and is secured with a pledge consisting primarily of base rental payments to be made by the City as rental for certain City-owned property. This obligation is shared with governmental funds, with the business-type fund's share being 35 percent. The obligation principal is payable in annual installments beginning April 1, 2023 ranging from \$705,000 to \$3,015,000 through year 2049. Interest is payable semi-annually on April 1 and October 1 of each year, commencing October 1, 2023, with an interest rate ranging from 1.37 percent to 3.706 percent. The Series 2020B Taxable Lease Revenue Bonds were issued to refinance a portion of the UAL of the City's Miscellaneous, Safety Fire, and Safety Police pension plans with CalPERS. In the event of a default, there is no remedy of acceleration of the total base rental payments due over the term of the lease and neither the Ukiah Public Financing Authority nor the Trustee are empowered to sell or relet the leased facilities and use the proceeds of such sale or reletting to redeem the bonds or pay debt service with respect thereto.

Series 2022 Lease Revenue Bonds (Utilities Projects)

Dated March 9, 2022 the original amount of the obligation was \$8,770,000 and is secured with a pledge consisting primarily of base rental payments made for the use of all the city's street. The obligation principal is payable in annual installments beginning April 1, 2023 ranging from \$435,000 to \$760,000. Interest on the Bonds are payable semiannually on April 1 and October 1 of each year, commencing October 1, 2022, and bear an interest rate of 4.0 percent. The Series 2022 Lease Revenue Bonds (Corporation Yard Projects) were issued to finance various utility projects. In the event of a default, there is no remedy of acceleration of the total base rental payments due over the term of the lease and neither the Ukiah Public Financing Authority nor the Trustee are empowered to sell or relet the leased facilities and use the proceeds of such sale or reletting to redeem the bonds or pay debt service with respect thereto.

Notes to the Basic Financial Statements

Note 7 – Long-Term Liabilities (Continued)

Series 2022 Electric Revenue Bonds

Dated March 3, 2022 the original amount of the obligation was \$9,190,000. The obligation is payable solely from the revenues and from certain other amounts of deposit in funds and accounts. The obligation principal is payable in annual installments beginning March 1, 2024 ranging from \$310,000 to \$680,000. Interest on the Bonds are payable in annual installments commencing on March 1, 2023, and bear interest rates of 3.0 to 5.0 percent. The Series 2022 Bonds are being issued to (i) finance improvements to the Electric System of the City, and (ii) pay certain costs incurred in connection with the issuance of the Bonds. In the event of default, the Trustee has the right to accelerate the total unpaid principal amount of the unpaid payments under the Installment Sale Agreement, including the Installment Payments. However, due to events outside the control of the City, there is no assurance that the City would have sufficient funds to pay the accelerated payments.

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

Debt Service Schedule								
Business-type								
Year Ending June 30,	Business-type Activities							
	2017 CalTrans Aeronautics Loan - Airport		2016 Water Revenue Refunding Bonds		2017 SWRCB Recycled Water Loan		Series 2020 Wastewater Refunding Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 11,157	\$ 3,217	\$ 435,000	\$ 316,444	\$ 534,831	\$ 171,836	\$ 1,507,000	\$ 492,192
2025	11,417	2,957	460,000	294,069	540,180	166,488	1,543,000	455,505
2026	11,683	2,691	480,000	270,569	545,581	161,086	1,581,000	417,934
2027	11,956	2,419	505,000	245,943	551,037	155,631	1,620,000	379,444
2028	12,234	2,140	530,000	220,069	556,548	150,120	1,659,000	339,998
2029-2033	65,581	6,291	3,080,000	670,343	2,867,341	665,997	8,922,000	1,074,044
2034-2038	14,049	329	2,150,000	101,754	3,013,604	519,734	3,881,000	118,108
2039-2043	-	-	-	-	3,167,328	366,010	-	-
2044-2048	-	-	-	-	3,328,894	204,444	-	-
2049-2053	-	-	-	-	2,078,299	41,704	-	-
Total	\$ 138,077	\$ 20,044	\$ 7,640,000	\$ 2,119,191	17,183,643	2,603,050	\$ 20,713,000	\$ 3,277,225
Due within one year	\$ 11,157	\$ 3,217	\$ 435,000	\$ 316,444	\$ 534,831	\$ 171,836	\$ 1,507,000	\$ 492,192
Due after one year	126,920	16,827	7,205,000	1,802,747	16,648,812	2,431,214	19,206,000	2,785,033
Total	\$ 138,077	\$ 20,044	\$ 7,640,000	\$ 2,119,191	17,183,644	2,603,049	\$ 20,713,000	\$ 3,277,225

Year Ending June 30,	Series 2020B CalPERS Taxable Lease Revenue Bonds		Series 2022 Lease Revenue Bonds (Utilities Projects)		Series 2022 Electric Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 453,250	\$ 624,531	\$ -	\$ 356,300	\$ 310,000	\$ 388,350	\$ 3,251,238	\$ 2,352,870
2025	465,500	616,363	-	356,300	330,000	372,850	3,350,097	2,264,532
2026	483,000	607,044	-	356,300	345,000	356,350	3,446,264	2,171,974
2027	493,500	595,264	-	356,300	360,000	339,100	3,541,493	2,074,101
2028	512,750	582,240	435,000	356,300	360,000	321,100	4,065,532	1,971,967
2029-2033	2,903,250	2,665,172	2,455,000	1,505,700	2,190,000	1,311,850	22,483,172	7,899,397
2034-2038	3,606,750	2,106,435	3,005,000	950,900	2,700,000	792,250	18,370,403	4,589,510
2039-2043	4,569,250	1,294,035	2,875,000	293,200	2,595,000	204,000	13,206,578	2,157,245
2044-2048	3,106,250	387,560	-	-	-	-	6,435,144	592,004
2049-2053	181,457	8,057	-	-	-	-	2,259,756	49,761
Total	\$ 16,774,957	\$ 9,486,702	\$ 8,770,000	\$ 4,531,300	\$ 9,190,000	\$ 4,085,850	\$ 80,409,677	\$ 26,123,362
Due within one year	\$ 453,250	\$ 624,531	\$ -	\$ 356,300	\$ 310,000	\$ 388,350	\$ 3,251,238	\$ 2,352,870
Due after one year	16,321,707	8,862,171	8,770,000	4,175,000	8,880,000	3,697,500	77,158,439	23,770,492
Total	\$ 16,774,957	\$ 9,486,702	\$ 8,770,000	\$ 4,531,300	\$ 9,190,000	\$ 4,085,850	\$ 80,409,677	\$ 26,123,362

Notes to the Basic Financial Statements

Note 8 – Landfill Closure and Post Closure Costs

State and federal laws and regulations require that the City place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post closure care costs that will be incurred near or after the landfill no longer accepts waste. The recognition of these landfill closure and post closure care costs is based on the amount of landfill used during the year. The estimated liability for landfill closure and post closure care costs has a balance of \$21,145,540 (including \$1,115,945 for corrective action liability) as of June 30, 2023, which is based on 100.0 percent usage (filled) of the landfill.

This estimated total current cost of the landfill closure and post closure care is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2023, as determined by the last engineering study performed. However, the actual cost of closure and post closure care may change due to inflation, changes in technology, or changes in landfill laws and regulations.

The City is required by state and federal laws and regulations to make annual contributions to finance closure and post closure care. The City follows these requirements, and at June 30, 2023, held \$10,273,859 in cash and receivables designated for these purposes, \$10,213,311 of which within its pooled investments. The City has made a pledge of future service revenues for anticipated remaining expected costs, future inflation costs, and any additional costs that might arise from changes in post closure requirements (due to changes in technology or more rigorous environmental regulations, for example).

Note 9 - Interfund Transactions

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 2023 were as follows:

Interfund Transfers									
Transfers Out	Transfers In								
	General Fund	Streets Capital Improvement	Pension Debt Service Fund	Non-major Governmental Funds	Non-major Enterprise Funds	Landfill	Water	Electric	Total
General fund	\$ -	\$ 2,930,287	\$ 259,772	\$ 572,085	\$ 4,391	\$ -	\$ -	\$ -	\$ 3,766,535
Streets capital improvement	-	-	-	2,359	-	-	-	-	2,359
Non-major governmental funds	622,500	-	-	54,073	104,230	835,000	-	-	1,615,803
Wastewater	-	-	-	-	-	-	293,243	-	293,243
Non-major Enterprise Funds	-	-	-	-	-	-	-	489,688	489,688
Total	\$ 622,500	\$ 2,930,287	\$ 259,772	\$ 628,517	\$ 108,621	\$ 835,000	\$ 293,243	\$ 489,688	\$ 6,167,628

Notes to the Basic Financial Statements

Note 9 - Interfund Transactions and Interfund Borrowing (Continued)

Significant transfers included \$835,000 transferred to the landfill fund from the transfer station special revenue fund, which included two years' worth of collections; \$2.9 million from the general fund to the Streets Capital Improvement fund representing Measure Y proceeds committed by the City Council dedicated to specific capital projects; \$402,400 to the special project reserve for pending land acquisition; \$293,243 from the wastewater fund to the water for fund for annual operating costs of the recycled water facility; and \$400,000 from the American Rescue fund for revenue loss in the general fund related to the COVID-19 pandemic. The remaining transfers represent one-time amounts related to special projects.

Pursuant to the City's debt management policy, interfund loans are recorded for the purposes of financing operations, grant activities, or capital projects on a temporary basis.

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

Amounts recorded as advances from/to are longer-term interfund borrowing for the purposes of providing cash flow for activities with operational conditions requiring a longer repayment period. 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 Name	Amount	Fund Name	Amount
Streets Capital Improvements	\$ 349,168	General Fund	\$ 349,168
General Capital Projects	169,241	General Fund	169,241
Riverside Park	27,005	General Fund	27,005
Winter Special Events	18,056	General Fund	18,056
Rail Trail	205,100	General Fund	205,100
Conference Center Fund	101,476	General Fund	101,476
Airport Capital Improvement	200,002	General Fund	200,002
Recycled Water	2,049,808	General Fund	2,049,808
City Wastewater Operations	293,243	Recycled Water	293,243
Total Due To	<u>\$ 3,413,099</u>	Total Due From	<u>\$ 3,413,099</u>

Borrowing Fund (Advances From)		Lending Fund (Advances To)	
Fund Name	Amount	Fund Name	Amount
Building & Maintenance	\$ 340,000	General Fund	\$ 340,000
ARRC	36,601	General Fund	36,601
Winter Special Events	177,590	General Fund	177,590
Rail Trail	300,359	General Fund	300,359
Parking District #1	29,136	General Fund	29,136
Golf	930,200	General Fund	930,200
Conference Center Fund	109,702	General Fund	109,702
Ambulance Services Fund	1,072,771	General Fund	1,072,771
Water	576,223	Golf	576,223
Street Lighting	289,121	Electric	289,121
Total Advances To	<u>3,861,703</u>		<u>3,861,703</u>

Total Interfund Borrowing	<u>\$ 7,274,802</u>		<u>\$ 7,274,802</u>
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Notes to the Basic Financial Statements

Note 10 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City participates. The City is a member of the California Intergovernmental Risk Authority (CIRA), a public entity pool comprised of fifty statewide California charter and associate member cities (formerly the Redwood Empire Municipal Insurance Fund [REMIF], see Note 12 for additional information). CIRA is organized under a Joint Powers Agreement pursuant to the California Government Code. The purpose of CIRA 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 CIRA for its workers' compensation, general liability and property coverage.

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

General Liability Insurance

Annual premiums are paid by the member cities and are adjusted retrospectively to cover costs. The City of Ukiah self-insures for the first \$25,000 of each loss and pays 100 percent of all losses incurred under \$25,000. The City does not share or pay for losses of other cities under \$5,000, depending on the entity's deductible amount. Participating cities then share in the next \$5,000 to \$1,000,000 per loss occurrence. Specific coverage includes comprehensive and general automotive liability, personal injury, contractual liability, professional liability, and certain other coverage. CIRA is a member of Public Risk, Innovation, Solutions, and Management (PRISM), which provides CIRA with an additional \$39,000,000 liability insurance coverage over and above CIRA retention level of \$1,000,000.

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 \$50,000 of each loss and pays 100 percent of all losses incurred under \$50,000. The City does not share or pay for losses of other cities under \$5,000.

Property Insurance

The City participates in CIRA'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 for high-risk flood zones and \$100,000 for all wildfire and property related claims, and a coverage limit of \$600,000,000 declared value.

Separate internal service funds are maintained by the City for the City's deductibles and allocated share of pooled costs noted above. The total cash and investments held in these funds at June 30, 2023, was \$683,933.

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

Workers' Compensation - \$6 million to be collected over 6 years.

Liability program - \$2.5 million to be collected over 5 years.

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

Notes to the Basic Financial Statements

Note 10 - Risk Management (Continued)

Changes in the Internal Service Funds claims liabilities amounts in fiscal year 2023 and 2021 were as follows:

	2023	2022
Balance, beginning of the fiscal year	\$ 336,555	\$ 529,624
Claims and adjustments	-	-
Claims payments	(193,069)	(193,069)
Balance, end of the fiscal year	<u>\$ 143,486</u>	<u>\$ 336,555</u>

The amortization of the remaining balance of \$336,555 as of June 30, 2023 is detailed in Note 7.

In the past three years, no claims for general liability or workers' compensation have exceeded the City's purchased insurance coverage.

In accordance with the CIRA governing documents, CIRA Board has the authority to levy a cash assessment for any pooled coverage program on the Participating member. CIRA's overall equity balance was a minus \$450,641 as of June 30, 2022.

Risks Management Coverage		
Amount	Coverage Provider	Payment Source
General Liability Claims:		
\$0-25,000	Self-insured Retention	City funds
25,001-40,000,000	PRISM	Shared risk pool
Workers Compensation Claims:		
\$0-10,000	Self-insured Retention	City funds
10,001-750,000 (Non-Safety)	Commercial Re-insurance	Shared risk pool
1,000,000 (Safety)		
1,000,001-20,000,000	Commercial Reinsurance	Shared risk pool
Property Liability Claims:		
Claims other than High Risk Flood Claims:		
\$0-100,000	Deductible	City funds
100,001-600,000,000	PRISM	Shared risk pool
High Risk Flood Claims:		
\$0-10,000	Deductible	City funds
10,001-100,000,000	PRISM	Shared risk pool

Notes to the Basic Financial Statements

Note 10 - Risk Management (Continued)

The following is a summary of the most recent audited financial statements of REMIF as of and for the fiscal year ended June 30, 2022. As of the date of this report, 2023 information was not yet available.

REMI Equity, June 30, 2022

Total assets	\$ 38,006,670
Total deferred outflows of resources	200,103
Total liabilities	27,447,385
To deferred inflow of resources	-
Members' equity	<u>\$ 10,759,388</u>
Net operating revenues	\$ 18,794,790
Total operating expenses	<u>16,402,326</u>
Operating income (loss)	<u>\$ 2,392,464</u>

The following is a summary of the most recent audited financial statements of CIRA as of and for the fiscal year ended June 30, 2022.

CIRA Equity, June 30, 2022

Total assets	\$ 38,255,300
Total deferred outflows of resources	-
Total liabilities	38,705,941
To deferred inflow of resources	-
Members' equity	<u>\$ (450,641)</u>
Net operating revenues	\$ 11,090,825
Total operating expenses	<u>10,160,757</u>
Operating income (loss)	<u>\$ 930,068</u>

REMI and CIRA issues separate audited financial reports, which for June 30, 2023 were not available at the time of publication of the City's Annual Comprehensive Report. Copies of those reports may be obtained from REMI and CIRA at 2330 East Bidwell Suite 150, Folsom, CA 95630.

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Notes to the Basic Financial Statements

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 Annual Comprehensive 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 PEPRSA Safety Fire plan (PEPRSA Safety Fire) and the PEPRSA Safety Police plan (PEPRSA 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 PEPRSA Safety members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRSA Miscellaneous members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is the Basic Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

General Information about the Pension Plans - Safety

The Plans' provisions and benefits in effect at June 30, 2023, are summarized as follows:

Employer Rate Plans in the Safety Risk Pool

Employer rate plan	Fire	Police	PEPRSA Fire	PEPRSA Police
	Prior to January	Prior to January	On or after	On or after
Hire Date	01, 2013	01, 2013	January 01, 2013	January 01, 2013
Benefit formula	3.0 percent @ 55	3.0 percent @ 50	2.7 percent @ 57	2.7 percent @ 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				
percent of eligible	2.4 percent to 3.0		2.0 percent to 2.7	2.0 percent to 2.7
compensation	percent	3.0 percent	percent	percent
Required employee	8.99 percent	8.99 percent	13.75 percent	13.75 percent
contribution rates				
Required employer	23.68 percent	25.64 percent	13.66 percent	13.66 percent
contribution rates				

Notes to the Basic Financial Statements

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, 2023, were as follows:

	Contributions
Miscellaneous Risk Pool	\$ -
Safety Risk Pool	1,212,500
Total contributions	<u>\$ 1,212,500</u>

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

As of June 30, 2023, 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 Total Pension Liability/(Asset)
Miscellaneous Risk Pool	\$ -
Safety Risk Pool	(5,823,369)
Total pension liability/(asset)	<u>\$ (5,823,369)</u>

The City of Ukiah's net pension liability/(asset) 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.

Notes to the Basic Financial Statements

Note 11 – Public Employee Retirement Plan (Continued)

The City of Ukiah's proportionate share percentage of the net pension liability/(asset) for each risk pool as of June 30, 2022, measurement date, was calculated as follows:

Each risk pool's net pension liability was computed at the measurement date, June 30, 2022, by applying standard actuarial roll-forward methods to the net 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, 2022, was computed by subtracting the respective risk pool's fiduciary net position from its net pension liability.

The individual employer risk pool's proportionate share percentage of the net pension liability and fiduciary net position as of June 30, 2022, was calculated by applying City of Ukiah's proportionate share percentage as of the valuation date (described above) to the respective risk pool's net pension liability and fiduciary net position as of June 30, 2022, to obtain the net pension liability and fiduciary net position as of June 30, 2022. The fiduciary net position was then subtracted from net pension liability to obtain the net pension liability as of the measurement date.

The City of Ukiah's proportionate share percentage of the net pension liability for each risk pool as of June 30, 2021, and June 30, 2022, was as follows:

	Safety Risk Pool
Proportion at measurement date – June 30, 2021	(0.174647) percent
Proportion at measurement date – June 30, 2022	0.084746 percent
	<hr/>
	0.259393 percent
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Notes to the Basic Financial Statements

Note 11 – Public Employee Retirement Plan (Continued)

For the year ended June 30, 2023, the City of Ukiah recognized pension expense of \$2,105,624. At June 30, 2023, 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	\$775,254	\$(203,399)
Changes of Assumptions	1,888,606	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	3,391,872	-
Adjustment due to Differences in Proportions	1,260,262	(6,535,281)
Differences between Actual and Required Contributions	5,149,469	(2,713,612)
Contributions after Measurement Date	1,212,500	-
Total	\$13,677,963	\$(9,452,292)

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	Deferred Outflows/(Inflows) of Resources
June 30:	
2023	\$ 287,695
2024	200,595
2025	317,661
2026	2,207,223
2027	-
Thereafter	-
Total	\$ 3,013,174

Notes to the Basic Financial Statements

Note 11 – Public Employee Retirement Plan (Continued)

Actuarial Assumptions

The net pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

	Safety
Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.90 percent
Inflation	2.50 percent
Payroll Growth	2.75 percent
Projected Salary Increase ⁽¹⁾	Varies by Age & Length of Service
Investment Rate of Return ⁽²⁾	6.80 percent
Mortality Rate Table ⁽³⁾	Derived Using CalPERS' Membership Data for all Funds

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

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

(3) The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing morality improvement using 80 percent of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the net pension liability was 6.90 percent. 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 6.90 percent 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, 2022 based on June 30, 2021 Valuations*, that can be obtained from the CalPERS website.

According to Paragraph 30 of GASB 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. For the CalPERS Plan, the 6.80 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 6.90 percent. Using this lower discount rate has resulted in a slightly higher net pension liability and net pension liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

Notes to the Basic Financial Statements

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, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

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	Assumed Asset Allocation	Real Return 1,2
Global Equity - Cap-weighted	30.00 percent	4.54 percent
Global Equity - Non-Cap-weighted	12.00 percent	3.84 percent
Private Equity	13.00 percent	7.28 percent
Treasury	5.00 percent	0.27 percent
Mortgage-backed Securities	5.00 percent	0.50 percent
Investment Grade Corporates	10.00 percent	1.56 percent
High Yield	5.00 percent	2.27 percent
Emerging Market Debt	5.00 percent	2.48 percent
Private Debt	5.00 percent	3.57 percent
Real Assets	15.00 percent	3.21 percent
Leverage	(5.00 percent)	(0.59 percent)

(1) An expected price inflation of 2.3 percent used for this period.

(2) Figures are based on 2021-22 Asset Liability Management study.

Notes to the Basic Financial Statements

Note 11 – Public Employee Retirement Plan (Continued)

Sensitivity of the City of Ukiah's Proportionate Share of the Total Pension Liability to Changes in the Discount Rate

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

	Discount Rate percent (5.90 percent)	Current Discount Rate (6.90 percent)	Discount Rate +1 percent (7.90 percent)
City of Ukiah's proportionate share of the Safety Risk Pool's net pension liability	\$16,392,010	\$5,823,369	(\$2,814,108)

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, 2022 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

The Plan's provisions and benefits in effect at June 30, 2023, are summarized as follows:

Employees Covered – At June 30, 2023, the following employees were covered by the benefit terms for the Plan:

Benefits Provided

	Miscellaneous	
	Prior to January 31, 2013	On or after January 1, 2013
Hire Date		
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years service	
Retirement age	55	62
Monthly benefits as a % of eligible compensation	Depending on years of service	
Retired employee contribution rates	8.00%	8.00%
Required employer contribution rates	12.040%	12.040%

Notes to the Basic Financial Statements

Note 11 – Public Employee Retirement Plan (Continued)

Employees Covered by Plan

Inactive employees of beneficiaries currently receiving benefits	194
Inactive employees entitled to but not yet receiving benefits	147
Active employees	148

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 net pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The net pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

Actuarial Assumptions

	Miscellaneous
Valuation date	6/30/2021
Measurement	6/30/2022
Actuarial cost method	Entry-age normal
Discount rate	6.90%
Inflation	2.50%
Projected salary increase	Varies by age and length of service
Mortality (1)	Derived from CalPERS membership data for all funds

The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the net pension liability is 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the net pension liability.

Notes to the Basic Financial Statements

Note 11 – Public Employee Retirement Plan (Continued)

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

In determining the long-term expected rate of return, CalPERS considered both short-term and long-term market return expectations as well as the expected pension fund cash flows. 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+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

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

Asset Class	Assumed Asset Allocation	Real Return 1,2
Global Equity - Cap-weighted	30.00 percent	4.54 percent
Global Equity - Non-Cap-weighted	12.00 percent	3.84 percent
Private Equity	13.00 percent	7.28 percent
Treasury	5.00 percent	0.27 percent
Mortgage-backed Securities	5.00 percent	0.50 percent
Investment Grade Corporates	10.00 percent	1.56 percent
High Yield	5.00 percent	2.27 percent
Emerging Market Debt	5.00 percent	2.48 percent
Private Debt	5.00 percent	3.57 percent
Real Assets	15.00 percent	3.21 percent
Leverage	(5.00 percent)	(0.59 percent)

(1) An expected price inflation of 2.3 percent used for this period.

