UKIAH VALLEY FIRE DISTRICT BOARD OF DIRECTORS

JENIFER BAZZANI – PETER BUSHBY – BOBBY BANKS – MICHAEL GRAHAM – DAVID B. HAAS

AGENDA

(To participate in the virtual meeting see the link below)

Ukiah Conference Center ♦ 200 South School Street
Ukiah ♦ CA ♦ 95482

June 14, 2022
6:30 PM

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1. **CALL TO ORDER**

2. **ROLL CALL AND PLEDGE OF ALLEGIANCE**

3. **ANNOUNCEMENTS**

4. **PUBLIC COMMENT ON NON-AGENDA ITEMS**

If you wish to speak on a matter that is not on this agenda, you may do so at this time. Please limit your comments to 3 minutes per person and a total of 10 minutes per subject. The Brown Act regulations do not allow action to be taken on audience comments in which the subject is not listed on the agenda.

5. **APPROVAL OF MINUTES**

5.a. Approval of the Minutes of April 12, 2022, a Regular Meeting.

Recommended Action: Approve the Minutes of April 12, 2022, a Regular Meeting.

Attachments:

1. April 12, 2022, UVFD Meeting Minutes-Draft

6. **CONSENT CALENDAR- No Items on the Consent Calendar**

7. **NEW BUSINESS - DISCUSSION/ACTION**

7.a. Approve the Refinancing of the Lovers Lane Mortgage through the City of Ukiah's General Fund, and Approval of the Corresponding Resolution.

Recommended Action: Approve the refinancing of the Lovers Lane Mortage through the City of Ukiah's General Fund 100, and approve the Corresponding Resolution, Contingent upon the City of Ukiah Council's Approval.

Attachments:

1. Lovers Lane Resolution and Amo Schedule
2. 10-year Treasury Note Interest rate

7.b. Consideration and Possible Adoption of the Fiscal Year 2022-2023 Fire Authority Budget.

Recommended Action: Adopt the recommended Ukiah Valley Fire Authority Budget for Fiscal Year 2022-2023

Attachments:

1. FY 2022-23 Ukiah Valley Fire District Budget
2. FY 2022-23 Non-major Funds_ Fiduciary

7.c. Raise the monthly limit on UVFD Cal-Card Credit Card and revise Procurement Policy #1021.

Recommended Action: Approve the increase to the Cal-Card Credit Card Program and the Revisions to the Procurement Policy #1021.

Attachments:

1. UVFD Procurement Policy 1021-Draft

7.d. Discussion and Possible Action on Replacement of the West Fence at the North Fire Station

Recommended Action: Provide direction to staff regarding payment for one half of the west side fence at the North Fire Station.

Attachments: None

7.e. Report on Changes Within the Fire Authority's Fire Prevention Office.

Recommended Action: Receive the report, and give direction to staff as necessary.

Attachments: None

8. UNFINISHED BUSINESS - DISCUSSION/ACTION-No Unfinished Business

9. COMMUNICATIONS RECEIVED AND FILED - INFORMATION

9.a. County of Mendocino; Katrina Bartolomie; Assessor county Clerk-Recorder Registrar of Voters; 501 Low Gap Rd. RM 1020; Ukiah, CA 95482; May 6, 2022; Special District Board Election.

Recommended Action:

Attachments:

1. County of Mendocino Assessor-County Clerk-Recorder Elections info
2. Elections Memo to Mendocino County Assessor-County Clerk-Recorder

9.b. LAFCo; Uma Hinman, Executive Officer; Ukiah Valley Conference Center; 200 South School Street; Ukiah, CA 95482; April 29, 2022; Notice of Vacancies for Special District Members to LAFCo.

Recommended Action:

Attachments:

1. LAFCo; Notice of Vacancies for Special Districts

9.c. Van Lant & Fankhanel, LLP; 29970 Technology Drive, Suite 105 A; Murrieta, CA 92563; April 22, 2022; CPA Audit Report for the year ended June 30, 2021.

Recommended Action:

Attachments:

1. VanLandt&Hankhanel CPA Audit Report year ended June 30, 2021

10. DIRECTOR'S REPORT for FEC AND LAFCO

11. CHIEFS REPORTS AND VOLUNTEERS REPORT

12. CLOSED SESSION

- Closed Session may be held at any time during the meeting

13. ADJOURNMENT

To participate or view the virtual meeting use the link below.

https://zoom.us/j/97717635120

Or you can call in using your telephone:

1. Toll-Free: 1-833-548-0276 or 833-548-0