(2) Figures are based on 2021-22 Asset Liability Management study.

Notes to the Basic Financial Statements

Note 11 – Public Employee Retirement Plan (Continued)

Changes in Total Pension Liability

The changes in the Total pension Liability for the Miscellaneous Plan recognized over the measurement period.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a)-(b)
Balance at June 30, 2021	\$ 104,200,343	\$ 110,768,195	\$ (6,567,852)
Beginning of Year Adjustment	-	-	-
Adjusted Balance at June 30, 2021	\$ 104,200,343	\$ 110,768,195	\$ (6,567,852)
Changes Recognized for the Measurement Period:			
Service Cost	2,387,254		2,387,254
Interest on Total Pension Liability	7,222,763		7,222,763
Changes of Benefit Terms	-		-
Changes of Assumptions	3,214,497		3,214,497
Differences Between Expected and Actual Experience	(1,257,342)		(1,257,342)
Net Plan to Plan Resource Movement	-	-	-
Contribution - Employer	-	1,837,864	(1,837,864)
Contribution - Employees	-	916,632	(916,632)
Net Investment Income	-	(8,267,651)	8,267,651
Benefits Payments, Including Refunds of Employee Contributions	(5,346,787)	(5,346,787)	-
Administrative Expense	-	(69,002)	69,002
Other Miscellaneous Income (Expense)	-	-	-
Net Changes During 2021-2022	6,220,385	(10,928,944)	17,149,329
Balance at June 30, 2022	\$ 110,420,728	\$ 99,839,251	\$ 10,581,477

Sensitivity of the Total 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 6.90 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 (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

	Discount Rate -1%	Discount Rate	Discount Rate +1%
	5.90%	6.90%	7.90%
Plan's Net Pension Liability/(Asset) \$	\$ 25,010,488	\$ 10,581,477	\$ (1,372,246)

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

Note 11 – Public Employee Retirement Plan (Continued)

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

For the year ended June 30, 2023, the City recognized pension expense for the Miscellaneous Plan of \$3,074,770. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources for the Miscellaneous Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,967,573	\$ -
Changes of assumptions	2,240,407	-
Difference between actual and expected experience	216,878	(876,329)
Net differences between projected and actual earnings on plan investments	5,724,831	-
Total	<u>\$ 10,149,689</u>	<u>\$ (876,329)</u>

\$2,240,407 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Periods Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	\$ 1,756,142
2024	1,540,050
2025	846,376
2026	3,163,219
2027	-
Therafter	-

Payable to the Pension Plan

At June 30, 2023, the City reported a payable of \$ -0- for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2023.

Total pension expense for both plans was \$2,105,625 for Safety and \$3,074,770 for Miscellaneous.

Notes to the Basic Financial Statements

Note 12 – Related Organizations

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

Northern California Power Agency (NCPA)

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

The City is currently involved in several hydroelectric, geothermal and other energy related projects as a member of this agreement. The NCPA is financed by contributions from member cities, government grants and debt. The City is committed to provide substantial additional financial support for its portion of the actions and projects of the NCPA. During the year ended June 30, 2023, the City paid \$12,965,632 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, 2023, the City's balance held in the reserve was \$4,840,316, of which \$232,717 is restricted for NCPA OPS/Security accounts. Due to the nature of the reserve held by NCPA, the reserve is recorded as an asset in the Electric Fund as Investment in NCPA reserve.

Mendocino Transit Authority

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

Redwood Empire Financing Authority (REFA)

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

Notes to the Basic Financial Statements

Note 12 – Related Organizations (continued)

California Intergovernmental Risk Authority (CIRA) (formerly Redwood Empire Municipal Insurance Fund [REMIF])

A group of Northern California cities participated in an agreement to provide themselves with various levels of liability, property, and worker's compensation insurance. This participation was through a joint powers' authority, known as REMIF. As explained previously, the City provides for its general and workers' compensation insurance needs through REMIF.

REMIF merged with another risk management authority, the Public Agency Risk Sharing Authority of California (PARSAC), on July 1, 2021, forming the California Risk Management Authority (CIRA). The merger enhanced coverage for the City while reducing costs to REMIF member agencies. Irrespective of the merger, worker's comp and health insurance premiums are still paid to REMIF and totaled \$3,963,488.

CIRA is governed by a Board of Directors comprised of one representative and one alternate from each member agency. CIRA provides self-funded general liability and workers' compensation coverage to its 50-member agencies. The liability program covers bodily injury, personal injury, property damage, public official's errors and omission, and wrongful employment practices. Through the liability program, CIRA members are afforded \$40 million per occurrence coverage limits through a combination of primary, excess and reinsurance coverage. The workers' compensation provides coverage for employee injury or illness to statutory limits. CIRA members' premiums are actuarially determined and allocated to members based on several factors such as payroll, loss experience and administrative expenses.

Premiums paid to CIRA were \$2,855,440. During the year, the City received no distribution from CIRA's liability insurance program.

Transmission Agency of Northern California (TANC)

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

Mendocino Solid Waste Management Authority (MSWMA)

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

Notes to the Basic Financial Statements

Note 13 - Commitments and Contingencies

Grants and Allocations

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

Construction commitments. The government has active construction projects as of June 30, 2023. The projects include street reconstruction and rehabilitation, airport and utility infrastructure improvements. At year end the government's significant commitments with contractors were as follows:

Construction Commitments

Project	Spent to Date	Remaining Commitment
Todd Grove Playground Replacement Project	\$ 224,064	\$ 11,331
Clara Avenue Reconstruction Project	3,425,243	483,425
Gobbi Street Service Overhead to Underground Conversion	94,879	18,792
Downtown Streetscape Phase 2	307,537	10,511,453
SCADA Upgrade at the Water Treatment Plant	284,495	109,130
Runway 15-33 Pavement Rehabilitation - Phase 2	-	2,444,444
Recycled Water Project Phase 4	-	45,942,805
Todd Grove BBQ Reconstruction Project	-	124,850
Thickening and Dewatering Improvements	-	3,293,400

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

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

Encumbrances

Fund(s)	Encumbrances
General fund	\$ 911,379
Streets Capital Improvements	4,426,325
General Capital Projects	2,807,930
Nonmajor governmental funds	707,690
Internal service funds	1,805,708
Landfill	189,189
Electric	1,450,849
Water	51,011,177
Wastewater	6,177,463
Nonmajor enterprise funds	3,220,841
Total	\$ 72,708,551

Notes to the Basic Financial Statements

Note 14 – Successor Agency Trust, Former Ukiah Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill IX 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.

Enforceable Obligations - Bonds

The following is a summary of changes in long-term liabilities for the year ended June 30, 2023:

Redevelopment Successor Private Purpose Trust Debt Service Activity

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Trust Activities:					
Series 2019A Tax Allocation Bonds	\$ 636,003	\$ -	\$ 309,382	\$ 326,621	\$ 326,621
Series 2019B Taxable Tax Allocation Bonds	3,505,701	-	296,440	3,209,261	374,509
Total trust fund debt	\$ 4,141,704	\$ -	\$ 605,822	\$ 3,535,882	\$ 701,129

Series 2019A Tax Allocation Bonds

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

Series 2019B Taxable Tax Allocation Bonds

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

Notes to the Basic Financial Statements

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

Future debt service for Fiduciary Activities at June 30, 2023, is as follows:

Debt Service Schedule

Redevelopment Successor Agency

Year Ending June 30,	Series 2019A Tax Allocation Bonds		Series 2019B Taxable Tax Allocation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 326,621	\$ 3,529	\$ 374,509	\$ 89,451	\$ 701,130	\$ 92,980
2025	-	-	717,252	73,293	717,252	73,293
2026	-	-	748,446	51,601	748,446	51,601
2027	-	-	558,294	32,261	558,294	32,261
2028	-	-	404,048	18,018	404,048	18,018
2029-2033	-	-	406,712	6,025	406,712	6,025
Total	<u>326,621</u>	<u>3,529</u>	<u>3,209,261</u>	<u>270,649</u>	<u>3,535,882</u>	<u>274,178</u>
Due within one year	326,621	3,529	374,509	89,451	701,130	92,980
Due after one year	-	-	2,834,752	181,198	2,834,752	181,198
Total	<u>\$ 326,621</u>	<u>\$ 3,529</u>	<u>\$ 3,209,261</u>	<u>\$ 270,649</u>	<u>\$ 3,535,882</u>	<u>\$ 274,178</u>

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Notes to the Basic Financial Statements

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 100 – Accounting Changes and Error Corrections. The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

GASB 101 – Compensated Absences: The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

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Notes to the Basic Financial Statements

Note 16 – Service Contracts

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

Joint Venture for Valley-Wide Fire Protection Services

The City has entered into a joint powers 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.

Referred to as the Ukiah Valley Fire Authority (“UVFA”), the City and UVFD committed to sharing total operating costs equally; however, UVFD available financial resources restrained it from contributing its equal share. A de facto, temporary 70/30 split has been maintained by both agencies, as UVFD worked to enhance its revenues. Even at that share, UVFD did not have sufficient revenues. The City compensated for that by paying the difference to UVFD. In fiscal year 2021, that amount was \$387,757.

For the year ended June 30, 2023, the City ceased making such payments. Total share of operating costs for UVFA were as follows:

Ukiah Valley Fire Authority

Agency Operating Cost Share - Fiscal Year 2022-23

	Current		Target		Variance
	Share (\$)	Share (%)	Share (\$)	Share (%)	
City of Ukiah	\$ 5,462,684	66.98%	\$ 4,077,715	50.00%	\$ 1,384,968
Ukiah Valley Fire Protection District	2,692,747	33.02%	4,077,715	50.00%	(1,384,968)
Total	\$ 8,155,431	100.00%	\$ 8,155,431	100.00%	\$ -

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

Golf Course Maintenance and Operations

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

For the year ended June 30, 2023, the City received \$41,500 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

Note 16 – Service Contracts (continued)

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

Asset	Cost	Accumulated Depreciation	Carrying Value
Land	\$ 965,284	\$ -	\$ 965,284
Land improvements	323,221	309,910	13,311
Infrastructure	340,353	184,743	155,609
Buildings	115,992	98,103	17,889
Total Assets	\$ 1,744,850	\$ 592,756	\$ 1,152,093

Solid Waste Collection and Ukiah Transfer Station Agreement

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

Participation Agreement with Ukiah Valley Sanitation District

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

Lease Receivable

In prior fiscal years, the City entered into land and building lease agreements with third parties to lease land, property and facilities owned by the City. The initial lease terms ranged from 5 to 14 years. The City currently receives monthly payments from both leases of \$9,507. As of June 30, 2023, the City's receivable for lease payments was \$263,983. Also, the City has a deferred inflow of resources associated with leases that will be recognized as revenue over the lease terms. As of June 30, 2023, the balance of the deferred inflow of resources was \$263,983.

Subscription-Based Information Technology Arrangements

In fiscal year 2023, the City entered into three subscription-based information technology arrangements (SBITA) that are subject to GASB 96. The City uses a discounted rate of 3.5 percent. As of June 30, 2023, the City reported the net SBITA right-to-use intangible asset in amount of \$859,476 and a corresponding SBITA liability in amount of \$845,509, of which the amount due in one year is \$318,226. For the year ended June 30, 2023, there was a principal reduction in amount of \$202,437.

Required Supplementary Information (RSI)

City of Ukiah, California

Schedules of Contributions and Proportionate Share of Total 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	2022	2021	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY:									
Service Cost	\$2,387,254	\$2,093,144	\$1,935,834	\$1,842,840	\$1,808,418	\$1,823,230	\$1,572,047	\$1,612,003	\$1,788,902
Interest on Total Pension Liability	7,222,763	7,051,270	6,746,742	6,435,947	6,053,276	5,794,263	5,696,580	5,564,428	5,416,497
Changes of Benefit Terms	-	-	-	-	-	-	56,535	-	-
Changes of Assumptions	3,214,497	-	-	-	(544,277)	4,693,759	-	(1,318,850)	-
Difference Between Expected and Actual Experience	(1,257,342)	447,816	783,147	2,023,144	845,262	(1,456,928)	(1,392,062)	(1,280,133)	-
Benefit Payments, Including Refunds of Employee Contributions	(5,346,787)	(5,033,299)	(4,866,568)	(4,656,678)	(4,443,388)	(4,133,617)	(3,981,386)	(4,205,497)	(3,795,124)
Net Change in Total Pension Liability	\$6,220,385	\$4,558,931	\$4,599,155	\$5,645,253	\$3,719,291	\$6,720,707	\$1,951,714	\$371,951	\$3,410,275
Total Pension Liability – Beginning	104,200,343	99,641,412	95,042,257	89,397,004	85,677,713	78,957,006	77,005,292	76,633,341	73,223,066
Total Pension Liability – Ending (a)	\$110,420,728	\$104,200,343	\$99,641,412	\$95,042,257	\$89,397,004	\$85,677,713	\$78,957,006	\$77,005,292	\$76,633,341
Contributions – Employer	\$1,837,864	\$34,638,386	\$3,591,800	\$3,241,493	\$2,941,163	\$2,652,462	\$2,391,847	\$2,156,759	\$2,193,059
Contributions – Employee	916,632	872,626	852,263	774,314	727,232	659,895	648,121	634,373	779,732
Net Investment Income	(8,267,651)	18,014,124	2,998,613	3,744,146	4,534,314	5,421,492	246,475	1,106,699	7,445,055
Benefit Payments, Including Refunds of Employee Contributions	(5,346,787)	(5,033,299)	(4,866,568)	(4,656,678)	(4,443,388)	(4,133,617)	(3,981,386)	(4,205,497)	(3,795,124)
Net Plan to Plan Resource Movement	-	-	-	-	(132)	-	-	-	-
Administrative Expense	(69,002)	(62,272)	(84,369)	(40,522)	(83,002)	(71,957)	(30,145)	(55,697)	-
Other Miscellaneous Income/(Expense) ¹	-	-	-	132	(157,623)	-	-	-	-
Net Change in Fiduciary Net Position	\$(10,928,944)	\$48,429,565	\$2,491,739	\$3,062,885	\$3,518,564	\$4,528,275	\$(725,088)	\$(363,363)	\$6,622,722
Plan Fiduciary Net Position – Beginning ²	\$110,768,195	\$62,338,630	\$59,846,891	\$56,784,006	\$53,265,442	\$48,737,167	\$49,462,255	\$49,825,618	\$43,202,896
Plan Fiduciary Net Position – Ending (b)	99,839,251	110,768,195	62,338,630	59,846,891	56,784,006	53,265,442	48,737,167	49,462,255	49,825,618
Plan Net Pension Liability/(Asset) – (a)-(b)	\$10,581,477	\$(6,567,852)	\$37,302,782	\$35,195,366	\$32,612,998	\$32,412,271	\$30,219,839	\$27,543,037	\$26,807,723
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.42%	106.30%	62.56%	62.97%	63.52%	62.17%	61.73%	64.23%	65.02%
Covered Payroll ³	\$11,400,448	\$10,947,404	\$10,045,842	\$9,257,248	\$8,821,982	\$8,412,838	\$7,949,673	\$8,008,361	\$8,340,257
Plan Net Pension Liability/(Asset) as a Percentage of Covered-Employee Payroll	92.82	(59.99%)	371.33%	380.19%	369.68%	385.27%	380.14%	343.93%	321.43%

City of Ukiah, California

Financial Section: Other Required Supplementary Information

¹ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment.

³ Includes one year's payroll growth using 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014- 17.

⁴ Fiscal year 2015 was the first year of implementation; therefore, only 8 years are shown.

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

Changes of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15 percent to 6.90 percent. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15 percent for measurement dates 2017 through 2021, 7.65 percent for measurement dates 2015 through 2016, and 7.50 percent for measurement date 2014.

Schedule of Plan Contributions for the fiscal years ended June 30¹,

Employer Fiscal Year End	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 1,877,855	\$ 1,837,864	\$ 3,816,642	\$ 3,591,800	\$ 3,241,493	\$ 2,941,163	\$ 2,652,462	\$ 2,391,847	\$ 2,156,759	\$ 2,193,059
Contributions in Relation to the Actuarially Determined	(1,877,855)	(1,837,864)	(34,638,386)	(3,591,800)	(3,241,493)	(2,941,163)	(2,652,462)	(2,391,847)	(2,156,759)	(2,193,059)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ (30,821,744)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll ³	\$11,557,790	\$11,400,448	\$10,947,404	\$10,045,842	\$ 9,257,248	\$ 8,821,982	\$ 8,412,838	\$ 7,949,673	\$ 8,008,361	\$ 8,340,257
Contributions as a Percentage of Covered Payroll ⁴	16.25%	16.12%	316.41%	35.75%	35.02%	33.34%	31.53%	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 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

⁴ Fiscal year 2015 was the first year of implementation; therefore, only 9 years are shown.

City of Ukiah, California

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

Schedule of Changes in Total 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	Measurement Date June 30, 2017	Measurement Date June 30, 2018	Measurement Date June 30, 2019	Measurement Date June 30, 2020	Measurement Date June 30, 2021	Measurement Date June 30, 2022
Plan's Proportion of the PERF C Net Pension Liability/(Asset)	0.19%	0.18%	0.18%	0.17%	0.18%	0.18%	0.18%	-0.11%	0.05%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$ 11,522,849	\$ 12,396,052	\$ 15,292,260	\$ 17,185,970	\$ 17,100,610	\$ 18,158,244	\$ 19,556,573	(\$ 6,129,210)	\$ 5,823,369
Plan's Covered-Employee Payroll	\$ 3,330,571	\$ 3,844,242	\$ 3,434,144	\$ 4,135,089	\$ 4,088,030	\$ 3,928,981	\$ 4,163,203	\$ 4,263,870	\$ 4,436,794
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered-Employee Payroll	345.97%	322.46%	445.30%	415.61%	418.31%	462.16%	469.75%	-143.75%	131.25%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	79.27%	75.31%	71.08%	70.49%	72.29%	72.67%	71.32%	108.61%	92.39%

Notes to Schedule:

1. Changes of benefit terms – There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified time period (a.k.a. Golden Handshakes). Employers that have done so may need to report this information as a separate liability in their financial statement as CalPERS considers such amounts to be separately financed employer-specific liabilities. These employers should consult with their auditors.
2. Changes in assumptions – No changes to assumptions from year prior.
3. Fiscal Year 2015 was the first year of implementation, therefore only 8 years are shown.

City of Ukiah, California

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

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

Safety Plan	CalPERS Fiscal Year 2014-15	CalPERS Fiscal Year 2015-16	CalPERS Fiscal Year 2016-17	CalPERS Fiscal Year 2017-18	CalPERS Fiscal Year 2018-19	CalPERS Fiscal Year 2019-20	CalPERS Fiscal Year 2020-21	CalPERS Fiscal Year 2021-22	CalPERS Fiscal Year 2022-23
Actuarially Determined Contributions	\$1,309,930	\$1,520,825	\$1,575,086	\$1,763,563	\$1,950,142	\$2,177,282	\$345,379	\$1,096,762	\$1,212,500
Actual Contributions During the Measurement Period	(\$1,309,930)	(\$1,520,825)	(\$1,575,086)	(\$1,763,563)	(\$1,950,142)	(\$2,177,282)	(\$15,338,474)	(\$1,096,762)	(\$1,212,500)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	(\$14,993,095)	\$0	\$0
Covered-Employee Payroll	\$3,844,242	\$3,434,144	\$4,135,089	\$4,088,030	\$3,928,981	\$4,163,203	\$4,263,870	\$4,436,794	\$4,397,440
Contributions as a Percentage of Covered-Employee Payroll	34.08%	44.29%	38.09%	43.14%	49.63%	52.30%	359.73%	24.72%	27.96%

Notes to Schedule:

Contribution Valuation Date:

June 30, 2012 June 30, 2013 June 30, 2014 June 30, 2015 June 30, 2016 June 30, 2017 June 30, 2018 June 30, 2019 June 30, 2020 June 30, 2021

* Fiscal Year 2015 was the first year of implementation, therefore only 9 years are shown.

City of Ukiah, California
General Fund Budgetary Comparison Schedule
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Property tax	\$ 3,594,000	\$ 3,594,000	\$ 3,674,829	\$ 80,829
Sales tax	15,367,741	15,367,741	13,719,396	(1,648,345)
Transient occupancy	1,411,413	1,411,413	1,443,140	31,727
Business license tax	480,000	480,000	488,374	8,374
Other taxes	800	800	781	(19)
Franchise fees	1,930,200	1,930,200	2,197,540	267,340
Charges for service	5,428,784	5,520,784	4,835,549	(685,235)
Licenses and permits	265,520	265,520	431,455	165,935
Grants, contributions, and donations	215,603	215,603	268,634	53,031
Use of money and property	182,946	182,946	217,014	34,068
Intergovernmental	2,396,605	2,396,605	3,440,933	1,044,328
Fines penalties and forfeitures	55,000	55,000	36,231	(18,769)
Miscellaneous	81,500	135,005	120,732	(14,273)
Total revenues	31,410,112	31,555,617	30,874,608	(681,009)
EXPENDITURES				
Current:				
General government	54,896	82,151	58,195	23,956
Public safety	15,460,261	16,626,707	16,047,659	579,048
Housing and community development	1,323,840	1,393,840	1,339,854	53,986
Public works	1,798,601	1,958,628	1,939,767	18,861
Parks, buildings, and grounds	1,697,810	1,749,660	1,906,273	(156,613)
Recreation and culture	4,640,417	4,669,774	5,044,001	(374,227)
Economic development and redevelopment	153,650	153,650	316,477	(162,827)
Total current	25,129,475	26,634,410	26,652,226	(17,816)
Debt service:				
Interest	857,469	857,469	857,467	2
Principal	581,998	581,998	582,000	(2)
Lease principal	133,727	133,727	133,727	-
Lease interest	19,977	19,977	19,977	-
Total debt service	1,593,171	1,593,171	1,593,171	-
Capital outlay:				
Public safety	405,910	1,421,568	573,326	848,242
Public works	62,500	74,000	11,459	62,541
Parks, buildings, and grounds	60,000	263,588	50,844	212,744
Total capital outlay	528,410	1,759,156	635,629	1,123,527
Total expenditures	27,251,056	29,986,737	28,881,026	1,105,711
Excess (deficiency) of revenues over expenditures	4,159,056	1,568,880	1,993,582	424,702
OTHER FINANCING SOURCES (USES)				
Transfers in	599,000	599,000	622,500	23,500
Transfers out	(3,562,358)	(3,588,608)	(3,766,535)	(177,927)
Total other financing sources (uses)	(2,963,358)	(2,989,608)	(3,144,035)	(154,427)
Net change in fund balances				
Fund balances - beginning	1,195,698	(1,420,728)	(1,150,453)	270,275
Fund balances - ending	13,239,953	13,239,953	13,239,953	-
Fund balances - ending	\$ 14,435,651	\$ 11,819,225	\$ 12,089,500	\$ 270,275

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.

Non-Adopted Budgets

The following funds did not have an adopted budget for the current year, so a budget-to-actual schedule is not presented:

Special Revenue
Museum Grant
1998 STIP Augmentation
Anton Stadium
Swimming Pool
Skate Park
Softball Complex
Debt Service Reserve 2022 LRB

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

City of Ukiah, California

Streets Capital Improvement Budgetary Comparison Schedule

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Grants, contributions, and donations	\$ -	\$ -	\$ 99,990	\$ 99,990
Intergovernmental	1,469,000	1,769,000	76,927	(1,692,073)
Total revenues	1,469,000	1,769,000	176,917	(1,592,083)
EXPENDITURES				
Current:				
Public works	819,942	1,438,765	1,103,380	335,385
Total current	819,942	1,438,765	1,103,380	335,385
Debt service:				
Interest	703,069	703,069	703,069	-
Principal	1,280,881	1,280,881	1,280,881	-
Total debt service	1,983,950	1,983,950	1,983,950	-
Capital outlay:				
Public works	3,635,786	4,623,677	206,839	4,416,838
Total capital outlay	3,635,786	4,623,677	206,839	4,416,838
Total expenditures	6,439,678	8,046,392	3,294,169	4,752,223
Excess (deficiency) of revenues over expenses	(4,970,678)	(6,277,392)	(3,117,252)	3,160,140
OTHER FINANCING SOURCES (USES)				
Transfers in	5,040,018	5,040,018	2,930,287	(2,109,731)
Transfers out	(2,359)	(2,359)	(2,359)	-
Total other financing sources (uses)	5,037,659	5,037,659	2,927,928	(2,109,731)
Net change in fund balances	66,981	(1,239,733)	(189,324)	1,050,409
Fund balances - beginning	(15,972)	(15,972)	(15,972)	-
Fund balances - ending	\$ 51,009	\$ (1,255,705)	\$ (205,296)	\$ 1,050,409

City of Ukiah, California
General Capital Projects
Schedule of Revenues, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Use of money and property	\$ -	\$ -	\$ (874)	\$ (874)
Intergovernmental	-	600,000	600,000	-
Total revenues	-	600,000	599,126	(874)
EXPENDITURES				
Capital outlay:				
Public works	6,044,404	17,925,693	10,532,518	7,393,175
Total capital outlay	6,044,404	17,925,693	10,532,518	7,393,175
Total expenditures	6,044,404	17,925,693	10,532,518	7,393,175
Excess (deficiency) of revenues over expen	(6,044,404)	(17,325,693)	(9,933,392)	7,392,301
Net change in fund balances	(6,044,404)	(17,325,693)	(9,933,392)	7,392,301
Fund balances - beginning	15,573,351	15,573,351	15,573,351	-
Fund balances - ending	\$ 9,528,947	\$ (1,752,342)	\$ 5,639,959	\$ 7,392,301

City of Ukiah, California
Pension Debt Service Budgetary Comparison Schedule
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Use of money and property	\$ 37,592	\$ 37,592	\$ 15,443	\$ (22,149)
Total revenues	37,592	37,592	15,443	(22,149)
EXPENDITURES				
Current:				
General government	10,955	10,955	11,145	(190)
Total current	10,955	10,955	11,145	(190)
Total expenditures	10,955	10,955	11,145	(190)
Excess (deficiency) of revenues over expenses	26,637	26,637	4,298	(22,339)
OTHER FINANCING SOURCES (USES)				
Transfers in	259,772	259,772	259,772	-
Total other financing sources (uses)	259,772	259,772	259,772	-
Net change in fund balances	286,409	286,409	264,070	(22,339)
Fund balances - beginning	3,928,393	3,928,393	3,928,393	-
Fund balances - ending	\$ 4,214,802	\$ 4,214,802	\$ 4,192,463	\$ (22,339)

Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS

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.
Opioid Settlement Fund	To account for the sources, uses, and balances of proceeds from opioid settlement.
Museum Grant Fund	The Museum Grant Fund is used to account for resources received for the Grace Hudson Museum provided by grantors or other third-party entities.
ARRC General Operating Fund	The ARRC General Operating Fund is used to account for resources and operating expenditures in support of the Alex Rorabaugh Center.
Downtown Business Improvement	The Downtown Business Improvement Fund is used to account for resources accumulated for improvements to the downtown business district, funded by business license fees and transferred to the Ukiah Main Street Program as the administrative agency.
LMIHF Housing Asset Fund	The Low- and Moderate-Income Housing Asset Fund is used to account for resources associated with program income received from low- and moderate-income housing assets. It contains restricted monies that are the proceeds of properties purchased by the Ukiah Redevelopment Agency (Agency) with affordable housing set-aside funds and were transferred to the City of Ukiah, as the Housing Successor to the former Agency, pursuant to Health and Safety Code Section 34176(a).
Winter Special Events	The Winter Special Events Fund is used to account for resources and expenditures associated with winter events, such as the ice rink.
Advanced Planning	Fund to account for special or highly technical planning activities, such as updates or revisions to the general plan or any of its elements.
Special Recreation Events	This fund accounts for resources that collected and used for specific recreational and community entertainment events, functions, and activities.
Gas Tax Fund	The Gas Tax (HUTA) Fund is used to account for resources received from highway user taxes (HUTA) and special street funding from the state.

Signalization Fund	The Signalization Fund is used to account for resources and activities associated with traffic signalization in the City of Ukiah pursuant to Government Code Section 66000 et. seq.
1998 STIP Augmentation	Fund to account for street and right-of-way improvements with special conditions.
SB 325 Reimbursement Fund	The SB 325 Reimbursement Fund is used to account for resources accumulated for improvements to streets and rights-of-way.
S.T.P.	The Surface Transportation Program Fund is used to account for resources accumulated for street and traffic safety improvements, funded by the Mendocino Council of Governments.
Trans-Traffic Congest Relief	The Trans-Traffic Congest Relief fund is used to account for resources accumulated for improvements to address traffic congestion in the City of Ukiah.
CDBG Program Income	The Community Development Block Grant (CDBG) Fund is used to account for resources accumulated and held resulting from current and prior Community Development Block Grant activities.
HOME Program Income	The HOME Program Income Fund is a special revenue fund used to account for resources accumulated and held resulting from current and prior HOME program Grant activities.
CASP Certification and Training	This fund is to account for resources accumulated and used to train City team members on CASP requirements.
Asset Seizure Fund	The Asset Seizure fund is used to account for resources accumulated from adjudicated asset seizures in which the City participated.
Sup. Law Enforce. Svc. Fd. (SLESF)	The Supplemental Law Enforcement Services Fund (SLESF) Fund is used to account for special resources for police, provided by funding through a State of California COPS Grant program.
Community-Based Transitional Housing Program (CBTHP)	Fund to account for activities funded by resources from the Community-Based Transitional Housing Program.
Asset Forfeiture 11470.2 H&S	The Asset Forfeiture 11470.2 H&S Fund is used to account for resources accumulated from adjudicated asset seizures in which the City participated.
Special Revenue Police	The AB 109 Special Revenue Police Fund is used to account for resources available for police activities derived from state subventions.

American Rescue	This fund is to account for the receipt and use of federal funds appropriated to the City by the federal government under the American Rescue Act of 2023.
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.
Solid Waste Mitigation Fund	This fund is used to account for resources collected and used for cleanup and abatement of public rights-of-way, City facilities, and other facilities in the city resulting from improper solid waste disposal, abandonment, or other deleterious activities.

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.
General Capital Projects	Used to account for bond proceeds and other resources for street and rights-of-way projects.
Park Development Fees Fund	The Park Development Fees Fund is used to account for resources being collected for the development or enhancement of parklands in the City of Ukiah.
Anton Stadium Fund	The Anton Stadium Fund is used to account for resources accumulated for improvements to the stadium.
Observatory Park Fund	The Observatory Park Fund is used to account for resources accumulated for improvements to the park.
Playground & Park Amenities	The Playground & Park Amenities Fund is used to account for resources accumulated for improvements to City playgrounds and other similar park amenities.
Swimming Pool Fund	The Swimming Pool Fund is used to account for resources accumulated for improvements to the City-owned pool.
Riverside Park Fund	The Riverside Park Fund is used to account for resources accumulated for improvements to the park.
Skate Park Fund	The Skate Park Fund is used to account for resources accumulated for improvements to the park.
Softball Complex Fund	The Softball Complex Fund is used to account for resources accumulated for improvements to the complex.

Rail Trail Fund

To account for activities related to and resources supporting the City's Rail Trail project.

DEBT SERVICE FUNDS

Debt Service Reserve LBR 2022

This fund is used to account for resources accumulated for debt service of the lease revenue bonds issued in 2023.

PERMANENT FUNDS

Riparian Corridor Enhancement

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

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City of Ukiah, California
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	Special Revenue								
	Special Revenue	Prop 172	Opioid Settlement Fund	Museum Grant	ARRC	Downtown Business Improvement	LMIHF Housing Asset	Winter Special Events	Advanced Planning
ASSETS									
Cash and investments	\$ 14,248	\$ 175,857	\$ 72,406	\$ 21	\$ 10,974	\$ 3,582	\$ 1,956,880	\$ -	\$ 215,938
Accounts receivable	-	23,555	-	-	780	-	-	-	350
Notes receivable	-	-	-	-	-	-	1,498,057	-	-
Interest receivable	18	354	99	-	36	3	2,687	-	275
Grants and subventions receivable	-	-	-	-	-	-	-	-	40,250
Land held for resale	-	-	-	-	-	-	2,435,114	-	-
Grants, contributions, and donations	-	-	-	-	-	-	-	-	-
Total assets	\$ 14,266	\$ 199,766	\$ 72,505	\$ 21	\$ 11,790	\$ 3,585	\$ 5,892,738	\$ -	\$ 256,813
LIABILITIES									
Unearned revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	11,320	-	4,575	3,571	-	-	-
Accrued payroll liabilities	-	-	-	-	188	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	18,056	-
Advance from other funds	-	-	-	-	36,601	-	-	177,590	-
Total liabilities	-	-	11,320	-	41,364	3,571	-	195,646	-
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues - grants and subventions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,995	\$ -	\$ -
Total deferred inflows of resources	-	-	-	-	-	-	97,995	-	-
Total liabilities and deferred inflows of resources	-	-	11,320	-	41,364	3,571	97,995	195,646	-
FUND BALANCES (DEFICITS)									
Nonspendable:									
Riparian corridor management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted:									
Capital projects	-	-	-	-	-	-	-	-	-
CDBG activities	-	-	-	-	-	-	-	-	-
Certifications and training	-	-	-	-	-	-	-	-	-
Clean-up and solid waste remediation	-	-	-	-	-	-	-	-	-
Debt service reserve	-	-	-	-	-	-	-	-	-
Downtown business improvements	-	-	-	-	-	14	-	-	-
Governmental services	-	-	-	-	-	-	-	-	-
Housing activities	-	-	-	-	-	-	5,794,743	-	-
Opioid settlement	-	-	61,185	-	-	-	-	-	-
Project reserve	14,266	-	-	21	-	-	-	-	-
Public safety	-	199,766	-	-	-	-	-	-	-
Riparian corridor management	-	-	-	-	-	-	-	-	-
Special recreation events	-	-	-	-	-	-	-	-	-
Streets and rights-of-way	-	-	-	-	-	-	-	-	-
Committed:									
Park development	-	-	-	-	-	-	-	-	-
Planning activities	-	-	-	-	-	-	-	-	256,813
Solid waste management	-	-	-	-	-	-	-	-	-
Assigned:									
Capital projects	-	-	-	-	-	-	-	-	-
Equipment reserve	-	-	-	-	-	-	-	-	-
Park development	-	-	-	-	-	-	-	-	-
Project reserve	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(29,574)	-	-	(195,646)	-
Total fund balances (deficits)	\$ 14,266	\$ 199,766	\$ 61,185	\$ 21	\$ (29,574)	\$ 14	\$ 5,794,743	\$ (195,646)	\$ 256,813
Total liabilities and fund balances (deficits)	\$ 14,266	\$ 199,766	\$ 72,505	\$ 21	\$ 11,790	\$ 3,585	\$ 5,892,738	\$ -	\$ 256,813

(continued)

City of Ukiah, California
Combining Balance Sheet
Nonmajor Governmental Funds (cont.)
June 30, 2023

	Special Revenue								
	Special Recreation Events	Highway User Tax (Gas Tax)	Signalization	1998 STIP Augmentation	SB325 Reimbursement	S.T.P.	Trans-Traffic Congest Relief	CDBG Program Income	Home Program Income
ASSETS									
Cash and investments	\$ 54,793	\$ 555,247	\$ 375,990	\$ 12	\$ 88,250	\$ 186,758	\$ 66	\$ 170,119	\$ 246,621
Accounts receivable	-	102,298	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-	449,183	8,579,603
Interest receivable	77	763	516	-	126	258	5	399	350
Grants and subventions receivable	-	-	-	-	-	-	-	66,233	-
Land held for resale	-	-	-	-	-	-	-	-	-
Grants, contributions, and donations	-	-	-	-	-	-	-	11,334	-
Total assets	\$ 54,870	\$ 658,308	\$ 376,506	\$ 12	\$ 88,376	\$ 187,016	\$ 71	\$ 697,268	\$ 8,826,574
LIABILITIES									
Unearned revenues	\$ 8,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	320	30,395	-	-	-	-	-	2,220	-
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-	-	-	-
Total liabilities	9,070	30,395	-	-	-	-	-	2,220	-
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues - grants and subventions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,377	\$ 1,300,129
Total deferred inflows of resources	-	-	-	-	-	-	-	-	1,300,129
Total liabilities and deferred inflows of resources	9,070	30,395	-	-	-	-	-	78,597	1,300,129
FUND BALANCES (DEFICITS)									
Nonspendable:									
Riparian corridor management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted:									
Capital projects	-	-	-	-	-	-	-	-	-
CDBG activities	-	-	-	-	-	-	-	618,671	-
Certifications and training	-	-	-	-	-	-	-	-	-
Clean-up and solid waste remediation	-	-	-	-	-	-	-	-	-
Debt service reserve	-	-	-	-	-	-	-	-	-
Downtown business improvements	-	-	-	-	-	-	-	-	-
Governmental services	-	-	-	-	-	-	-	-	-
Housing activities	-	-	-	-	-	-	-	-	7,526,445
Opioid settlement	-	-	-	-	-	-	-	-	-
Project reserve	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Riparian corridor management	-	-	-	-	-	-	-	-	-
Special recreation events	45,800	-	-	-	-	-	-	-	-
Streets and rights-of-way	-	627,913	376,506	12	88,376	187,016	71	-	-
Committed:									
Park development	-	-	-	-	-	-	-	-	-
Planning activities	-	-	-	-	-	-	-	-	-
Solid waste management	-	-	-	-	-	-	-	-	-
Assigned:									
Capital projects	-	-	-	-	-	-	-	-	-
Equipment reserve	-	-	-	-	-	-	-	-	-
Park development	-	-	-	-	-	-	-	-	-
Project reserve	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances (deficits)	\$ 45,800	\$ 627,913	\$ 376,506	\$ 12	\$ 88,376	\$ 187,016	\$ 71	\$ 618,671	\$ 7,526,445
Total liabilities and fund balances (deficits)	\$ 54,870	\$ 658,308	\$ 376,506	\$ 12	\$ 88,376	\$ 187,016	\$ 71	\$ 697,268	\$ 8,826,574

(continued)

City of Ukiah, California
Combining Balance Sheet
Nonmajor Governmental Funds (cont.)
June 30, 2023

	Special Revenue								
	CASP Certification and Training	Asset Seizure	Supplemental Law Enforcement	Community-Based Transitional Housing	Asset Forfeiture 11470.2 H&S F	Special Revenue - Police	American Rescue Fund	Transfer Station	Solid Waste Mitigation Fund
ASSETS									
Cash and investments	\$ 50,770	\$ 68,512	\$ 234,430	\$ 37,115	\$ 59,326	\$ 1,058	\$ 1,485,187	\$ 2,241	\$ 36,023
Accounts receivable	-	-	4,991	-	-	31,250	-	33,623	-
Notes receivable	-	-	-	-	-	-	-	-	-
Interest receivable	70	93	333	60	81	173	2,628	620	89
Grants and subventions receivable	-	-	-	-	-	-	-	-	-
Land held for resale	-	-	-	-	-	-	-	-	-
Grants, contributions, and donations	-	-	-	-	-	-	-	-	-
Total assets	\$ 50,840	\$ 68,605	\$ 239,754	\$ 37,175	\$ 59,407	\$ 32,481	\$ 1,487,815	\$ 36,484	\$ 36,112
LIABILITIES									
Unearned revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	1,500	-	-	-	-	-	-	-
Accrued payroll liabilities	-	-	2,097	3,773	-	-	-	-	548
Due to other funds	-	-	-	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-	-	-	-
Total liabilities	-	1,500	2,097	3,773	-	-	-	-	548
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues - grants and subventions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	-	1,500	2,097	3,773	-	-	-	-	548
FUND BALANCES (DEFICITS)									
Nonspendable:									
Riparian corridor management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted:									
Capital projects	-	-	-	-	-	-	-	-	-
CDBG activities	-	-	-	-	-	-	-	-	-
Certifications and training	50,840	-	-	-	-	-	-	-	-
Clean-up and solid waste remediation	-	-	-	-	-	-	-	-	35,564
Debt service reserve	-	-	-	-	-	-	-	-	-
Downtown business improvements	-	-	-	-	-	-	-	-	-
Governmental services	-	-	-	-	-	-	1,487,815	-	-
Housing activities	-	-	-	-	-	-	-	-	-
Opioid settlement	-	-	-	-	-	-	-	-	-
Project reserve	-	-	-	-	-	-	-	-	-
Public safety	-	67,105	237,657	33,402	59,407	32,481	-	-	-
Riparian corridor management	-	-	-	-	-	-	-	-	-
Special recreation events	-	-	-	-	-	-	-	-	-
Streets and rights-of-way	-	-	-	-	-	-	-	-	-
Committed:									
Park development	-	-	-	-	-	-	-	-	-
Planning activities	-	-	-	-	-	-	-	-	-
Solid waste management	-	-	-	-	-	-	-	36,484	-
Assigned:									
Capital projects	-	-	-	-	-	-	-	-	-
Equipment reserve	-	-	-	-	-	-	-	-	-
Park development	-	-	-	-	-	-	-	-	-
Project reserve	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances (deficits)	\$ 50,840	\$ 67,105	\$ 237,657	\$ 33,402	\$ 59,407	\$ 32,481	\$ 1,487,815	\$ 36,484	\$ 35,564
Total liabilities and fund balances (deficits)	\$ 50,840	\$ 68,605	\$ 239,754	\$ 37,175	\$ 59,407	\$ 32,481	\$ 1,487,815	\$ 36,484	\$ 36,112

(continued)

City of Ukiah, California
Combining Balance Sheet
Nonmajor Governmental Funds (cont.)
June 30, 2023

	Capital Projects								
	Equipment Reserve	Special Projects Reserve	Park Development Fees	Anton Stadium	Observatory Park	Playground & Park Amenities	Swimming Pool	Riverside Park	Skate Park
ASSETS									
Cash and investments	\$ 375,187	\$ 1,227,130	\$ 170,101	\$ 11,366	\$ 37,450	\$ 55,525	\$ 4,361	\$ 10	\$ 5
Accounts receivable	-	-	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-	-	-
Interest receivable	518	1,760	45	15	4	4	1	55	-
Grants and subventions receivable	-	-	-	-	-	177,952	-	47,218	-
Land held for resale	-	-	-	-	-	-	-	-	-
Grants, contributions, and donations	-	-	-	-	-	-	-	-	-
Total assets	\$ 375,705	\$ 1,228,890	\$ 170,146	\$ 11,381	\$ 37,454	\$ 233,481	\$ 4,362	\$ 47,283	\$ 5
LIABILITIES									
Unearned revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	1,833	-	-	223,937	-	-	-
Accrued payroll liabilities	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	27,005	-
Advance from other funds	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	1,833	-	-	223,937	-	27,005	-
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues - grants and subventions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,952	\$ -	\$ -	\$ -
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	-	-	1,833	-	-	401,889	-	27,005	-
FUND BALANCES (DEFICITS)									
Nonspendable:									
Riparian corridor management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted:									
Capital projects	-	-	-	-	-	-	4,362	-	-
CDBG activities	-	-	-	-	-	-	-	-	-
Certifications and training	-	-	-	-	-	-	-	-	-
Clean-up and solid waste remediation	-	-	-	-	-	-	-	-	-
Debt service reserve	-	-	-	-	-	-	-	-	-
Downtown business improvements	-	-	-	-	-	-	-	-	-
Governmental services	-	-	-	-	-	-	-	-	-
Housing activities	-	-	-	-	-	-	-	-	-
Opioid settlement	-	-	-	-	-	-	-	-	-
Project reserve	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Riparian corridor management	-	-	-	-	-	-	-	-	-
Special recreation events	-	-	-	-	-	-	-	-	-
Streets and rights-of-way	-	-	-	-	-	-	-	-	-
Committed:									
Park development	-	-	168,313	-	-	-	-	-	-
Planning activities	-	-	-	-	-	-	-	-	-
Solid waste management	-	-	-	-	-	-	-	-	-
Assigned:									
Capital projects	-	-	-	11,381	37,454	-	-	-	5
Equipment reserve	375,705	-	-	-	-	-	-	-	-
Park development	-	-	-	-	-	-	-	20,278	-
Project reserve	-	1,228,890	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(168,408)	-	-	-
Total fund balances (deficits)	\$ 375,705	\$ 1,228,890	\$ 168,313	\$ 11,381	\$ 37,454	\$ (168,408)	\$ 4,362	\$ 20,278	\$ 5
Total liabilities and fund balances (deficits)	\$ 375,705	\$ 1,228,890	\$ 170,146	\$ 11,381	\$ 37,454	\$ 233,481	\$ 4,362	\$ 47,283	\$ 5

(continued)

City of Ukiah, California
Combining Balance Sheet
Nonmajor Governmental Funds (cont.)
June 30, 2023

	Capital Projects		Debt Service	Permanent	Total Nonmajor Governmental Funds
	Softball Complex	Rail Trail	Debt Service Reserve 2022 LRB	Riparian Corridor Enhancement	
ASSETS					
Cash and investments	\$ 6,763	\$ -	\$ 2,449,433	\$ 144,410	\$ 10,584,165
Accounts receivable	-	-	-	-	196,847
Notes receivable	-	-	-	-	10,526,843
Interest receivable	10	-	71	198	12,794
Grants and subventions receivable	-	483,622	-	-	815,275
Land held for resale	-	-	-	-	2,435,114
Grants, contributions, and donations	-	-	-	-	11,334
Total assets	<u>\$ 6,773</u>	<u>\$ 483,622</u>	<u>\$ 2,449,504</u>	<u>\$ 144,608</u>	<u>\$ 24,582,372</u>
LIABILITIES					
Unearned revenues	\$ -	\$ -	\$ -	\$ -	\$ 8,750
Accounts payable	-	-	-	-	279,671
Accrued payroll liabilities	-	-	-	-	6,606
Due to other funds	-	205,100	-	-	250,161
Advance from other funds	-	300,359	-	-	514,550
Total liabilities	<u>-</u>	<u>505,459</u>	<u>-</u>	<u>-</u>	<u>1,059,738</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - grants and subventions	\$ -	\$ 483,622	\$ -	\$ -	\$ 2,136,075
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,136,075</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>989,081</u>	<u>-</u>	<u>-</u>	<u>3,195,813</u>
FUND BALANCES (DEFICITS)					
Nonspendable:					
Riparian corridor management	\$ -	\$ -	\$ -	\$ 137,576	\$ 137,576
Restricted:					
Capital projects	-	-	-	-	4,362
CDBG activities	-	-	-	-	618,671
Certifications and training	-	-	-	-	50,840
Clean-up and solid waste remediation	-	-	-	-	35,564
Debt service reserve	-	-	2,449,504	-	2,449,504
Downtown business improvements	-	-	-	-	14
Governmental services	-	-	-	-	1,487,815
Housing activities	-	-	-	-	13,321,188
Opioid settlement	-	-	-	-	61,185
Project reserve	-	-	-	-	14,287
Public safety	-	-	-	-	629,818
Riparian corridor management	-	-	-	7,032	7,032
Special recreation events	-	-	-	-	45,800
Streets and rights-of-way	-	-	-	-	1,279,894
Committed:					
Park development	-	-	-	-	168,313
Planning activities	-	-	-	-	256,813
Solid waste management	-	-	-	-	36,484
Assigned:					
Capital projects	6,773	-	-	-	55,613
Equipment reserve	-	-	-	-	375,705
Park development	-	-	-	-	20,278
Project reserve	-	-	-	-	1,228,890
Unassigned	-	(505,459)	-	-	(899,087)
Total fund balances (deficits)	<u>\$ 6,773</u>	<u>\$ (505,459)</u>	<u>\$ 2,449,504</u>	<u>\$ 144,608</u>	<u>\$ 21,386,559</u>
Total liabilities and fund balances (deficits)	<u>\$ 6,773</u>	<u>\$ 483,622</u>	<u>\$ 2,449,504</u>	<u>\$ 144,608</u>	<u>\$ 24,582,372</u>

City of Ukiah, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended June 30, 2023

	Special Revenue								
	Special Revenue	Prop 172	Opioid Settlement Fund	Museum Grant	ARRC	Downtown Business Improvement	LMIHF Housing Asset	Winter Special Events	Advanced Planning
REVENUES									
Business license tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,431	\$ -	\$ -	\$ -
Charges for service	-	-	-	-	-	-	-	142,870	109,212
Grants, contributions, and donations	-	-	-	-	-	-	-	-	-
Use of money and property	46	993	395	-	73,526	15	49,667	15	544
Intergovernmental	-	118,222	72,110	-	-	-	-	-	84,149
Interest, rent, and concessions	-	-	-	1	-	-	-	-	-
Miscellaneous	-	-	-	-	20,004	-	-	-	-
Total revenues	46	119,215	72,505	\$ -	93,530	21,446	49,667	142,885	193,905
EXPENDITURES									
Current:									
General government	-	-	-	-	47	-	-	-	-
Public safety	-	-	11,320	-	-	-	-	-	-
Housing and community development	-	-	-	-	-	-	-	-	217,457
Public works	-	-	-	-	-	-	-	-	-
Parks, buildings, and grounds	-	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	85,539	-	-	160,962	-
Economic development and redevelopment	-	-	-	-	-	23,289	-	-	-
Debt service:									
Interest	-	6,961	-	-	-	-	-	-	-
Principal	-	31,921	-	-	-	-	-	-	-
Capital outlay:									
Public works	-	-	-	-	-	-	-	-	-
Parks, buildings, and grounds	-	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-	-
Total expenditures	-	38,882	11,320	-	85,586	23,289	-	160,962	217,457
Excess (deficiency) of revenues over expenditures	46	80,333	61,185	1	7,944	(1,843)	49,667	(18,077)	(23,552)
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	-	1,857	-	-	-
Transfers out	-	(81,518)	-	(261)	-	-	-	-	-
Total other financing sources (uses)	-	(81,518)	-	(261)	-	1,857	-	-	-
Net change in fund balances	46	(1,185)	61,185	(260)	7,944	14	49,667	(18,077)	(23,552)
Fund balances - beginning	14,220	200,951	-	281	(37,518)	-	5,745,076	(177,569)	280,365
Fund balances - ending	\$ 14,266	\$ 199,766	\$ 61,185	\$ 21	\$ (29,574)	\$ 14	\$ 5,794,743	\$ (195,646)	\$ 256,813

(Continued)

City of Ukiah, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (cont.)
Year Ended June 30, 2023

	Special Revenue								
	Special Recreation Events	Highway User Tax (Gas Tax)	Signalization	1998 STIP Augmentation	SB325 Reimbursement	S.T.P.	Trans-Traffic Congest Relief	CDBG Program Income	Home Program Income
REVENUES									
Business license tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	34,496	-	-	-	-	-	-	-	-
Grants, contributions, and donations	22,855	-	-	-	-	-	-	22,597	-
Use of money and property	181	3,108	1,270	(4)	296	632	14	63,485	898
Intergovernmental	-	799,191	-	-	-	-	-	423,141	-
Interest, rent, and concessions	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total revenues	57,532	802,299	1,270	(4)	296	632	14	509,223	898
EXPENDITURES									
Current:									
General government	-	-	-	-	-	149	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing and community development	-	-	-	-	-	-	-	191,469	3,338
Public works	-	51,841	597	-	7,952	-	61	-	-
Parks, buildings, and grounds	-	-	-	-	-	-	-	-	-
Recreation and culture	56,849	-	-	-	-	-	-	-	-
Economic development and redevelopment	-	-	-	-	-	-	-	-	-
Debt service:									
Interest	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Capital outlay:									
Public works	-	-	-	-	-	638	-	-	-
Parks, buildings, and grounds	-	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-	-
Total expenditures	56,849	51,841	597	-	7,952	787	61	191,469	3,338
Excess (deficiency) of revenues over expenditures	683	750,458	673	(4)	(7,656)	(155)	(47)	317,754	(2,440)
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	(4,000)	-	-	-	-	-	(104,230)	-
Total other financing sources (uses)	-	(4,000)	-	-	-	-	-	(104,230)	-
Net change in fund balances	683	746,458	673	(4)	(7,656)	(155)	(47)	213,524	(2,440)
Fund balances - beginning	45,117	(118,545)	375,833	16	96,032	187,171	118	405,147	7,528,885
Fund balances - ending	\$ 45,800	\$ 627,913	\$ 376,506	\$ 12	\$ 88,376	\$ 187,016	\$ 71	\$ 618,671	\$ 7,526,445

(Continued)

City of Ukiah, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (cont.)
Year Ended June 30, 2023

	Special Revenue							
	CASP Certification and Training	Asset Seizure	Supplemental Law Enforcement	Community-Based Transitional Housing	Asset Forfeiture 11470.2 H&S F	Special Revenue - Police	American Rescue Fund	Solid Waste Mitigation Fund
REVENUES								
Business license tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-	-	-	-	54,124
Grants, contributions, and donations	-	-	-	-	-	-	-	-
Use of money and property	170	175	984	(217)	197	552	6,588	382
Intergovernmental	1,559	10,225	155,629	-	-	156,250	1,913,172	21,384
Interest, rent, and concessions	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	1,729	10,400	156,613	(217)	197	156,802	1,919,760	75,890
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	3,001	192
Public safety	-	32,244	124,110	205,225	1,685	102	-	-
Housing and community development	2,500	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	19,417
Parks, buildings, and grounds	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-
Economic development and redevelopment	-	-	-	-	-	-	-	-
Debt service:								
Interest	-	-	4,734	7,639	-	-	-	-
Principal	-	-	3,202	5,167	-	-	-	-
Capital outlay:								
Public works	-	-	-	-	-	-	-	-
Parks, buildings, and grounds	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-
Total expenditures	2,500	32,244	132,046	218,031	1,685	102	3,001	19,609
Excess (deficiency) of revenues over expenditures	(771)	(21,844)	24,567	(218,248)	(1,488)	156,700	1,916,759	56,281
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	(1,548)	(2,525)	-	(125,000)	(400,000)	-
Total other financing sources (uses)	-	-	(1,548)	(2,525)	-	(125,000)	(400,000)	-
Net change in fund balances	(771)	(21,844)	23,019	(220,773)	(1,488)	31,700	1,516,759	56,281
Fund balances - beginning	51,611	88,949	214,638	254,175	60,895	781	(28,944)	(20,717)
Fund balances - ending	\$ 50,840	\$ 67,105	\$ 237,657	\$ 33,402	\$ 59,407	\$ 32,481	\$ 1,487,815	\$ 35,564

(Continued)

City of Ukiah, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (cont.)
Year Ended June 30, 2023

	Capital Projects								
	Equipment Reserve	Special Projects Reserve	Park Development Fees	Anton Stadium	Observatory Park	Playground & Park Amenities	Swimming Pool	Riverside Park	Skate Park
REVENUES									
Business license tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-	-	-	-	-	-
Grants, contributions, and donations	-	-	1,205	-	-	-	-	-	-
Use of money and property	1,276	5,071	104	38	9	8	-	176	(21)
Intergovernmental	-	-	-	-	-	-	3,778	84,248	-
Interest, rent, and concessions	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total revenues	1,276	5,071	1,309	38	9	8	3,778	84,424	(21)
EXPENDITURES									
Current:									
General government	600	1,101	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing and community development	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Parks, buildings, and grounds	-	-	1,246	-	-	-	-	-	-
Recreation and culture	-	584	2,814	-	-	-	-	-	-
Economic development and redevelopment	-	-	-	-	-	-	-	-	-
Debt service:									
Interest	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Capital outlay:									
Public works	-	-	-	-	-	-	-	-	-
Parks, buildings, and grounds	-	-	1,833	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	224,064	-	23,474	-
Total expenditures	600	1,685	5,893	-	-	224,064	-	23,474	-
Excess (deficiency) of revenues over expenditures	676	3,386	(4,584)	38	9	(224,056)	3,778	60,950	(21)
OTHER FINANCING SOURCES (USES)									
Transfers in	-	402,400	136,250	-	35,000	53,000	-	-	10
Transfers out	-	(50,000)	-	-	-	-	-	-	(11,721)
Total other financing sources (uses)	-	352,400	136,250	-	35,000	53,000	-	-	(11,711)
Net change in fund balances	676	355,786	131,666	38	35,009	(171,056)	3,778	60,950	(11,732)
Fund balances - beginning	375,029	873,104	36,647	11,343	2,445	2,648	584	(40,672)	11,737
Fund balances - ending	\$ 375,705	\$ 1,228,890	\$ 168,313	\$ 11,381	\$ 37,454	\$ (168,408)	\$ 4,362	\$ 20,278	\$ 5

(Continued)

City of Ukiah, California
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (cont.)
Year Ended June 30, 2023

	Capital Projects		Debt Service	Permanent	Total Nonmajor Governmental Funds
	Softball Complex	Rail Trail	Debt Service Reserve 2022 LRB	Riparian Corridor Enhancement	
REVENUES					
Business license tax	\$ -	\$ -	\$ -	\$ -	\$ 21,431
Charges for service	-	-	-	-	340,702
Grants, contributions, and donations	-	-	-	-	46,657
Use of money and property	22	-	271	486	596,543
Intergovernmental	-	-	-	-	3,843,058
Interest, rent, and concessions	-	-	-	-	1
Miscellaneous	-	-	-	-	20,004
Total revenues	22	-	271	486	4,868,396
EXPENDITURES					
Current:					
General government	-	195	1,495	-	6,780
Public safety	-	-	-	-	374,686
Housing and community development	-	-	-	-	414,764
Public works	-	-	-	-	80,094
Parks, buildings, and grounds	-	-	-	228	1,474
Recreation and culture	-	-	-	-	306,748
Economic development and redevelopment	-	-	-	-	23,289
Debt service:					
Interest	-	-	-	-	19,334
Principal	-	-	-	-	40,290
Capital outlay:					
Public works	-	176,546	-	-	177,184
Parks, buildings, and grounds	-	-	-	-	1,833
Recreation and culture	-	-	-	-	247,538
Total expenditures	-	176,741	1,495	228	1,694,014
Excess (deficiency) of revenues over expenditures	22	(176,741)	(1,224)	258	3,174,382
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	628,517
Transfers out	-	-	-	-	(1,615,803)
Total other financing sources (uses)	-	-	-	-	(987,286)
Net change in fund balances	22	(176,741)	(1,224)	258	2,187,096
Fund balances - beginning	6,751	(328,718)	2,450,728	144,350	19,199,463
Fund balances - ending	\$ 6,773	\$ (505,459)	\$ 2,449,504	\$ 144,608	\$ 21,386,559

Governmental Fund Budget Comparisons

City of Ukiah, California

Prop 172

Schedule of Revenue, Expenditures, and Change in Fund Balances

Budget and Actual

For the Fiscal Year Ended June 30, 2023

	Prop 172			Variance - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	648	648	993	345
Intergovernmental	109,441	109,441	118,222	8,781
Miscellaneous	-	-	-	-
Total revenues	110,089	110,089	119,215	9,126
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	15,000	15,000	-	15,000
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	15,000	15,000	-	15,000
Debt service:				
Interest	6,961	6,961	6,961	-
Principal	31,921	31,921	31,921	-
Total debt service	38,882	38,882	38,882	-
Capital outlay:				
Public safety	30,100	30,100	-	30,100
Public works	-	-	-	-
Total capital outlay	30,100	30,100	-	30,100
Total expenditures	83,982	83,982	38,882	45,100
Excess (deficiency) of revenues over expenditures	26,107	26,107	80,333	54,226
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(70,000)	(70,000)	(81,518)	(11,518)
Total other financing sources (uses)	(70,000)	(70,000)	(81,518)	(11,518)
Net change in fund balances	(43,893)	(43,893)	(1,185)	42,708
Fund balances - beginning	200,951	200,951	200,951	-
Fund balances - ending	\$ 157,058	\$ 157,058	\$ 199,766	\$ 42,708

City of Ukiah, California
Opioid Settlement Fund
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Opioid Settlement Fund			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	-	-	395	395
Intergovernmental	-	-	72,110	72,110
Miscellaneous	-	-	-	-
Total revenues	-	-	72,505	72,505
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	50,000	11,320	38,680
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	-	50,000	11,320	38,680
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	-	50,000	11,320	38,680
Excess (deficiency) of revenues over expenditures	-	(50,000)	61,185	111,185
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(50,000)	61,185	111,185
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ (50,000)	\$ 61,185	\$ 111,185

City of Ukiah, California
ARRC
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	ARRC			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	64,000	64,000	73,526	9,526
Intergovernmental	-	-	-	-
Miscellaneous	20,000	20,000	20,004	4
Total revenues	84,000	84,000	93,530	9,530
EXPENDITURES				
Current:				
General government	-	47	47	-
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	69,594	79,547	85,539	(5,992)
Economic development and redevelopment	-	-	-	-
Total current	69,594	79,594	85,586	(5,992)
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	69,594	79,594	85,586	(5,992)
Excess (deficiency) of revenues over expenditures	14,406	4,406	7,944	3,538
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	14,406	4,406	7,944	3,538
Fund balances - beginning	(37,518)	(37,518)	(37,518)	-
Fund balances - ending	\$ (23,112)	\$ (33,112)	\$ (29,574)	\$ 3,538

City of Ukiah, California
Downtown Business Improvement
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Downtown Business Improvement			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ 25,500	\$ 25,500	\$ 21,431	\$ (4,069)
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	-	-	15	15
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	25,500	25,500	21,446	(4,054)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	28,462	28,462	23,289	5,173
Total current	28,462	28,462	23,289	5,173
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	28,462	28,462	23,289	5,173
Excess (deficiency) of revenues over expenditures	(2,962)	(2,962)	(1,843)	1,119
OTHER FINANCING SOURCES (USES)				
Transfers in	21,000	21,000	1,857	(19,143)
Transfers out	-	-	-	-
Total other financing sources (uses)	21,000	21,000	1,857	(19,143)
Net change in fund balances	18,038	18,038	14	(18,024)
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ 18,038	\$ 18,038	\$ 14	\$ (18,024)

City of Ukiah, California
Low-Mod Income Housing Fund (LMIHF)
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	LMIHF Housing Asset			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	73,770	73,770	49,667	(24,103)
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	73,770	73,770	49,667	(24,103)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	1,620,000	1,620,000	-	1,620,000
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	1,620,000	1,620,000	-	1,620,000
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	1,620,000	1,620,000	-	1,620,000
Excess (deficiency) of revenues over expenditures	(1,546,230)	(1,546,230)	49,667	1,595,897
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(1,546,230)	(1,546,230)	49,667	1,595,897
Fund balances - beginning	5,745,076	5,745,076	5,745,076	-
Fund balances - ending	\$ 4,198,846	\$ 4,198,846	\$ 5,794,743	\$ 1,595,897

City of Ukiah, California
Winter Special Events
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Winter Special Events			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	180,000	180,000	142,870	(37,130)
Grants, contributions, and donations	-	-	-	-
Use of money and property	-	-	15	15
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	180,000	180,000	142,885	(37,115)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	92,156	169,156	160,962	8,194
Economic development and redevelopment	-	-	-	-
Total current	92,156	169,156	160,962	8,194
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	92,156	169,156	160,962	8,194
Excess (deficiency) of revenues over expenditures	87,844	10,844	(18,077)	(28,921)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	87,844	10,844	(18,077)	(28,921)
Fund balances - beginning	(177,569)	(177,569)	(177,569)	-
Fund balances - ending	\$ (89,725)	\$ (166,725)	\$ (195,646)	\$ (28,921)

City of Ukiah, California
Advanced Planning
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Advanced Planning			Variance - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	40,000	40,000	109,212	69,212
Grants, contributions, and donations	-	-	-	-
Use of money and property	1,506	1,506	544	(962)
Intergovernmental	117,750	117,750	84,149	(33,601)
Miscellaneous	-	-	-	-
Total revenues	159,256	159,256	193,905	34,649
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	152,411	407,444	217,457	189,987
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	152,411	407,444	217,457	189,987
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	152,411	407,444	217,457	189,987
Excess (deficiency) of revenues over expenditures	6,845	(248,188)	(23,552)	224,636
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	6,845	(248,188)	(23,552)	224,636
Fund balances - beginning	280,365	280,365	280,365	-
Fund balances - ending	\$ 287,210	\$ 32,177	\$ 256,813	\$ 224,636

City of Ukiah, California
Special Recreation Events
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Special Recreation Events			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	20,000	34,496	14,496
Grants, contributions, and donations	-	20,000	22,855	2,855
Use of money and property	-	-	181	181
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	40,000	57,532	17,532
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	-	40,000	56,849	(16,849)
Economic development and redevelopment	-	-	-	-
Total current	-	40,000	56,849	(16,849)
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	-	40,000	56,849	(16,849)
Excess (deficiency) of revenues over expenditures	-	-	683	683
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	683	683
Fund balances - beginning	45,117	45,117	45,117	-
Fund balances - ending	\$ 45,117	\$ 45,117	\$ 45,800	\$ 683

City of Ukiah, California
Highway User Tax (Gas Tax)
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Highway User Tax (Gas Tax)			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	-	-	3,108	3,108
Intergovernmental	845,318	845,318	799,191	(46,127)
Miscellaneous	-	-	-	-
Total revenues	<u>845,318</u>	<u>845,318</u>	<u>802,299</u>	<u>(43,019)</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	65,572	65,572	51,841	13,731
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	<u>65,572</u>	<u>65,572</u>	<u>51,841</u>	<u>13,731</u>
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>65,572</u>	<u>65,572</u>	<u>51,841</u>	<u>13,731</u>
Excess (deficiency) of revenues over expenditures	<u>779,746</u>	<u>779,746</u>	<u>750,458</u>	<u>(29,288)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(4,000)	(4,000)	(4,000)	-
Total other financing sources (uses)	<u>(4,000)</u>	<u>(4,000)</u>	<u>(4,000)</u>	<u>-</u>
Net change in fund balances	775,746	775,746	746,458	(29,288)
Fund balances - beginning	(118,545)	(118,545)	(118,545)	-
Fund balances - ending	<u>\$ 657,201</u>	<u>\$ 657,201</u>	<u>\$ 627,913</u>	<u>\$ (29,288)</u>

City of Ukiah, California
Signalization
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Signalization			Variance - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	2,292	2,292	1,270	(1,022)
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	2,292	2,292	1,270	(1,022)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	585	585	597	(12)
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	585	585	597	(12)
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	585	585	597	(12)
Excess (deficiency) of revenues over expenditures	1,707	1,707	673	(1,034)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	1,707	1,707	673	(1,034)
Fund balances - beginning	375,833	375,833	375,833	-
Fund balances - ending	\$ 377,540	\$ 377,540	\$ 376,506	\$ (1,034)

City of Ukiah, California
SB 325 Reimbursement
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	SB325 Reimbursement			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	620	620	296	(324)
Intergovernmental	40,000	40,000	-	(40,000)
Miscellaneous	-	-	-	-
Total revenues	40,620	40,620	296	(40,324)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	47,846	47,846	7,952	39,894
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	47,846	47,846	7,952	39,894
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	47,846	47,846	7,952	39,894
Excess (deficiency) of revenues over expenditures	(7,226)	(7,226)	(7,656)	(430)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(7,226)	(7,226)	(7,656)	(430)
Fund balances - beginning	96,032	96,032	96,032	-
Fund balances - ending	\$ 88,806	\$ 88,806	\$ 88,376	\$ (430)

City of Ukiah, California
S.T.P.
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	S.T.P.			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	572	572	632	60
Intergovernmental	993,489	993,489	-	(993,489)
Miscellaneous	-	-	-	-
Total revenues	994,061	994,061	632	(993,429)
EXPENDITURES				
Current:				
General government	146	146	149	(3)
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	146	146	149	(3)
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	300,000	308,376	638	307,738
Total capital outlay	300,000	308,376	638	307,738
Total expenditures	300,146	308,522	787	307,735
Excess (deficiency) of revenues over expenditures	693,915	685,539	(155)	(685,694)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	693,915	685,539	(155)	(685,694)
Fund balances - beginning	187,171	187,171	187,171	-
Fund balances - ending	\$ 881,086	\$ 872,710	\$ 187,016	\$ (685,694)

City of Ukiah, California
Trans-Traffic Congestion Relief
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Trans-Traffic Congest Relief			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	236	236	14	(222)
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>236</u>	<u>236</u>	<u>14</u>	<u>(222)</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	60	60	61	(1)
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	<u>60</u>	<u>60</u>	<u>61</u>	<u>(1)</u>
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>60</u>	<u>60</u>	<u>61</u>	<u>(1)</u>
Excess (deficiency) of revenues over expenditures	<u>176</u>	<u>176</u>	<u>(47)</u>	<u>(223)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	176	176	(47)	(223)
Fund balances - beginning	118	118	118	-
Fund balances - ending	<u>\$ 294</u>	<u>\$ 294</u>	<u>\$ 71</u>	<u>\$ (223)</u>

City of Ukiah, California
CDBG Program Income
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	CDBG Program Income			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	22,597	22,597
Use of money and property	23,701	23,701	63,485	39,784
Intergovernmental	920,574	920,574	423,141	(497,433)
Miscellaneous	-	-	-	-
Total revenues	944,275	944,275	509,223	(435,052)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	451,639	576,317	191,469	384,848
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	5,500	-	5,500
Total current	451,639	581,817	191,469	390,348
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	451,639	581,817	191,469	390,348
Excess (deficiency) of revenues over expenditures	492,636	362,458	317,754	(44,704)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(120,845)	(120,845)	(104,230)	16,615
Total other financing sources (uses)	(120,845)	(120,845)	(104,230)	16,615
Net change in fund balances	371,791	241,613	213,524	(28,089)
Fund balances - beginning	405,147	405,147	405,147	-
Fund balances - ending	\$ 776,938	\$ 646,760	\$ 618,671	\$ (28,089)

City of Ukiah, California
HOME Program Income
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Home Program Income			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	191	191	898	707
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	191	191	898	707
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	-	462,500	3,338	459,162
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	-	462,500	3,338	459,162
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	-	462,500	3,338	459,162
Excess (deficiency) of revenues over expenditures	191	(462,309)	(2,440)	459,869
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	191	(462,309)	(2,440)	459,869
Fund balances - beginning	7,528,885	7,528,885	7,528,885	-
Fund balances - ending	\$ 7,529,076	\$ 7,066,576	\$ 7,526,445	\$ 459,869

City of Ukiah, California
 CASP Certification and Training
 Schedule of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual
 For the Fiscal Year Ended June 30, 2023

	CASP Certification and Training			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	285	285	170	(115)
Intergovernmental	5,000	5,000	1,559	(3,441)
Miscellaneous	-	-	-	-
Total revenues	5,285	5,285	1,729	(3,556)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	6,000	6,000	2,500	3,500
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	6,000	6,000	2,500	3,500
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	6,000	6,000	2,500	3,500
Excess (deficiency) of revenues over expenditures	(715)	(715)	(771)	(56)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(715)	(715)	(771)	(56)
Fund balances - beginning	51,611	51,611	51,611	-
Fund balances - ending	\$ 50,896	\$ 50,896	\$ 50,840	\$ (56)

City of Ukiah, California
Asset Seizure
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Asset Seizure			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	350	350	175	(175)
Intergovernmental	45,000	45,000	10,225	(34,775)
Miscellaneous	-	-	-	-
Total revenues	45,350	45,350	10,400	(34,950)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	53,500	60,837	32,244	28,593
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	53,500	60,837	32,244	28,593
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	53,500	60,837	32,244	28,593
Excess (deficiency) of revenues over expenditures	(8,150)	(15,487)	(21,844)	(6,357)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(8,150)	(15,487)	(21,844)	(6,357)
Fund balances - beginning	88,949	88,949	88,949	-
Fund balances - ending	\$ 80,799	\$ 73,462	\$ 67,105	\$ (6,357)

City of Ukiah, California
Supplemental Law Enforcement (SLESF)
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Supplemental Law Enforcement			Variance - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	1,087	1,087	984	(103)
Intergovernmental	140,454	140,454	155,629	15,175
Miscellaneous	-	-	-	-
Total revenues	<u>141,541</u>	<u>141,541</u>	<u>156,613</u>	<u>15,072</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	121,846	121,846	124,110	(2,264)
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	<u>121,846</u>	<u>121,846</u>	<u>124,110</u>	<u>(2,264)</u>
Debt service:				
Interest	4,734	4,734	4,734	-
Principal	3,202	3,202	3,202	-
Total debt service	<u>7,936</u>	<u>7,936</u>	<u>7,936</u>	<u>-</u>
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>129,782</u>	<u>129,782</u>	<u>132,046</u>	<u>(2,264)</u>
Excess (deficiency) of revenues over expenditures	<u>11,759</u>	<u>11,759</u>	<u>24,567</u>	<u>12,808</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,548)	(1,548)	(1,548)	-
Total other financing sources (uses)	<u>(1,548)</u>	<u>(1,548)</u>	<u>(1,548)</u>	<u>-</u>
Net change in fund balances	10,211	10,211	23,019	12,808
Fund balances - beginning	214,638	214,638	214,638	-
Fund balances - ending	<u>\$ 224,849</u>	<u>\$ 224,849</u>	<u>\$ 237,657</u>	<u>\$ 12,808</u>

City of Ukiah, California
Community-Based Transitional Housing
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Community-Based Transitional Housing			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	2,375	2,375	(217)	(2,592)
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	2,375	2,375	(217)	(2,592)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	207,523	207,523	205,225	2,298
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	207,523	207,523	205,225	2,298
Debt service:				
Interest	7,639	7,639	7,639	-
Principal	5,167	5,167	5,167	-
Total debt service	12,806	12,806	12,806	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	220,329	220,329	218,031	2,298
Excess (deficiency) of revenues over expenditures	(217,954)	(217,954)	(218,248)	(294)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(2,525)	(2,525)	(2,525)	-
Total other financing sources (uses)	(2,525)	(2,525)	(2,525)	-
Net change in fund balances	(220,479)	(220,479)	(220,773)	(294)
Fund balances - beginning	254,175	254,175	254,175	-
Fund balances - ending	\$ 33,696	\$ 33,696	\$ 33,402	\$ (294)

City of Ukiah, California
Asset Forfeiture 11470.2 H&S
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Asset Forfeiture 11470.2 H&S F			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	371	371	197	(174)
Intergovernmental	31,250	31,250	-	(31,250)
Miscellaneous	-	-	-	-
Total revenues	31,621	31,621	197	(31,424)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	36,000	39,622	1,685	37,937
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	36,000	39,622	1,685	37,937
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	36,000	39,622	1,685	37,937
Excess (deficiency) of revenues over expenditures	(4,379)	(8,001)	(1,488)	6,513
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(4,379)	(8,001)	(1,488)	6,513
Fund balances - beginning	60,895	60,895	60,895	-
Fund balances - ending	\$ 56,516	\$ 52,894	\$ 59,407	\$ 6,513

City of Ukiah, California
Special Revenue - Police
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Special Revenue - Police			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	392	392	552	160
Intergovernmental	125,000	125,000	156,250	31,250
Miscellaneous	-	-	-	-
Total revenues	<u>125,392</u>	<u>125,392</u>	<u>156,802</u>	<u>31,410</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	100	100	102	(2)
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	<u>100</u>	<u>100</u>	<u>102</u>	<u>(2)</u>
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>100</u>	<u>100</u>	<u>102</u>	<u>(2)</u>
Excess (deficiency) of revenues over expenditures	<u>125,292</u>	<u>125,292</u>	<u>156,700</u>	<u>31,408</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(125,000)	(125,000)	(125,000)	-
Total other financing sources (uses)	<u>(125,000)</u>	<u>(125,000)</u>	<u>(125,000)</u>	<u>-</u>
Net change in fund balances	292	292	31,700	31,408
Fund balances - beginning	781	781	781	-
Fund balances - ending	<u>\$ 1,073</u>	<u>\$ 1,073</u>	<u>\$ 32,481</u>	<u>\$ 31,408</u>

City of Ukiah, California
American Rescue Fund
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	American Rescue Fund			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	11,532	11,532	6,588	(4,944)
Intergovernmental	2,854,290	2,854,290	1,913,172	(941,118)
Miscellaneous	-	-	-	-
Total revenues	<u>2,865,822</u>	<u>2,865,822</u>	<u>1,919,760</u>	<u>(946,062)</u>
EXPENDITURES				
Current:				
General government	2,944	2,944	3,001	(57)
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	-	-	-	-
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	<u>2,944</u>	<u>2,944</u>	<u>3,001</u>	<u>(57)</u>
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>2,944</u>	<u>2,944</u>	<u>3,001</u>	<u>(57)</u>
Excess (deficiency) of revenues over expenditures	<u>2,862,878</u>	<u>2,862,878</u>	<u>1,916,759</u>	<u>(946,119)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(600,000)	(600,000)	(400,000)	200,000
Total other financing sources (uses)	<u>(600,000)</u>	<u>(600,000)</u>	<u>(400,000)</u>	<u>200,000</u>
Net change in fund balances	2,262,878	2,262,878	1,516,759	(746,119)
Fund balances - beginning	(28,944)	(28,944)	(28,944)	-
Fund balances - ending	<u>\$ 2,233,934</u>	<u>\$ 2,233,934</u>	<u>\$ 1,487,815</u>	<u>\$ (746,119)</u>

City of Ukiah, California
Transfer Station
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Transfer Station			Variance - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Grants, contributions, and donations	-	-	-	-
Use of money and property	420,868	420,868	385,191	(35,677)
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	420,868	420,868	385,191	(35,677)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	222	222	226	(4)
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	222	222	226	(4)
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	222	222	226	(4)
Excess (deficiency) of revenues over expenditures	420,646	420,646	384,965	(35,681)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(415,000)	(415,000)	(835,000)	(420,000)
Total other financing sources (uses)	(415,000)	(415,000)	(835,000)	(420,000)
Net change in fund balances	5,646	5,646	(450,035)	(455,681)
Fund balances - beginning	486,519	486,519	486,519	-
Fund balances - ending	\$ 492,165	\$ 492,165	\$ 36,484	\$ (455,681)

City of Ukiah, California
Solid Waste Mitigation Fund
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Solid Waste Mitigation Fund			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Business license tax	\$ -	\$ -	\$ -	\$ -
Charges for service	39,000	39,000	54,124	15,124
Grants, contributions, and donations	-	-	-	-
Use of money and property	-	-	382	382
Intergovernmental	-	-	21,384	21,384
Miscellaneous	-	-	-	-
Total revenues	39,000	39,000	75,890	36,890
EXPENDITURES				
Current:				
General government	5,000	5,000	192	4,808
Public safety	-	-	-	-
Housing and community development	-	-	-	-
Public works	-	34,000	19,417	14,583
Recreation and culture	-	-	-	-
Economic development and redevelopment	-	-	-	-
Total current	5,000	39,000	19,609	19,391
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total debt service	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	5,000	39,000	19,609	19,391
Excess (deficiency) of revenues over expenditures	34,000	-	56,281	56,281
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	34,000	-	56,281	56,281
Fund balances - beginning	(20,717)	(20,717)	(20,717)	-
Fund balances - ending	\$ 13,283	\$ (20,717)	\$ 35,564	\$ 56,281

City of Ukiah, California
Equipment Reserve
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Equipment Reserve			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Grants, contributions, and donations	\$ -	\$ -	\$ -	\$ -
Use of money and property	2,304	2,304	1,276	(1,028)
Intergovernmental	-	-	-	-
Interest, rent, and concessions	-	-	-	-
Total revenues	2,304	2,304	1,276	(1,028)
EXPENDITURES				
Current:				
General government	588	588	600	(12)
Parks, buildings, and grounds	-	-	-	-
Recreation and culture	-	-	-	-
Total current	588	588	600	(12)
Capital outlay:				
Public works	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Recreation and culture	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	588	588	600	(12)
Excess (deficiency) of revenues over expenditures	1,716	1,716	676	(1,040)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	1,716	1,716	676	(1,040)
Fund balances - beginning	375,029	375,029	375,029	-
Fund balances - ending	\$ 376,745	\$ 376,745	\$ 375,705	\$ (1,040)

City of Ukiah, California
Special Projects Reserve
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Special Projects Reserve			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Grants, contributions, and donations	\$ -	\$ -	\$ -	\$ -
Use of money and property	4,231	4,231	5,071	840
Intergovernmental	-	-	-	-
Interest, rent, and concessions	-	-	-	-
Total revenues	4,231	4,231	5,071	840
EXPENDITURES				
Current:				
General government	1,080	1,080	1,101	(21)
Parks, buildings, and grounds	-	-	-	-
Recreation and culture	3,576	3,576	584	2,992
Total current	4,656	4,656	1,685	2,971
Capital outlay:				
Public works	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Recreation and culture	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	4,656	4,656	1,685	2,971
Excess (deficiency) of revenues over expenditures	(425)	(425)	3,386	3,811
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	402,400	402,400
Transfers out	(50,000)	(50,000)	(50,000)	-
Total other financing sources (uses)	(50,000)	(50,000)	352,400	402,400
Net change in fund balances	(50,425)	(50,425)	355,786	406,211
Fund balances - beginning	873,104	873,104	873,104	-
Fund balances - ending	\$ 822,679	\$ 822,679	\$ 1,228,890	\$ 406,211

City of Ukiah, California
Park Development Fees
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Park Development Fees			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Grants, contributions, and donations	\$ -	\$ -	\$ 1,205	\$ 1,205
Use of money and property	248	248	104	(144)
Intergovernmental	-	-	-	-
Interest, rent, and concessions	-	-	-	-
Total revenues	248	248	1,309	1,061
EXPENDITURES				
Current:				
General government	-	-	-	-
Parks, buildings, and grounds	63	1,317	1,246	71
Recreation and culture	-	-	2,814	(2,814)
Total current	63	1,317	4,060	(2,743)
Capital outlay:				
Public works	-	-	-	-
Parks, buildings, and grounds	110,000	136,250	1,833	134,417
Recreation and culture	-	-	-	-
Total capital outlay	110,000	136,250	1,833	134,417
Total expenditures	110,063	137,567	5,893	131,674
Excess (deficiency) of revenues over expenditures	(109,815)	(137,319)	(4,584)	132,735
OTHER FINANCING SOURCES (USES)				
Transfers in	110,000	136,250	136,250	-
Transfers out	-	-	-	-
Total other financing sources (uses)	110,000	136,250	136,250	-
Net change in fund balances	185	(1,069)	131,666	132,735
Fund balances - beginning	36,647	36,647	36,647	-
Fund balances - ending	\$ 36,832	\$ 35,578	\$ 168,313	\$ 132,735

City of Ukiah, California
 Observatory Park
 Schedule of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual
 For the Fiscal Year Ended June 30, 2023

	Observatory Park			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Grants, contributions, and donations	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	9	9
Intergovernmental	-	-	-	-
Interest, rent, and concessions	-	-	-	-
Total revenues	-	-	9	9
EXPENDITURES				
Current:				
General government	-	-	-	-
Parks, buildings, and grounds	35,000	35,000	-	35,000
Recreation and culture	-	-	-	-
Total current	35,000	35,000	-	35,000
Capital outlay:				
Public works	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Recreation and culture	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	35,000	35,000	-	35,000
Excess (deficiency) of revenues over expenditures	(35,000)	(35,000)	9	35,009
OTHER FINANCING SOURCES (USES)				
Transfers in	35,000	35,000	35,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	35,000	35,000	35,000	-
Net change in fund balances	-	-	35,009	35,009
Fund balances - beginning	2,445	2,445	2,445	-
Fund balances - ending	\$ 2,445	\$ 2,445	\$ 37,454	\$ 35,009

City of Ukiah, California
 Playground & Park Amenities
 Schedule of Revenue, Expenditures, and Change in Fund Balances
 Budget and Actual
 For the Fiscal Year Ended June 30, 2023

	Playground & Park Amenities			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Grants, contributions, and donations	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	8	8
Intergovernmental	177,000	177,000	-	(177,000)
Interest, rent, and concessions	-	-	-	-
Total revenues	177,000	177,000	8	(176,992)
EXPENDITURES				
Current:				
General government	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Recreation and culture	-	-	-	-
Total current	-	-	-	-
Capital outlay:				
Public works	-	-	-	-
Parks, buildings, and grounds	100,000	-	-	-
Recreation and culture	-	326,614	224,064	102,550
Total capital outlay	100,000	326,614	224,064	102,550
Total expenditures	100,000	326,614	224,064	102,550
Excess (deficiency) of revenues over expenditures	77,000	(149,614)	(224,056)	(74,442)
OTHER FINANCING SOURCES (USES)				
Transfers in	53,000	53,000	53,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	53,000	53,000	53,000	-
Net change in fund balances	130,000	(96,614)	(171,056)	(74,442)
Fund balances - beginning	2,648	2,648	2,648	-
Fund balances - ending	\$ 132,648	\$ (93,966)	\$ (168,408)	\$ (74,442)

City of Ukiah, California
Riverside Park
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Riverside Park			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Grants, contributions, and donations	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	176	176
Intergovernmental	832,005	832,005	84,248	(747,757)
Interest, rent, and concessions	-	-	-	-
Total revenues	832,005	832,005	84,424	(747,581)
EXPENDITURES				
Current:				
General government	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Recreation and culture	-	-	-	-
Total current	-	-	-	-
Capital outlay:				
Public works	-	-	-	-
Parks, buildings, and grounds	-	-	-	-
Recreation and culture	832,005	900,728	23,474	877,254
Total capital outlay	832,005	900,728	23,474	877,254
Total expenditures	832,005	900,728	23,474	877,254
Excess (deficiency) of revenues over expenditures	-	(68,723)	60,950	129,673
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(68,723)	60,950	129,673
Fund balances - beginning	(40,672)	(40,672)	(40,672)	-
Fund balances - ending	\$ (40,672)	\$ (109,395)	\$ 20,278	\$ 129,673

City of Ukiah, California
Rail Trail
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Rail Trail			
	Original	Final	Actual	Variance - Positive (Negative)
REVENUES				
Grants, contributions, and donations	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	-	-
Intergovernmental	3,563,212	3,563,212	-	(3,563,212)
Interest, rent, and concessions	753	753	-	(753)
Total revenues	3,563,965	3,563,965	-	(3,563,965)
EXPENDITURES				
Current:				
General government	192	192	195	(3)
Parks, buildings, and grounds	-	-	-	-
Recreation and culture	-	-	-	-
Total current	192	192	195	(3)
Capital outlay:				
Public works	3,563,212	3,780,230	176,546	3,603,684
Parks, buildings, and grounds	-	-	-	-
Recreation and culture	-	-	-	-
Total capital outlay	3,563,212	3,780,230	176,546	3,603,684
Total expenditures	3,563,404	3,780,422	176,741	3,603,681
Excess (deficiency) of revenues over expenditures	561	(216,457)	(176,741)	39,716
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	561	(216,457)	(176,741)	39,716
Fund balances - beginning	(328,718)	(328,718)	(328,718)	-
Fund balances - ending	\$ (328,157)	\$ (545,175)	\$ (505,459)	\$ 39,716

City of Ukiah, California
Riparian Corridor Enhancement
Schedule of Revenue, Expenditures, and Change in Fund Balances
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Riparian Corridor Enhancement			Variance - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Use of money and property	\$ 875	\$ 875	\$ 486	\$ (389)
Total revenues	875	875	486	(389)
EXPENDITURES				
Current:				
Parks, buildings, and grounds	223	223	228	(5)
Total current	223	223	228	(5)
Total expenditures	223	223	228	(5)
Excess (deficiency) of revenues over expenses	652	652	258	(394)
Net change in fund balances	652	652	258	(394)
Fund balances - beginning	144,350	144,350	144,350	-
Fund balances - ending	\$ 145,002	\$ 145,002	\$ 144,608	\$ (394)

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.
Ambulance Services	The Ambulance Services fund is used to account for resources and activities of the Ukiah Valley Fire Authority in providing ambulatory services.
Golf	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	The Conference Center Fund is used to account for activities of the Ukiah Valley Conference Center.
Airport	The Airport Fund is the primary fund used to account for the operating activities of the City's municipal airport.
Street Lighting	The Street Lighting Fund is used to account for resources accumulated for street light operation, maintenance and capital planning.

City of Ukiah, California
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2023

	Parking District	Ambulance Services	Golf	Conference Center	Airport	Street Lighting	Total Nonmajor Enterprise Funds
ASSETS							
Current assets:							
Cash and investments	\$ 14,247	\$ -	\$ 100,496	\$ 188	\$ 121,512	\$ 219	\$ 236,662
Accounts receivable	10,879	470,614	-	5,924	26,709	19,269	533,395
Lease receivable	-	-	122,710	-	-	-	122,710
Interest receivable	43	-	60	-	569	62	734
Grants and subventions receivable	-	2,321	-	-	60,519	-	62,840
Total current assets	25,169	472,935	223,266	6,112	209,309	19,550	956,341
Noncurrent assets:							
Advances to other funds	-	-	576,223	-	-	-	576,223
Land	183,871	-	965,284	372,750	271,957	-	1,793,862
Construction in progress	-	197,314	-	-	559,860	-	757,174
Infrastructure and network	77,682	-	340,353	-	6,301,252	-	6,719,287
Buildings and improvements	-	-	439,213	2,294,473	1,651,825	-	4,385,511
Machinery equipment and vehicles	42,876	271,445	-	76,339	627,606	-	1,018,266
Less accumulated depreciation	(65,582)	(54,241)	(592,756)	(1,353,738)	(3,037,334)	-	(5,103,651)
Total noncurrent assets	238,847	414,518	1,728,317	1,389,824	6,375,166	-	10,146,672
Total assets	264,016	887,453	1,951,583	1,395,936	6,584,475	19,550	11,103,013
DEFERRED OUTFLOWS OF RESOURCES							
Pension related	-	-	15,849	106,981	335,998	-	458,828
Total deferred outflows of resources	-	-	15,849	106,981	335,998	-	458,828
Total assets and deferred outflows of resources	\$ 264,016	\$ 887,453	\$ 1,967,432	\$ 1,502,917	\$ 6,920,473	\$ 19,550	\$ 11,561,841
LIABILITIES							
Current liabilities:							
Accounts payable	5,910	37,143	97,591	12,037	33,324	34,956	220,961
Accrued payroll liabilities	-	13,732	96	4,091	6,696	-	24,615
Due to other funds	-	-	-	101,476	200,002	-	301,478
Deposits payable	-	-	-	2,162	4,062	-	6,224
Interest payable	-	-	654	329	12,230	-	13,213
Compensated absences - current	-	2,336	273	552	2,204	-	5,365
Capital project installment obligations - current	-	-	-	-	11,157	-	11,157
Pension-related bonds - current	-	-	2,025	1,019	34,129	-	37,173
Total current liabilities	5,910	53,211	100,639	121,666	303,804	34,956	620,186
Noncurrent liabilities:							
Advance from other funds	29,136	1,072,771	930,200	109,702	-	289,121	2,430,930
Compensated absences	-	21,024	2,461	4,970	19,832	-	48,287
Capital project installment obligations	-	-	-	-	126,920	-	126,920
Pension-related bonds	-	-	70,719	35,583	1,191,743	-	1,298,045
Net pension liability	-	-	16,523	111,532	350,292	-	478,347
Total noncurrent liabilities	29,136	1,093,795	1,019,903	261,787	1,688,787	289,121	4,382,529
Total liabilities	35,046	1,147,006	1,120,542	383,453	1,992,591	324,077	5,002,715
DEFERRED INFLOWS OF RESOURCES							
Lease related	-	-	122,710	-	-	-	122,710
Pension related	-	-	1,368	9,237	29,010	-	39,615
Total deferred inflows of resources	-	-	124,078	9,237	29,010	-	162,325
Total liabilities and deferred inflows of resources	35,046	1,147,006	1,244,620	392,690	2,021,601	324,077	5,165,040
NET POSITION							
Net investment in capital assets	238,847	414,518	1,152,094	1,389,824	6,237,089	-	9,432,372
Unrestricted	(9,877)	(674,071)	(429,282)	(279,597)	(1,338,217)	(304,527)	(3,035,571)
Total net position	\$ 228,970	\$ (259,553)	\$ 722,812	\$ 1,110,227	\$ 4,898,872	\$ (304,527)	\$ 6,396,801

City of Ukiah, California
Combining Statement of Revenues, expenses, and Changes in Net Position
Nonmajor Enterprise Funds
Year Ended June 30, 2023

	Parking District	Ambulance Services	Golf	Conference Center	Airport	Street Lighting	Total Nonmajor Enterprise Funds
OPERATING REVENUES							
Charges for service	\$ 71,029	\$ 976,712	\$ -	\$ 10,473	\$ 17,569	\$ 188,215	\$ 1,263,998
Licenses and permits	20	-	-	-	-	-	20
Fines penalties and forfeitures	48,895	-	-	-	-	-	48,895
Facility rental	-	-	41,500	337,748	422,523	-	801,771
Fuel sales	-	-	-	-	909,296	-	909,296
Miscellaneous	-	-	-	-	9,277	-	9,277
Total operating revenues	119,944	976,712	41,500	348,221	1,358,665	188,215	3,033,257
OPERATING EXPENSES							
General and administrative	99,929	218,590	26,335	93,510	208,380	22,634	669,378
Maintenance and operations	16,293	993,736	194,002	382,913	614,831	166,829	2,368,604
Fuel	-	-	-	-	560,939	-	560,939
Depreciation	1,195	30,467	6,456	45,889	193,137	-	277,144
Total operating expenses	117,417	1,242,793	226,793	522,312	1,577,287	189,463	3,876,065
Operating income (loss)	2,527	(266,081)	(185,293)	(174,091)	(218,622)	(1,248)	(842,808)
NONOPERATING REVENUES (EXPENSES)							
Property tax	18,043	-	-	-	-	-	18,043
Interest, rent, and concessions	152	18	111,720	-	1,052	341	113,283
Interest expense and fiscal charges	-	-	(2,715)	(1,366)	(49,113)	-	(53,194)
Sale of property	-	-	10	-	-	-	10
Total nonoperating revenues (expenses)	18,195	18	109,015	(1,366)	(48,061)	341	78,142
Income (loss) before contributions and transfers	20,722	(266,063)	(76,278)	(175,457)	(266,683)	(907)	(764,666)
Grants, contributions, and donations	-	201,051	-	-	4,350	-	205,401
Transfers in	4,391	27,891	-	76,339	-	-	108,621
Transfers out	-	-	-	-	-	(489,688)	(489,688)
Change in net position	25,113	(37,121)	(76,278)	(99,118)	(262,333)	(490,595)	(940,332)
Total net position - beginning	203,857	(222,432)	799,090	1,209,345	5,161,205	186,068	7,337,133
Total net position - ending	\$ 228,970	\$ (259,553)	\$ 722,812	\$ 1,110,227	\$ 4,898,872	\$ (304,527)	\$ 6,396,801

City of Ukiah, California
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2023

	Parking District	Ambulance Services	Golf	Conference Center	Airport	Street Lighting	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash receipts from customers	\$ 117,824	\$ 583,985	\$ 41,500	\$ 379,956	\$ 1,383,919	\$ 190,983	\$ 2,698,167
Payments to employees	-	(700,981)	(7,740)	(269,986)	(415,002)	-	(1,393,709)
Payments to suppliers	(14,911)	(317,310)	(171,263)	(191,993)	(741,607)	(144,099)	(1,581,183)
Payments for interfund services used	(99,929)	(218,590)	(26,335)	(93,510)	(208,380)	(22,634)	(669,378)
Net cash provided (used) by operating activities	2,984	(652,896)	(163,838)	(175,533)	18,930	24,250	(946,103)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Principal paid on lease revenue bonds	-	-	(1,851)	(931)	(31,190)	-	(33,972)
Cash received (paid) to other funds	(20,609)	651,462	161,404	177,815	(220,000)	(24,312)	725,760
Property taxes received	18,043	-	-	-	-	-	18,043
Grants and contributions	-	198,730	-	-	32,000	-	230,730
Net cash provided (used) by noncapital financing activities	(2,566)	850,192	159,553	176,884	(219,190)	(24,312)	940,561
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Capital grants and contributions	-	-	-	-	308,431	-	308,431
Interest paid	-	-	(2,736)	(1,376)	(49,580)	-	(53,692)
Principal paid on capital and related debt	-	-	-	-	(10,903)	-	(10,903)
Acquisition and construction of capital assets	-	(197,314)	-	-	(67,754)	-	(265,068)
Proceeds from sale of property	-	-	10	-	-	-	10
Net cash provided (used) by capital and related financing activities	-	(197,314)	(2,726)	(1,376)	180,194	-	(21,222)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest received	113	18	21,683	-	611	279	22,704
Net cash provided (used) by investing activities	113	18	21,683	-	611	279	22,704
Net increase (decrease) in cash and cash equivalents	531	-	14,672	(25)	(19,455)	217	(4,060)
Balances - beginning of year	13,716	-	85,824	213	140,967	2	240,722
Balances - end of the year	\$ 14,247	\$ -	\$ 100,496	\$ 188	\$ 121,512	\$ 219	\$ 236,662
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating Income	\$ 2,527	\$ (266,081)	\$ (185,293)	\$ (174,091)	\$ (218,622)	\$ (1,248)	\$ (842,808)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	1,195	30,467	6,456	45,889	193,137	-	277,144
Changes in assets and liabilities:							
Decrease (increase) in accounts receivable	(2,120)	(393,447)	35,497	31,735	25,254	2,768	(300,313)
Decrease (increase) in deferred outflows	-	-	(50,974)	(77,788)	(283,054)	-	(411,816)
Increase (decrease) in accounts payable	1,382	(18,714)	13,737	(80,364)	169	22,730	(61,060)
Increase (decrease) in accrued salaries and benefits	-	(24,585)	(1,186)	(4,504)	(11,016)	-	(41,291)
Increase (decrease) in compensated absences	-	19,464	438	(5,443)	(8,686)	-	5,773
Increase (decrease) in deferred inflows	-	-	(15)	(99,537)	(168,258)	-	(267,810)
Increase (decrease) in net pension liability/(asset)	-	-	17,502	188,570	490,006	-	696,078
Net cash provided (used) by operating activities	\$ 2,984	\$ (652,896)	\$ (163,838)	\$ (175,533)	\$ 18,930	\$ 24,250	\$ (946,103)
Noncash investing, capital and financing activities							
Contributions of capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (489,688)	\$ (489,688)
Acquisition of capital assets on account	-	-	-	-	(7,857)	-	(7,857)
Total noncash investing, capital and financing activities	-	-	-	-	(7,857)	(489,688)	(497,545)

Combining Internal Service Funds

City Administrative Services	City Administrative Services fund is used to account for all general administrative services provided to the City, including City Council, City Manager's Office (City Manager, City Clerk, Emergency Management, Economic Development, etc.), Finance (Accounting and Budget), Human Resources, City Attorney, and Treasury management.
Worker's Comp	The Worker's Compensation Fund is used to account for premiums paid for worker's compensation benefits as required by the State of California.
Liability	The Liability Fund is used to account for resources needed to meet liability insurance premiums and to allocate those costs to all City functions through its Cost Allocation Plan.
Garage	The Garage Fund is used to account for shared resources used to operate the City's central garage and corporation yard and to allocate those costs to all City functions through its Cost Allocation Plan.
Purchasing	The Purchasing Fund is used to account for shared resources used to maintain and implement the City's central procurement system and to allocate those costs to all City functions through its Cost Allocation Plan.
Billing and Collection	The Billing and Collection Fund is used to account for shared resources used to provide billing and collection service to City functions and other governmental entities and to allocate those costs accordingly through its Cost Allocation Plan.
Public Safety Dispatch	The Public Safety Dispatch Fund is used to account for shared resources used to provide public safety dispatch services to City departments and other governmental entities and to allocate those costs accordingly through its Cost Allocation Plan.
Building & Maintenance	The Building & Maintenance Fund is used to account for shared resources used to provide central building and grounds maintenance services to City departments and to allocate those costs accordingly through its Cost Allocation Plan.
Information Technology (IT)	The IT Fund is used to account for shared resources used to provide information technology services to City departments and to allocate those costs accordingly through its Cost Allocation Plan.

City of Ukiah, California
Combining Statement of Net Position
Internal Service Funds
June 30, 2023

	City Administrative Services	Worker's Comp	Liability	Garage	Purchasing	Billing And Collection	Public Safety Dispatch	Building & Maintenance	Information Technology	Total Nonmajor Internal service funds
ASSETS										
Current assets:										
Cash and investments	\$ 506,451	\$ 581,127	\$ 102,806	\$ 83,047	\$ 53,796	\$ 231,996	\$ 154,993	\$ 184,478	\$ 530,221	\$ 2,428,915
Restricted cash and investments	-	-	-	-	-	-	-	16,736,796	-	16,736,796
Accounts receivable	4,687	11,819	-	14,145	-	-	1,002	1,000	-	32,653
Interest receivable	-	797	222	-	-	289	-	-	-	1,308
Grants and subventions receivable	11,920	-	-	-	-	1,819	-	-	149,077	162,816
Total current assets	523,058	593,743	103,028	97,192	53,796	234,104	155,995	16,922,274	679,298	19,362,488
Noncurrent assets:										
Land	-	-	-	-	-	-	-	762,562	-	762,562
Construction in progress	-	-	-	-	-	-	-	792,843	-	792,843
Buildings and improvements	-	-	-	327,113	-	-	-	189,483	-	516,596
Machinery equipment and vehicles	-	-	-	203,051	4,769	136,669	242,007	390,476	607,166	1,584,138
Less accumulated depreciation	-	-	-	(337,297)	(4,769)	(136,669)	(234,028)	(39,134)	(380,052)	(1,131,949)
Total noncurrent assets	-	-	-	192,867	-	-	7,979	2,096,230	227,114	2,524,190
Total assets	\$ 523,058	\$ 593,743	\$ 103,028	\$ 290,059	\$ 53,796	\$ 234,104	\$ 163,974	\$ 19,018,504	\$ 906,412	\$ 21,886,678
LIABILITIES										
Current liabilities:										
Accounts payable	111,758	26,118	75,804	39,871	20,642	9,780	6,130	156,136	249,001	695,240
Accrued payroll liabilities	47,769	-	-	6,734	8,133	15,719	21,209	6,346	15,711	121,621
Unearned revenues	-	-	-	-	-	-	-	-	1,400	1,400
Interest payable	-	-	-	-	-	-	-	150,993	-	150,993
Claims payable - current	-	143,486	-	-	-	-	-	-	-	143,486
Compensated absences - current	22,226	-	-	3,682	3,617	4,537	6,058	2,706	2,549	45,375
Capital project bonds - current	-	-	-	-	-	-	-	424,510	-	424,510
Total current liabilities	181,753	169,604	75,804	50,287	32,392	30,036	33,397	740,691	268,661	1,582,625
Noncurrent liabilities:										
Compensated absences	200,030	-	-	33,134	32,559	40,837	54,527	24,358	22,940	408,385
Advance from other funds	-	-	-	-	-	-	-	340,000	-	340,000
Capital project bonds	-	-	-	-	-	-	-	17,840,261	-	17,840,261
Total noncurrent liabilities	200,030	-	-	33,134	32,559	40,837	54,527	18,204,619	22,940	18,588,646
Total liabilities	\$ 381,783	\$ 169,604	\$ 75,804	\$ 83,421	\$ 64,951	\$ 70,873	\$ 87,924	\$ 18,945,310	\$ 291,601	\$ 20,171,271
NET POSITION										
Net investment in capital assets	-	-	-	192,867	-	-	7,979	568,255	227,114	996,215
Unrestricted	141,275	424,139	27,224	13,771	(11,155)	163,231	68,071	(495,061)	387,697	719,192
Total net position	\$ 141,275	\$ 424,139	\$ 27,224	\$ 206,638	\$ (11,155)	\$ 163,231	\$ 76,050	\$ 73,194	\$ 614,811	\$ 1,715,407

City of Ukiah, California
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
Year Ended June 30, 2023

	City Administrative Services	Worker's Comp	Liability	Garage	Purchasing	Billing And Collection	Public Safety Dispatch	Building & Maintenance	Information Technology	Total Internal Service Funds
OPERATING REVENUES										
Charges for service	\$ 5,972,482	\$ 1,557,405	\$ 1,651,798	\$ 774,040	\$ 771,099	\$ 1,268,563	\$ 1,675,849	\$ 2,228,431	\$ 2,366,122	\$ 18,265,789
Miscellaneous	-	99,200	-	-	2,172	-	1,002	-	-	102,374
Total operating revenues	5,972,482	1,656,605	1,651,798	774,040	773,271	1,268,563	1,676,851	2,228,431	2,366,122	18,368,163
OPERATING EXPENSES										
General and administrative	1,046,963	32,063	162,688	129,880	129,500	311,223	246,576	200,236	246,923	2,506,052
Maintenance and operations	4,582,558	1,276,003	1,828,860	636,149	618,585	1,194,877	1,381,649	781,634	1,690,734	13,991,049
Depreciation	-	-	-	26,379	-	-	59	13,537	93,893	133,868
Total operating expenses	5,629,521	1,308,066	1,991,548	792,408	748,085	1,506,100	1,628,284	995,407	2,031,550	16,630,969
Operating income (loss)	342,961	348,539	(339,750)	(18,368)	25,186	(237,537)	48,567	1,233,024	334,572	1,737,194
NONOPERATING REVENUES (EXPENSES)										
Grants, contributions, and donations	-	-	-	-	-	-	-	30,000	149,077	179,077
Interest, rent, and concessions	1,643	2,351	938	42	17	1,657	81	(1,804)	88	5,013
Interest expense and fiscal charges	(161,534)	-	-	(17,896)	(31,343)	(38,712)	(60,314)	(649,022)	(44,277)	(1,003,098)
Total nonoperating revenues (expenses)	(159,891)	2,351	938	(17,854)	(31,326)	(37,055)	(60,233)	(620,826)	104,888	(819,008)
Income (loss) before contributions and transfers	183,070	350,890	(338,812)	(36,222)	(6,140)	(274,592)	(11,666)	612,198	439,460	918,186
Capital grants, contributions, and donations	11,920	-	-	-	-	5,806	-	-	-	17,726
Change in net position	194,990	350,890	(338,812)	(36,222)	(6,140)	(268,786)	(11,666)	612,198	439,460	935,912
Total net position - beginning	(53,715)	73,249	366,036	242,860	(5,015)	432,017	87,716	(539,004)	175,351	779,495
Total net position - ending	\$ 141,275	\$ 424,139	\$ 27,224	\$ 206,638	\$ (11,155)	\$ 163,231	\$ 76,050	\$ 73,194	\$ 614,811	\$ 1,715,407

City of Ukiah, California
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2023

	City Administrative Services	Worker's Comp	Liability	Garage	Purchasing	Billing And Collection	Public Safety Dispatch	Building & Maintenance	Information Technology	Total
CASH FLOWS FROM OPERATING ACTIVITIES										
Cash receipts from customers	\$ 7,223	\$ -	\$ -	\$ 37,857	\$ 316	\$ 41,620	\$ -	\$ 18,851	\$ -	\$ 105,867
Receipts from interfund services provided	-	1,557,405	1,651,798	743,380	771,099	1,218,388	1,280,187	2,208,580	2,366,122	11,796,959
Payments to employees	(3,283,368)	(27,178)	-	(408,872)	(518,585)	(977,212)	(1,321,723)	(445,125)	(1,027,492)	(8,009,555)
Payments to suppliers	(1,374,066)	(1,278,813)	(1,802,639)	(204,807)	(100,072)	(252,142)	(82,194)	(276,589)	(599,362)	(5,970,684)
Payments for interfund services used	4,925,289	(32,063)	(162,688)	(129,880)	(129,500)	(311,223)	(246,576)	(200,236)	(246,923)	3,466,200
Receipts from other governmental agencies	-	-	-	-	-	-	395,662	-	-	395,662
Other payments	(10,000)	-	-	-	-	-	-	-	-	(10,000)
Net cash provided (used) by operating activities	265,078	219,351	(313,529)	37,678	23,258	(280,569)	25,356	1,305,481	492,345	1,774,449
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES										
Cash received (paid) to other funds	-	-	-	-	-	-	-	(300,000)	-	(300,000)
Grants and contributions	-	-	-	-	-	3,987	-	-	-	3,987
Net cash provided (used) by noncapital financing activities	-	-	-	-	-	3,987	-	(300,000)	-	(296,013)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES										
Capital grants and contributions	-	-	-	-	-	-	-	30,000	-	30,000
Interest paid	(161,534)	-	-	(17,896)	(31,343)	(38,712)	(60,314)	(719,939)	(44,269)	(1,074,007)
Principal paid on capital and related debt	-	-	-	-	-	-	-	(325,000)	-	(325,000)
Acquisition and construction of capital assets	-	-	-	-	-	-	-	(261,413)	-	(261,413)
Net cash provided (used) by capital and related financing activities	(161,534)	-	-	(17,896)	(31,343)	(38,712)	(60,314)	(1,276,352)	(44,269)	(1,630,420)
CASH FLOWS FROM INVESTING ACTIVITIES										
Interest received	1,642	1,654	855	39	17	1,369	83	(1,592)	87	4,154
Net cash provided (used) by investing activities	1,642	1,654	855	39	17	1,369	83	(1,592)	87	4,154
Net increase (decrease) in cash and cash equivalents	105,186	221,005	(312,674)	19,821	(8,068)	(313,925)	(34,875)	(272,463)	448,163	(147,830)
Balances - beginning of year	401,265	360,122	415,480	63,226	61,864	545,921	189,868	17,193,737	82,058	19,313,541
Balances - end of the year	\$ 506,451	\$ 581,127	\$ 102,806	\$ 83,047	\$ 53,796	\$ 231,996	\$ 154,993	\$ 16,921,274	\$ 530,221	\$ 19,165,711
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:										
Operating Income	\$ 342,961	\$ 348,539	\$ (339,750)	\$ (18,368)	\$ 25,186	\$ (237,537)	\$ 48,567	\$ 1,233,024	\$ 334,572	\$ 1,737,194
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:										
Depreciation	-	-	-	26,379	-	-	59	13,537	93,893	133,868
Changes in assets and liabilities:										
Decrease (increase) in accounts receivable	6,993	(11,820)	-	7,197	-	-	(1,002)	(1,000)	-	368
Decrease (increase) in prepaids	1,500	-	-	-	-	-	-	-	-	1,500
Increase (decrease) in accounts payable	10,034	53,296	75,804	32,854	18,921	(21,659)	3,878	79,118	83,391	335,637
Increase (decrease) in accrued salaries and benefits	(99,660)	(27,178)	-	(8,859)	(20,459)	(24,353)	(34,809)	(16,772)	(32,714)	(264,804)
Increase (decrease) in compensated absences	3,250	-	-	(1,525)	(390)	2,980	8,663	(2,426)	13,203	23,755
Increase (decrease) in claims payable	-	(143,486)	(49,583)	-	-	-	-	-	-	(193,069)
Net cash provided (used) by operating activities	\$ 265,078	\$ 219,351	\$ (313,529)	\$ 37,678	\$ 23,258	\$ (280,569)	\$ 25,356	\$ 1,305,481	\$ 492,345	\$ 1,774,449
Noncash investing, capital and financing activities										
Amortization related to long-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (58,047)	\$ -	\$ (58,047)
Total noncash investing, capital and financing activities	-	-	-	-	-	-	-	(58,047)	-	(58,047)

Combining Fiduciary Funds

CUSTODIAL FUNDS

Special Deposit Custodial Fund

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

Garbage Billing and Collection Fund

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

Russian River Watershed Association

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

Ukiah Valley Fire Protection District

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

Mendocino Solid Waste Management Authority (MSWMA)

Resources accounted for here are for the benefit of the Authority resulting from the activities of collecting and disposing of solid and hazardous waste. The City provides accounting, budget management, and other fiscal and administrative services to the Authority.

Ukiah Valley Sanitation District

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

City of Ukiah, California
Combining Fiduciary Net Position
Custodial Funds
June 30, 2023

	Special Deposit Trust	Garbage Billing & Collection	Russian River Watershed Assoc	Ukiah Valley Fire District	MSWMA	Ukiah Valley Sanitation District	Total Custodial funds
ASSETS							
Cash and investments	\$ 640,470	\$ 280,000	\$ 228,751	\$ 341,363	\$ 190,921	\$ 24,833	\$ 1,706,338
Accounts receivable	29,242	338,321	-	29,865	115,735	-	513,163
Interest receivable	-	-	289	2,195	-	-	2,484
Total Cash	669,712	618,321	229,040	373,423	306,656	24,833	2,221,985
Total assets	669,712	618,321	229,040	373,423	306,656	24,833	2,221,985
LIABILITIES							
Accounts payable	\$ 42,085	\$ 26,449	\$ 78,876	\$ 44,993	\$ -	\$ -	\$ 192,403
Accrued payroll liabilities	-	-	-	25,161	-	-	25,161
Deposits payable	577,681	-	20,009	-	-	-	597,690
Interest payable	-	-	-	5,697	-	-	5,697
Due to other agencies	-	139,798	-	-	-	-	139,798
Intergovernmental payable	24,744	-	-	-	-	-	24,744
Due to City of Ukiah	25,202	452,074	-	1,054,779	-	-	1,532,055
Total liabilities	669,712	618,321	98,885	1,130,630	-	-	2,517,548
NET POSITION							
Restricted for:							
Individuals, organizations, and other governments	\$ -	\$ -	\$ 130,155	\$ (757,207)	\$ 306,656	\$ 24,833	\$ (295,563)
Total net position	\$ -	\$ -	\$ 130,155	\$ (757,207)	\$ 306,656	\$ 24,833	\$ (295,563)

City of Ukiah, California
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2023

	Special Deposit Trust	Garbage Billing & Collection	Russian River Watershed Assoc	Ukiah Valley Fire District	MSWMA	Ukiah Valley Sanitation District	Total Custodial funds
ADDITIONS							
Contributions:							
Addition to agency assets	\$ -	\$ -	\$ -	\$ -	\$ 131,124	\$ -	\$ 131,124
Taxes and assessments collected for other governments	-	-	-	2,224,809	-	-	2,224,809
Service charges collected for other governments	-	-	-	194,458	-	24,833	219,291
Service charges collected for other agencies	-	1,566,942	-	-	572,070	-	2,139,012
Intergovernmental	-	-	-	233,476	-	-	233,476
Miscellaneous	-	-	-	3,131	-	-	3,131
Members	-	-	513,880	-	-	-	513,880
Total contributions	-	1,566,942	513,880	2,655,874	703,194	24,833	5,464,723
Investment earnings:							
Interest, rent, and concessions	\$ -	\$ -	\$ 713	\$ 8,590	\$ 120	\$ -	\$ 9,423
Total investment earnings	-	-	713	8,590	120	-	9,423
Total additions	-	1,566,942	514,593	2,664,464	703,314	24,833	5,474,146
DEDUCTIONS							
General and administrative	\$ -	\$ -	\$ -	\$ 13,463	\$ 50,659	\$ -	\$ 64,122
Maintenance and operations	-	-	-	242,704	345,999	-	588,703
Interest expense and fiscal charges	-	-	-	72,382	-	-	72,382
Distributions to other governments	-	-	544,905	-	-	38,735	583,640
Payments to other agencies for service charges collected	-	628,020	-	-	-	-	628,020
Payments to City for services provided	-	903,269	-	2,376,356	-	-	3,279,625
Total deductions	-	1,531,289	544,905	2,704,905	396,658	38,735	5,216,492
Net increase (decrease) in fiduciary net position	-	35,653	(30,312)	(40,441)	306,656	(13,902)	257,654
Net Position -- beginning of the year	0	(35,653)	160,467	(716,766)	-	38,735	(553,217)
Net Position -- end of the year	\$ -	\$ -	\$ 130,155	\$ (757,207)	\$ 306,656	\$ 24,833	\$ (295,563)

STATISTICAL SECTION

STATISTICAL SECTION INDEX

This part of the City of Ukiah's Annual Comprehensive 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.....	160
Changes in Net Position.....	161
Fund Balances, Governmental Funds	163
Changes in Fund Balances, Governmental Funds	164

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.....	165
Property Tax Rates.....	166
Electric Utility Rates	167
Wastewater Utility Rates	168
Water Utility Rates.....	169
Top Ten Electric Usage Customers.....	170

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	171
Ratio of General Bonded Outstanding Debt	172

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	176
Principal Employers	177

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	178
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Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive 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, 2023
 (Accrual basis of accounting)

For Fiscal Year Ended June 30	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 27,139,213	\$ 27,624,813	\$ 29,088,528	\$ 33,668,910	\$ 38,289,548	\$ 42,321,290	\$ 47,339,972	\$ 50,915,097	\$ 56,905,670	\$ 57,015,033
Restricted	6,021,075	12,931,066	12,263,161	11,698,264	12,610,721	12,610,721	10,544,419	15,484,736	15,368,987	42,596,682
Unrestricted	12,110,479	(20,291,488)	(20,646,894)	(17,337,366)	(21,409,323)	(18,876,394)	(19,796,054)	(18,505,530)	(14,390,245)	(39,343,088)
Total governmental net position	\$ 45,270,767	\$ 20,264,391	\$ 20,704,795	\$ 28,029,808	\$ 29,490,946	\$ 36,055,617	\$ 38,088,337	\$ 47,894,303	\$ 57,884,412	\$ 60,268,627
Business-type activities										
Net investment in capital assets	\$ 46,693,900	\$ 50,088,246	\$ 54,756,782	\$ 46,328,983	\$ 70,965,675	\$ 86,114,096	\$ 119,060,268	\$ 126,053,127	\$ 128,557,177	\$ 126,323,676
Restricted	2,072,014	2,072,225	2,427,020	-	81,993	123,367	99,829	251,126	320,241	794,192
Unrestricted	31,604,793	26,648,008	24,215,129	31,286,562	19,917,540	16,454,313	2,219,045	(7,298,061)	(17,969,112)	(15,971,680)
Total business-type net position	\$ 80,370,707	\$ 78,808,479	\$ 81,398,931	\$ 77,615,545	\$ 90,965,208	\$ 102,691,776	\$ 121,379,142	\$ 119,006,192	\$ 110,908,306	\$ 111,146,188
Primary governmental										
Net investment in capital assets	\$ 73,833,113	\$ 77,713,059	\$ 83,845,310	\$ 79,997,893	\$ 109,255,223	\$ 128,435,386	\$ 166,400,240	\$ 176,968,224	\$ 185,462,847	\$ 183,338,709
Restricted	8,093,089	15,003,291	14,690,181	11,698,264	12,692,714	12,734,088	10,644,248	15,735,862	15,689,228	43,390,874
Unrestricted	43,715,272	6,356,520	3,568,235	13,949,197	(1,491,783)	(2,422,081)	(17,577,009)	(25,803,591)	(32,359,357)	(55,314,768)
Total primary governmental net position	\$ 125,641,474	\$ 99,072,870	\$ 102,103,726	\$ 105,645,354	\$ 120,456,154	\$ 138,747,393	\$ 159,467,479	\$ 166,900,495	\$ 168,792,718	\$ 171,414,815

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, 2023
(Accrual basis of accounting)

	Fiscal Year									
For Fiscal Year Ended June 30	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General government	\$ 3,715,968	\$ 772,771	\$ 142,792	\$ 141,713	\$ 1,856,104	\$ 2,655,969	\$ 99,829	\$ 838,727	\$ 2,824,700	\$ 5,701,815
Public safety	9,867,900	10,563,479	11,081,325	8,887,246	11,794,779	12,167,151	12,812,411	13,659,736	10,238,317	13,937,176
Housing and community development	832,020	348,477	891,644	171,523	1,039,784	2,128,714	2,833,311	1,460,134	2,058,024	1,556,452
Public works	2,290,261	2,847,800	2,555,524	296,934	4,018,082	3,467,503	4,752,062	3,426,376	2,357,684	3,728,734
Parks and recreation	2,540,689	2,829,367	2,757,551	39,796	3,306,839	3,861,576	3,973,413	4,201,399	5,640,841	6,816,875
Economic development and redevelopment	-	-	-	-	273,570	299,397	403,808	290,261	84,274	310,065
Interest on long-term debt	-	-	-	-	59,477	176,067	165,210	992,902	1,674,767	1,321,028
Total governmental activities expenses	<u>\$ 19,246,838</u>	<u>\$ 17,361,894</u>	<u>\$ 17,428,836</u>	<u>\$ 9,537,212</u>	<u>22,348,635</u>	<u>24,756,377</u>	<u>25,040,044</u>	<u>24,869,535</u>	<u>24,878,607</u>	<u>33,372,145</u>
Business-type activities:										
Airport	-	-	-	-	1,532,905	1,360,631	1,528,285	1,857,261	1,541,733	1,626,400
Conference Center	-	-	-	-	369,045	500,305	503,445	(336,910)	306,131	523,678
Electric	14,554,884	16,140,229	15,779,225	17,408,177	15,830,736	17,373,419	18,854,227	19,695,234	22,839,554	25,490,865
Golf	-	-	-	-	223,341	213,949	251,078	144,680	247,149	229,507
Landfill	-	-	-	-	667,140	2,114,576	4,165,711	969,800	1,417,733	2,143,903
Parking District	-	-	-	-	153,620	128,643	171,705	137,930	148,354	117,417
Street Lighting	-	-	-	-	395,694	43,349	147,861	186,765	146,475	189,463
Wastewater	8,118,315	8,229,553	8,620,824	10,092,436	10,116,164	10,979,067	11,580,850	9,659,518	8,747,889	8,497,211
Water	3,717,064	3,783,257	3,930,252	5,187,510	4,659,530	4,111,529	6,196,274	8,179,199	7,390,232	9,119,878
Disposal site	573,478	5,950,554	388,553	565,819	-	-	-	-	-	-
Nonmajor activities	2,196,295	2,287,340	2,029,634	2,816,055	-	-	11,089	55,894	933,997	1,242,793
Total business-type activities expenses	<u>29,160,036</u>	<u>36,390,933</u>	<u>30,748,488</u>	<u>36,069,997</u>	<u>33,948,175</u>	<u>36,825,468</u>	<u>43,410,525</u>	<u>40,549,371</u>	<u>43,719,247</u>	<u>49,181,115</u>
Total primary government expenses	<u>\$ 48,406,874</u>	<u>\$ 53,752,827</u>	<u>\$ 48,177,324</u>	<u>\$ 45,607,209</u>	<u>\$ 56,296,810</u>	<u>\$ 61,581,845</u>	<u>\$ 68,450,569</u>	<u>\$ 65,418,906</u>	<u>\$ 68,597,854</u>	<u>\$ 82,553,260</u>
Program revenues										
Governmental activities:										
Charges for services										
General government	\$ 1,255,815	\$ 288,049	\$ 258,262	\$ 333,458	366,171	111,355	234,487	78,607	70,182	115,137
Public safety	851,328	221,156	284,562	362,711	567,592	505,451	301,503	326,986	463,486	592,944
Housing and community development	197,003	-	-	-	454,920	783,575	390,121	573,410	600,754	902,296
Public works	682,559	215,615	339,403	-	28,773	92,923	435,190	542,554	430,712	721,741
Parks and recreation	749,548	756,906	716,575	791,257	782,091	786,161	788,687	1,715,541	2,944,741	3,816,814
Economic development and redevelopment	-	-	-	-	256,554	259,897	7,289	250,000	250,000	250,000
Operating grants and contributions	1,097,599	1,471,799	2,283,777	1,233,883	3,007,794	2,044,901	4,431,684	7,890,530	4,947,892	6,040,597
Capital grants and contributions	483,992	889,024	859,772	1,325,091	618,546	1,574,928	76,898	771,125	2,424,991	1,884,763
Total governmental activities program revenues	<u>5,317,844</u>	<u>3,842,549</u>	<u>4,742,351</u>	<u>4,046,400</u>	<u>6,082,441</u>	<u>6,159,191</u>	<u>6,665,859</u>	<u>12,148,753</u>	<u>12,132,758</u>	<u>14,324,292</u>
Business-type activities:										
Charges for services										
Airport	-	-	-	-	1,326,141	1,541,327	1,234,045	1,390,195	1,333,795	1,358,665
Conference Center	-	-	-	-	367,504	369,245	274,794	210,000	254,208	348,221
Electric	14,993,910	15,243,471	15,076,565	15,971,210	15,875,141	16,193,492	15,581,664	18,141,046	16,576,739	20,841,212
Golf	-	-	-	-	133,370	36,669	40,000	38,500	40,000	41,500
Landfill	-	-	-	-	630,477	646,611	703,549	716,223	650,086	606,118
Parking District	-	-	-	-	134,689	120,121	114,068	100,679	122,811	119,944
Street Lighting	-	-	-	-	191,388	188,814	188,873	183,278	189,163	188,215
Wastewater	8,832,757	9,264,399	9,667,659	7,493,383	8,093,392	8,002,895	7,851,031	7,935,941	7,876,513	8,784,250
Water	6,006,675	5,579,127	5,446,778	5,785,553	6,486,959	6,502,379	6,909,764	7,228,258	7,107,835	7,459,767
Disposal site	132,287	217,999	132,106	362,018	-	-	-	-	-	-
Nonmajor activities	1,965,547	2,053,819	1,806,110	1,723,513	-	-	14,441	79,891	548,129	976,712
Operating grants and contributions	57,271	-	-	210,298	534,619	819,586	2,830,622	759,696	1,572,005	1,659,916
Capital grants and contributions	-	25,175	10,384	2,640,396	2,592,224	12,524,559	24,876,967	556,033	201,152	5,077,674
Total business-type activities program revenues	<u>31,988,447</u>	<u>32,383,990</u>	<u>32,139,602</u>	<u>34,186,371</u>	<u>36,365,904</u>	<u>46,945,698</u>	<u>60,619,818</u>	<u>37,339,740</u>	<u>36,472,436</u>	<u>47,462,194</u>
Total primary government program revenues	<u>\$ 37,306,291</u>	<u>\$ 36,226,539</u>	<u>\$ 36,881,953</u>	<u>\$ 38,232,771</u>	<u>\$ 42,448,345</u>	<u>\$ 53,104,889</u>	<u>\$ 67,285,677</u>	<u>\$ 49,488,493</u>	<u>\$ 48,605,194</u>	<u>\$ 61,786,486</u>
Net (Expense) Revenue										
Government activities	\$ (13,928,994)	\$ (13,519,345)	\$ (12,686,485)	\$ (5,490,812)	\$ (16,266,194)	\$ (18,597,186)	\$ (18,374,185)	\$ (12,720,782)	\$ (12,745,849)	\$ (19,047,853)
Business-type activities	2,828,411	(4,006,943)	1,391,114	(1,883,626)	2,417,729	10,120,230	17,209,293	(3,209,631)	(7,246,811)	(1,718,921)
Total primary government net expense	<u>\$ (11,100,583)</u>	<u>\$ (17,526,288)</u>	<u>\$ (11,295,371)</u>	<u>\$ (7,374,438)</u>	<u>\$ (13,848,465)</u>	<u>\$ (8,476,956)</u>	<u>\$ (1,164,892)</u>	<u>\$ (15,930,413)</u>	<u>\$ (19,992,660)</u>	<u>\$ (20,766,774)</u>

City of Ukiah, California
Changes in Net Position (continued)
Last Ten Fiscal Years
Fiscal Year Ended June 30, 2023
(Accrual basis of accounting)

For Fiscal Year Ended June 30	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property tax	\$ 1,251,189	\$ 3,729,370	\$ 3,531,272	\$ 1,470,323	2,890,291	2,984,192	3,139,960	3,408,846	3,520,010	3,674,829
Sales tax	7,134,537	5,976,938	6,740,622	9,805,225	10,745,095	11,974,379	13,313,206	15,535,021	14,553,285	13,719,396
Licenses, permits and franchises	-	-	-	-	1,653,146	1,781,141	1,742,671	1,815,271	1,846,594	2,197,540
Transient occupancy	959,570	1,061,823	1,229,814	1,302,336	1,406,417	1,496,473	1,365,477	1,367,852	1,487,139	1,446,678
Business license	-	-	-	-	380,797	303,604	411,997	560,527	533,653	509,805
Other taxes	916,007	2,281,810	1,939,984	2,450,254	249	462	888	1,136	888	781
Use of money and property	-	-	-	-	708,389	850,711	696,930	266,006	(119,912)	227,389
Vehicle in-lieu taxes	1,237,181	-	-	-	-	-	-	-	-	-
Interest and investment earnings	93,521	501,217	323,373	404,235	-	-	-	-	-	-
Other revenue	-	-	-	-	306,746	181,676	246,319	17,052	280,944	233,241
Transfers	1,816,592	-	(473,539)	(639,819)	(363,796)	(410,782)	(510,543)	(444,963)	633,357	(577,591)
Total governmental activities	13,408,597	13,551,158	13,291,526	14,792,554	17,727,334	19,161,856	20,406,905	22,526,748	22,735,958	21,432,068
Business-type activities:										
Property tax	-	-	-	-	16,949	17,121	16,815	16,714	17,057	18,043
Interest and investment earnings	356,372	321,824	672,730	468,003	-	-	-	352,781	(234,775)	287,566
Use of money and property	-	-	-	-	247,347	1,166,919	950,715	22,223	-	1,073,603
Other revenue	-	-	-	-	-	11,513	-	444,963	(633,357)	577,591
Transfers	(1,816,592)	-	473,539	639,819	363,796	410,782	510,543	836,681	(851,075)	1,956,803
Total business-type activities	(1,460,220)	321,824	1,146,269	1,107,822	628,092	1,606,335	1,478,073	836,681	(851,075)	1,956,803
Total primary government	\$ 11,948,377	\$ 13,872,982	\$ 14,437,795	\$ 15,900,376	\$ 18,355,426	\$ 20,768,191	\$ 21,884,978	\$ 23,363,429	\$ 21,884,883	\$ 23,388,871
Extraordinary items										
Government activities	-	-	-	-	-	-	-	-	-	-
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total Extraordinary Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special items										
Government activities	-	-	-	-	-	6,000,000	-	-	-	-
Business-type activities	-	-	-	(4,984,310)	-	-	-	-	-	-
Total Special Items	\$ -	\$ -	\$ -	\$ (4,984,310)	\$ -	\$ 6,000,000	\$ -	\$ -	\$ -	\$ -
Accounting Change - Accumulative Effect										
Government activities	-	-	-	-	-	-	-	-	-	-
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total Accounting Change - Accumulative Effect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Change in Net Position										
Government activities	\$ (520,397)	\$ 31,813	\$ 605,041	\$ 9,301,742	\$ 1,461,140	\$ 6,564,670	\$ 2,032,720	\$ 9,805,966	\$ 9,990,109	\$ 2,384,215
Business-type activities	1,368,191	(3,685,119)	2,537,383	(5,760,114)	3,045,821	11,726,565	18,687,366	(2,372,950)	(8,097,886)	237,882
Total primary government	\$ 847,794	\$ (3,653,306)	\$ 3,142,424	\$ 3,541,628	\$ 4,506,961	\$ 18,291,235	\$ 20,720,086	\$ 7,433,016	\$ 1,892,223	\$ 2,622,097

Source - Audited Financial Statements - Statement of Activities

City of Ukiah, California
Fund Balances, Governmental Funds
Last Ten Fiscal Years
Fiscal Year Ended June 30, 2023
(Modified accrual basis of accounting)

For Fiscal Year Ended June 30	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ 619,044	\$ 645,728	\$ 911,343	\$ 951,167	\$ 1,793,247	\$ 5,514,226	\$ 6,673,912	\$ 4,224,563	\$ 4,305,711	\$ 4,442,788
Restricted	-	-	-	-	4,000,000	-	-	-	-	-
Committed	203,105	-	-	-	-	-	194,655.0	-	-	-
Assigned	-	-	185,443.0	4,371,069	-	-	-	186,134	266,158	-
Unassigned	4,233,953	4,878,803	4,116,215	-	(1,623,326)	3,321,778	2,434,740	6,818,832	\$ 8,668,084	\$ 7,646,712
Total general fund	\$ 5,056,102	\$ 5,524,531	\$ 5,213,001	\$ 5,322,236	\$ 4,169,921	\$ 8,836,004	\$ 9,303,307	\$ 11,229,529	\$ 13,239,953	\$ 12,089,500
All other governmental funds										
Nonspendable	-	-	-	-	137,576	-	137,576	137,576	137,576	137,576
Restricted	4,805,526	12,931,066	12,276,877	11,698,264	126,110,721	11,765,026	10,747,218	15,347,160	17,727,982	25,645,933
Committed	3,569,505	-	-	-	12,610,721	685,933	305,466	415,634	803,531	461,610
Assigned	2,514,649	4,395,621	3,358,684	2,952,598	1,516,753	1,430,426	1,326,655	4,806,366	20,784,801	5,872,949
Unassigned	(736,226)	(232,412)	(442,572)	(1,044,381)	(1,919,041)	(2,801,435)	(1,955,567)	(1,282,564)	(768,655)	(1,104,383)
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Total other governmental funds	10,153,454	17,094,275	15,192,989	13,606,481	138,456,730	11,079,950	10,561,348	19,424,172	38,685,235	31,013,685

Source: Audited Financial Statements - Balance Sheet-Governmental funds

City of Ukiah, California
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
Fiscal Year Ended June 30, 2023
(Modified accrual basis of accounting)

Function	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUES										
Property tax	\$ 1,251,189	\$ 3,729,370	\$ 3,531,272	\$ 1,470,323	\$ 2,890,291	\$ 2,984,192	\$ 3,139,960	\$ 3,408,846	\$ 3,520,010	\$ 3,674,829
Sales tax	7,104,666	5,976,938	6,824,737	9,805,225	10,745,095	11,974,379	13,313,206	15,535,021	14,553,285	13,719,396
Franchise fees	-	-	-	-	1,653,146	1,781,141	1,742,671	1,815,271	1,846,595	2,197,540
Transient occupancy	925,191	1,061,823	1,229,814	1,302,336	1,406,417	1,496,473	1,365,477	1,362,134	1,485,385	1,443,140
Business license tax	-	-	-	-	380,797	303,604	411,997	509,803	533,653	509,805
Other taxes	950,386	2,047,734	1,917,323	391,473	249	462	888	1,136	888	781
Charges for service	1,013,534	1,032,957	755,074	1,487,426	1,780,430	2,036,077	1,340,123	2,505,138	3,854,428	5,176,251
Licenses and permits	292,688	186,012	341,642	1,792,595	299,101	211,113	259,533	276,752	262,422	431,455
Grants contributions and donations	-	-	-	-	274,995	938,308	3,164,054	1,693,511	-	415,281
Intergovernmental	3,270,042	3,048,401	2,911,624	1,945,803	2,524,311	1,153,488	2,686,013	6,036,254	6,957,672	7,960,918
Fines penalties and forfeitures	256,776	58,692	78,589	73,835	73,639	33,588	29,716	25,933	28,863	36,231
Facility rental	-	-	-	-	589,952	607,020	-	-	-	-
Interest, rent, and concessions	340,887	497,681	336,173	415,979	99,543	243,994	-	27,844	445	1
Use of money and property	-	-	-	-	36,656	-	1,072,805	922,810	465,950	828,126
Miscellaneous	493,158	232,651	411,052	187,999	654,186	436,361	388,629	158,956	272,253	140,736
Total revenues	\$ 15,898,517	\$ 17,872,259	\$ 18,337,300	\$ 18,872,994	\$ 23,408,808	\$ 24,200,200	\$ 28,915,072	\$ 34,279,409	\$ 33,781,849	\$ 36,534,490
EXPENDITURES										
Current:										
General government	2,773,585	852,079	542,434	549,540	270,429	168,024	284,410	28,429,045	123,137	76,120
Public safety	9,297,118	10,229,049	11,096,768	11,592,123	11,703,851	12,111,558	12,569,718	13,486,427	14,680,628	16,422,345
Housing and community development	785,349	327,921	870,450	1,261,361	1,039,784	2,107,427	1,385,401	1,460,134	2,058,024	1,754,618
Public works	1,612,266	2,337,389	2,173,214	1,192,369	1,679,304	1,646,459	1,706,516	1,732,451	3,124,536	3,123,241
Parks, buildings, and grounds	-	-	-	-	-	26	856	1,190,266	1,979,678	1,907,747
Recreation and culture	2,304,893	2,692,906	2,616,856	2,873,224	3,183,278	3,439,596	3,449,222	2,517,373	3,726,375	5,350,749
Economic development and redevelopment	-	-	-	-	273,570	299,397	403,808	290,261	84,273	339,766
Debt service:										
Interest	-	-	-	-	-	142,679	139,753	139,070	1,660,748	1,579,870
Issuance expense	-	-	-	-	4,019	-	-	554,846	137,651	-
Principal	-	-	-	-	40,000	80,070	82,712	85,442	546,618	1,903,171
Capital lease principal	-	-	-	16,243	49,967	101,727	104,282	127,291	130,470	133,727
Capital lease interest	-	-	-	-	14,055	26,232	23,678	26,949	23,234	19,977
Capital outlay	1,159,928	1,739,147	2,612,218	2,147,966	12,217,670	6,373,804	8,560,345	5,776,201	3,545,309	11,801,541
Total expenditures	17,933,139	18,178,491	19,911,940	19,632,826	30,475,927	26,496,999	28,710,701	55,815,756	31,820,681	44,412,872
Excess (deficiency) of revenues over expenditures	(2,034,622)	(306,232)	(1,574,640)	(759,832)	(7,067,119)	(2,296,799)	204,371	(21,536,347)	1,961,168	(7,878,382)
OTHER FINANCING SOURCES (USES)										
Bond issue and Debt proceeds	-	-	-	-	5,125,731	-	284,685	32,770,354	17,027,366	-
Discount on bonds issued	-	-	-	-	-	-	-	-	-	-
Transfers in	2,076,641	1,349,208	940,063	1,010,534	1,613,884	7,813,522	5,079,682	4,269,762	10,221,951	4,441,076
Transfers out	(243,049)	(1,378,578)	(1,413,602)	(1,727,975)	(1,963,679)	(8,238,303)	(5,620,041)	(4,714,724)	(7,939,001)	(5,384,697)
Total other financing sources (uses)	1,833,592	(29,370)	(473,539)	(717,441)	4,775,936	(424,781)	(255,674)	32,325,392	19,310,316	(943,621)
SPECIAL ITEM										
Reinstatement of Successor Agency loan	-	-	-	-	-	6,000,000	-	-	-	-
Extraordinary items & Prior Period Adj.	-	7,744,852	-	-	-	-	-	-	-	-
Total special items	-	7,744,852	-	-	-	6,000,000	-	-	-	-
Net change in fund balances	(201,030)	7,409,250	(2,048,179)	(1,477,273)	(2,291,183)	3,278,420	(51,303)	10,789,045	21,271,484	(8,822,003)
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.09%	0.60%	1.67%	1.61%	1.90%	9.69%	12.55%

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

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

Revenue Capacity

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

Fiscal Year	Type of Tax					Total
	Property	Sales & Use	Occupancy	Franchise	Other	
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
2018	2,838,902	10,853,469	1,406,417	1,653,146	434,464 ^{5.}	17,186,398
2019	2,984,192	11,974,379	1,496,473	1,781,141	304,066	18,540,251
2020	3,156,775	13,313,206	1,365,477	1,742,671	412,885	19,991,014
2021	3,425,560	15,535,021	1,367,852	1,815,271	561,663	22,705,367
2022	3,537,067	14,553,285	1,487,139	1,846,594	534,541	21,958,626
2023	3,692,872	13,719,396	1,446,678	2,197,540	510,586	21,567,072
Change 2022-2023	4.4%	-5.7%	-2.7%	19.0%	-4.5%	-1.8%

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

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

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

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

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Residential, single phase										
Per meter per month, per KWH	\$ 0.12040	\$ 0.12040	\$ 0.12040	\$ 0.12040	\$ 0.12790	\$ 0.13180	\$ 0.13580	\$ 0.13580	\$ 0.14797	\$ 0.16009
Minimum monthly billing	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Power Cost Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.01457
General service:										
Base charge:										
Single phase	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.92	\$ 9.19	\$ 9.47	\$ 9.76	\$ 9.76	\$ 15.50	\$ 17.21
Polyphase	\$ 9.80	\$ 9.80	\$ 9.80	\$ 9.99	\$ 10.29	\$ 10.60	\$ 10.92	\$ 10.92	\$ 16.50	\$ 18.32
X-ray machine	\$ 21.00	\$ 21.00	\$ 21.00	\$ 22.28	\$ 22.95	\$ 23.64	\$ 24.35	\$ 24.35	N/A	N/A
Minimum charge:										
second meter	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.92	\$ 9.19	\$ 9.47	\$ 9.76	\$ 9.76	15.50000	17.21000
Energy use charge, per meter, per month, per KWH										
Summer	\$ 0.16568	\$ 0.16568	\$ 0.16568	\$ 0.17578	\$ 0.18106	\$ 0.18650	\$ 0.19210	\$ 0.19210	\$ 0.20010	\$ 0.21911
Winter	\$ 0.12294	\$ 0.12294	\$ 0.12294	\$ 0.13043	\$ 0.13435	\$ 0.13839	\$ 0.14255	\$ 0.14255	\$ 0.16090	\$ 0.17619
Power Cost Surcharge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.01457
General Service with Demand:										
Base rate, per meter, per month	\$ 70.60	\$ 70.60	\$ 70.60	\$ 74.91	\$ 77.16	\$ 79.48	\$ 81.87	\$ 81.87	\$ 114.62	\$ 137.54
Demand charge per KWH										
Summer	\$ 0.10966	\$ 0.10966	\$ 0.10966	\$ 0.11634	\$ 0.11984	\$ 0.12344	\$ 0.12715	\$ 0.12715	\$ 0.13834	\$ 0.15037
Winter	\$ 0.08829	\$ 0.08829	\$ 0.08829	\$ 0.09367	\$ 0.09367	\$ 0.09939	\$ 0.10238	\$ 0.10238	\$ 0.11139	\$ 0.12108
General large Industrial Service:										
Base charge, per meter, per month	\$ 70.60	\$ 70.60	\$ 70.60	\$ 74.91	\$ 77.16	\$ 79.48	\$ 81.87	\$ 81.87	\$ 143.27	\$ 179.09
Demand charge per kwh of maximum demand:										
Winter	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.31	\$ 4.44	\$ 4.58	\$ 4.72	\$ 4.72	\$ 5.29	\$ 5.92
Summer	\$ 6.45	\$ 6.45	\$ 6.45	\$ 6.85	\$ 7.06	\$ 7.28	\$ 7.50	\$ 7.50	\$ 8.10	\$ 8.83

Source: Utility Billing Department Rate Schedules

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

Wastewater System Rates- City	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Residential										
Fixed Minimum Charge- Per Dwelling Unit	\$ 60.39	\$ 62.44	\$ 62.44	\$ 62.44	\$ 62.44	\$ 62.44	\$ 62.44	\$ 49.35	\$ 50.34	\$ 51.35
Consumption Rate (\$/hcf (1))	\$ 2.37	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 3.57	\$ 3.64	\$ 3.71
Commercial										
Commercial Low Strength (\$/hcf)	\$ 9.47	\$ 9.79	\$ 9.79	\$ 9.79	\$ 9.79	\$ 9.79	\$ 9.79	\$ 3.57	\$ 3.64	\$ 3.71
Commercial Moderate Strength (\$/hcf)	\$ 10.12	\$ 10.47	\$ 10.47	\$ 10.47	\$ 10.47	\$ 10.47	\$ 10.47	\$ 3.89	\$ 3.97	\$ 4.05
Commercial Medium Strength (\$/hcf)	\$ 17.91	\$ 18.52	\$ 18.52	\$ 18.52	\$ 18.52	\$ 18.52	\$ 18.52	\$ 7.77	\$ 7.92	\$ 8.08
Commercial High Strength (\$/hcf)	\$ 23.07	\$ 23.85	\$ 23.85	\$ 23.85	\$ 23.85	\$ 23.85	\$ 23.85	\$ 10.32	\$ 10.53	\$ 10.74

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

Wastewater System Rates- District

Residential										
Fixed Minimum Charge- Per Dwelling Unit	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	\$ 53.47	N/A	N/A	N/A
Consumption Rate (\$/hcf (1))	\$ 5.50	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60	N/A	N/A	N/A
Commercial										
Commercial Low Strength (\$/hcf)	\$ 9.06	\$ 9.69	\$ 9.69	\$ 9.69	\$ 9.69	\$ 9.69	\$ 9.69	N/A	N/A	N/A
Commercial Moderate Strength (\$/hcf)	\$ 9.68	\$ 10.36	\$ 10.36	\$ 10.36	\$ 10.36	\$ 10.36	\$ 10.36	N/A	N/A	N/A
Commercial Medium Strength (\$/hcf)	\$ 17.12	\$ 18.32	\$ 18.32	\$ 18.32	\$ 18.32	\$ 18.32	\$ 18.32	N/A	N/A	N/A
Commercial High Strength (\$/hcf)	\$ 22.05	\$ 23.60	\$ 23.60	\$ 23.60	\$ 23.60	\$ 23.60	\$ 23.60	N/A	N/A	N/A

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

Source: Utility Billing Department Rate Schedules

City of Ukiah, California
Water Utility Rates
Last Ten Years

Water System Rates	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Consumption Rate (\$/unit (1))										
Single Family Residential	\$ 2.65	\$ 2.73	\$ 2.86	\$ 2.95	\$ 3.04	\$ 3.13	\$ 3.22	\$ 3.26	\$ 3.48	\$ 3.72
All Other Customers	\$ 2.65	\$ 2.73	\$ 2.86	\$ 2.95	\$ 3.04	\$ 3.13	\$ 3.22	\$ 3.26	\$ 3.48	\$ 3.72
Minimum base charge by Meter Size/ Class:										
3/4" Meter	\$ 31.31	\$ 32.25	\$ 33.63	\$ 34.64	\$ 35.68	\$ 36.75	\$ 37.85	\$ 39.88	\$ 42.67	\$ 45.66
1" Meter	\$ 53.21	\$ 54.81	\$ 54.00	\$ 55.62	\$ 57.29	\$ 59.01	\$ 60.78	\$ 63.87	\$ 68.34	\$ 73.12
1 1/2" Meter	\$ 103.30	\$ 106.40	\$ 104.47	\$ 107.60	\$ 110.83	\$ 114.15	\$ 117.57	\$ 123.31	\$ 131.94	\$ 141.18
2" Meter	\$ 165.90	\$ 170.88	\$ 165.27	\$ 170.23	\$ 175.34	\$ 180.60	\$ 186.02	\$ 194.92	\$ 208.56	\$ 223.16
3" Meter	\$ 313.02	\$ 322.41	\$ 307.24	\$ 316.46	\$ 325.95	\$ 335.73	\$ 345.80	\$ 362.14	\$ 387.49	\$ 414.61
4" Meter	\$ 522.76	\$ 538.45	\$ 510.02	\$ 525.32	\$ 541.08	\$ 557.31	\$ 574.03	\$ 600.97	\$ 643.04	\$ 688.05
6" Meter	\$ 1,042.38	\$ 1,073.66	\$ 1,073.66	\$ 1,047.00	\$ 1,078.41	\$ 1,110.76	\$ 1,144.08	\$ 1,197.51	\$ 1,281.34	\$ 1,371.03
Fire Service 2" & under	\$ 33.18	\$ 34.18	\$ 36.07	\$ 37.15	\$ 38.26	\$ 39.41	\$ 40.59	\$ 40.59	\$ 40.59	\$ 40.59
Fire Service 3"	\$ 62.60	\$ 64.48	\$ 64.84	\$ 66.79	\$ 68.79	\$ 70.85	\$ 72.98	\$ 72.98	\$ 72.98	\$ 72.98
Fire Service 4"	\$ 104.55	\$ 107.69	\$ 105.93	\$ 109.11	\$ 112.38	\$ 115.75	\$ 119.22	\$ 119.22	\$ 119.22	\$ 119.22
Fire Service 6"	\$ 208.47	\$ 214.72	\$ 208.56	\$ 214.82	\$ 221.26	\$ 227.90	\$ 234.74	\$ 234.74	\$ 234.74	\$ 234.74
Fire Service 8"	\$ 214.72	\$ 214.72	\$ 331.77	\$ 341.72	\$ 351.97	\$ 362.53	\$ 373.41	\$ 373.41	\$ 373.41	\$ 373.41

(1) 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, 2023

	2023	
<u>Rate Payers</u>	<u>Electric Charges</u>	
City of Ukiah	\$ 980,487	4.71%
Costco	629,393	3.02%
County of Medocino	1,065,404	5.12%
Maverick Enterprises	320,978	1.54%
Safeway Stores	362,537	1.74%
Save Mart Supermarkets (Lucky's)	313,714	1.51%
Save Mart Supermarkets (Food Maxx)	283,734	1.36%
Ukiah Unified School District	1,249,089	6.00%
Ukiah Valley Medical Center	454,717	2.18%
Wal-Mart	184,600	0.89%
	<u>\$ 5,844,653</u>	<u>28%</u>

Source: Utility Billing Module

Debt Capacity

City of Ukiah, California

Ratio of Outstanding Debt by Type

Per Capita and Per Capita Income Data

Last Ten Fiscal Years

Fiscal Year	Estimated Population	Countywide Per Capita Income	Estimated Ukiah Personal Income	Governmental Type Activities			Business Type Activities						Total Primary Government	Debt Per Capita	Percentage of Personal Income
				Redevelopment Bonds	Capital Leases	Lease Revenue Bonds	Electric Revenue Bonds	Installment Agreements	State Loans	Direct Borrowing Loans	Lease Revenue Bonds	Landfill Obligations			
2014	16,185	38,307	\$619,998,795	\$10,935,000	\$ -	\$ -	\$ 6,981,109	\$79,030,689	\$ 2,070,256	\$ -	\$ -	\$ 9,062,877	\$ 108,079,931	\$ 6,678	17.43%
2015	16,073	39,545	\$635,606,785	\$ 9,970,000	\$ -	\$ -	\$ 5,399,581	\$76,824,340	\$ 1,530,670	\$ -	\$ -	\$14,700,370	\$ 108,424,961	\$ 6,746	17.06%
2016	16,186	43,845	\$709,675,170	\$ 8,950,000	\$ -	\$ -	\$ 3,718,054	\$75,603,577	\$ -	\$ -	\$ -	\$14,700,370	\$ 102,972,001	\$ 6,362	14.51%
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%
2018	16,226	47,611	\$772,536,086	\$ 7,350,000	\$ 5,301,504	\$ -	\$ -	\$70,443,734	\$ -	\$ 190,121	\$ -	\$14,700,370	\$ 97,985,729	\$ 6,039	12.68%
2019	16,296	50,150	\$817,244,400	\$ 6,800,000	\$ 5,065,067	\$ -	\$ -	\$67,738,581	\$ -	\$15,384,763	\$ -	\$16,236,314	\$ 111,224,725	\$ 6,825	13.61%
2020	16,061	52,976	\$850,847,536	\$ 5,495,771	\$ 5,051,040	\$ -	\$ -	\$35,553,428	\$ -	\$16,948,410	\$ -	\$19,063,628	\$ 82,112,277	\$ 5,113	9.65%
2021	15,526	54,795	\$850,747,170	\$ 4,864,728	\$ 5,109,125	\$ 32,582,164	\$ -	\$33,598,275	\$ -	\$18,398,373	\$19,672,836	\$19,297,593	\$ 133,523,094	\$ 8,600	15.69%
2022	16,080	56,047	\$901,235,760	\$ 4,141,703	\$ 4,800,950	\$ 67,587,506	\$10,238,809	\$31,572,122	\$ -	\$17,862,165	\$27,121,836	\$19,890,002	\$ 183,215,093	\$ 11,394	20.33%
2023	15,929	57,310	\$912,890,990	\$ 3,535,882	\$ 4,544,125	\$ 64,886,706	\$10,183,609	\$29,590,899	\$ -	\$17,321,721	\$26,615,713	\$21,145,540	\$ 177,824,195	\$ 11,164	19.48%

Source: Estimated Population-from the State of California Department of Finance.

Countywide Per Capita Income - Bureau of Economic Analysis CA1 Personal Income Summary: Personal Income, Population, Per Capita Personal Income

Redevelopment Bonds, Capital Leases, Electric Revenue Bonds, Installment Agreements, State Loans, Direct Borrowing Loans & Landfill Obligations - Notes to Financial Statements-Long Term Debt

Notes: Information on Outstanding Debt updated from prior presentations to include Capital Leases and Direct Borrowing Loans
Total Primary Government Debt reflects Redevelopment Bonds, Capital Leases and Landfill Obligations

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

Fiscal Year	Estimated Population	Countywide Per Capita Income	Actual Taxable Value of Property	General Debt Outstanding					Percentage of Actual Taxable Value of Property
				Redevelopment Bonds	Capital Leases	Lease Revenue Bonds	Total Primary Government	Debt Per Capita	
2014	16,185	\$ 38,307	\$ 1,195,466,105	\$ 10,935,000	\$ -	\$ -	\$ 10,935,000	\$ 676	0.91%
2015	16,073	\$ 39,545	\$ 1,224,746,468	\$ 9,970,000	\$ -	\$ -	\$ 9,970,000	\$ 620	0.81%
2016	16,186	\$ 43,845	\$ 1,267,903,229	\$ 8,950,000	\$ -	\$ -	\$ 8,950,000	\$ 553	0.71%
2017	16,314	\$ 45,436	\$ 1,304,711,495	\$ 7,865,000	\$ -	\$ -	\$ 7,865,000	\$ 482	0.60%
2018	16,226	\$ 47,611	\$ 1,364,333,801	\$ 7,350,000	\$ 5,301,504	\$ -	\$ 12,651,504	\$ 780	0.93%
2019	16,296	\$ 50,150	\$ 1,424,497,607	\$ 6,800,000	\$ 5,065,067	\$ -	\$ 11,865,067	\$ 728	0.83%
2020	16,061	\$ 52,976	\$ 1,491,766,585	\$ 5,495,771	\$ 5,051,040	\$ -	\$ 10,546,811	\$ 657	0.71%
2021	15,526	\$ 54,795	\$ 1,611,033,296	\$ 4,864,728	\$ 5,109,125	\$ 32,582,164	\$ 42,556,017	\$ 2,741	2.64%
2022	16,080	\$ 56,047	\$ 1,651,248,895	\$ 4,141,703	\$ 4,800,950	\$ 67,587,506	\$ 76,530,159	\$ 4,759	4.63%
2023	15,929	\$ 57,310	\$ 1,725,974,511	\$ 3,535,882	\$ 4,544,125	\$ 64,886,706	\$ 72,966,713	\$ 4,581	4.23%

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

City of Ukiah, California
Computation of Direct and Overlapping Debt
June 30, 2023

Jurisdiction	Debt Outstanding	Estimated Percentage Applicable to City (1)	Estimated Share of Direct and Overlapping Debt
2022-23 Assessed Valuation (City of Ukiah):			\$ 1,725,974,511
2022-23 Assessed Valuation (Successor Agency to the Ukiah RDA):			1,059,538,923
2022-23 Incremental Assessed Valuation (Successor Agency to the Ukiah RDA):			803,331,926
OVERLAPPING TAX AND ASSESSMENT DEBT:		% Applicable⁽¹⁾	Debt 6/30/2023
City of Ukiah		100.00%	\$ -
Ukiah Unified School District		34.25%	27,735,569.11
Mendocino-Lake Community College District		13.35%	11,004,386.46
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 38,739,955.57
OVERLAPPING GENERAL FUND DEBT:			
City of Ukiah - Capital Lease Obligations		100.00%	\$ 4,544,125.00
City of Ukiah - Lease Revenue Bonds, Series 2020A		100.00%	2,516,016.00
City of Ukiah - Taxable Lease Revenue Bonds, Series 2020B		100.00%	31,175,043.00
City of Ukiah - Lease Revenue Bonds, Series 2022		100.00%	31,195,647.00
Mendocino County General Fund Obligations		12.79%	2,668,129.37
Mendocino County Pension Obligation Bonds		12.79%	3,564,329.14
TOTAL OVERLAPPING GENERAL FUND DEBT			\$ 75,663,289.50
OVERLAPPING TAX INCREMENT DEBT(SUCCESSOR AGENCY)		100.00%	\$ 3,535,882.00
Total Direct Debt			\$ 69,430,831.00
Total Overlapping Debt			48,508,296.07
Total Combined Debt			\$ 117,939,127.07
Ratios to 2022-23 Assessed Valuation:			
Total Direct Debt	4.02%		
Total Overlapping Tax and Assessment Debt	2.24%		
Total Overlapping Debt	2.81%		
Total Combined Debt	6.83%		
Ratios to 2022-23 Redevelopment Successor Agency Incremental Assessed Valuation:			
Total Overlapping Tax Increment Debt	0.44%		

⁽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 assessed value.

⁽²⁾ Excludes tax and revenue anticipation notes, enterprise revenue and mortgage revenue obligations.

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

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

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
2014	\$1,195,466,105	15.00%	179,319,916	-	0.00%
2015	\$1,224,746,468	15.00%	183,711,970	-	0.00%
2016	\$1,267,903,229	15.00%	190,185,484	-	0.00%
2017	\$1,304,711,495	15.00%	195,706,724	-	0.00%
2018	\$1,364,333,801	15.00%	204,650,070	-	0.00%
2019	\$1,424,497,607	15.00%	213,674,641	-	0.00%
2020	\$1,491,766,585	15.00%	223,764,988	-	0.00%
2021	\$1,611,033,296	15.00%	241,654,994	-	0.00%
2022	\$1,651,248,895	15.00%	247,687,334	-	0.00%
2023	\$1,725,974,511	15.00%	258,896,177	-	0.00%

Legal Debt Limit Margin Calculation for 2022-2023

Assessed value	<u>\$ 1,725,974,511</u>
Debt limit is 15% of assessed value	\$ 258,896,177
Less: Debt applicable to limitation	\$ -
Total bonded debt	<u>\$ -</u>
Legal debt margin	<u>\$ 258,896,177</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

This table is no longer presented.

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
2013	16,065	\$ 36,791	\$ 591,047,415	\$ 1,171,599,083	11.30%
2014	16,185	\$ 38,307	\$ 619,998,795	\$ 1,195,466,105	9.60%
2015	16,073	\$ 39,545	\$ 635,606,785	\$ 1,224,746,468	8.00%
2016	16,186	\$ 43,845	\$ 709,675,170	\$ 1,267,903,229	6.90%
2017	16,314	\$ 45,436	\$ 741,242,904	\$ 1,304,711,495	6.30%
2018	16,226	\$ 47,611	\$ 772,536,086	\$ 1,364,333,801	5.30%
2019	16,296	\$ 50,150	\$ 817,244,400	\$ 1,424,497,607	5.20%
2020	16,061	\$ 52,976	\$ 850,847,536	\$ 1,491,766,585	8.00%
2021	15,526	\$ 54,795	\$ 850,747,170	\$ 1,542,790,339	10.20%
2022	16,080	\$ 56,047	\$ 901,235,760	\$ 1,580,161,957	5.50%
2023	15,929	\$ 57,310	\$ 912,890,990	\$ 1,644,094,523	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 Cities and Census Designated Places

City of Ukiah, California
Principal Employers

2023 Employers	Industry	Employee Size Class
Adventist Health Ukiah Valley	Hospitals	500-999
Adventist Health Ukiah Valley	Outpatient Services	500-999
City of Ukiah	City Services	100-249
County of Mendocino	Government Offices-County	1,000-1,250
Dharma Realm Buddhist Assn	Associations	100-249
Mendocino College	Book Dealers-Retail	250-499
Mendocino Community Health	Clinics	250-499
Mendocino County Office of Education	Boards of Education	100-249
Pacific Coast Farm Credit	Loans-Agricultural	100-249
Sawmill	Sawmills & Planing Mills-General (mfrs)	100-249
Ukiah High School	Schools	100-249
Ukiah Unified School District	School Districts	250-499
Walmart	Department Stores	100-249

Source: <https://labormarketinfo.edd.ca.gov/majorer/countymajorer.asp?CountyCode=000045>

Operating Information

City of Ukiah, California

Full-time and Part-time City Employees by Function

Last Ten Calendar Years

Full-Time Equivalent Personnel as of June 30

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government ⁽¹⁾	23.1	24.0	21.5	27.5	32.9	36.5	37.6	40.2	42.9	46.0
Police ⁽²⁾	43.0	48.0	49.0	49.0	52.7	53.0	46.8	49.8	50.8	50.0
Fire	11.0	11.0	11.0	11.0	13.2	20.5	19.8	29.8	28.8	28.8
Planning & Building	5.5	6.0	6.0	6.0	5.4	5.8	5.2	7.7	9.8	10.6
Public Works, Water, Sewer & Wastewater Treatment	38.3	39.0	41.5	42.5	44.2	43.5	41.3	43.1	47.4	47.7
Electric	16.2	17.0	17.0	18.0	21.6	21.3	18.8	22.0	20.7	19.6
Airport	2.0	2.0	2.0	2.0	4.2	4.2	4.3	4.2	4.3	4.3
Parks & Recreation	17.9	17.0	20.0	19.0	33.5	35.5	31.4	34.3	59.9	94.5
Total: ⁽³⁾	157.0	164.0	168.0	175.0	207.6	220.3	205.1	231.1	264.6	301.4

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

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

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

Source: City of Ukiah Budget-Authorized Full-Time Personnel (FTE) FY23/24

**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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 28, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first 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 may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on 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*.

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 & Fankhaenel, LLP

December 28, 2023



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, 2023. These procedures, which were agreed to by the City of Ukiah and the League of California Cities (as presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII B of the California Constitution*), were performed solely to assist the City in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The City's management is responsible for the Appropriations Limit worksheet. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings were as follows:

1. We obtained the completed worksheets and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned documents to those that were selected by a recorded vote of the City Council.

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

2. For the accompanying Appropriations Limit worksheet, we added last year's limit to total adjustments and agreed the resulting amount to this year's limit.

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

3. We agreed the current year information presented in the accompanying Appropriations Limit worksheet to the other documents referenced in #1 above.

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

Van Lant & Fankhanel, LLP

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Murrieta, CA 92563
909.856.6879

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 & Fankhauser, LLP

December 28, 2023

CITY OF UKIAH
APPROPRIATIONS LIMIT COMPUTATION
2022 – 2023

	<u>2022 - 2023</u>
Change in Per Capita Personal Income	7.55%
Population Change	
County Population Growth	-0.78%
A. Change in Per Capita Personal Income Converted to a Ratio	1.0755
B. Population Growth Converted to a Ratio	0.9922
Calculation of Growth Factor (A x B)	1.0671111
2021 - 2022 Appropriations Limit	<u>\$ 48,044,238</u>
2022 - 2023 Appropriations Limit (48,044,238 x 1.0671111)	<u>\$ 51,268,540</u>

END OF DOCUMENT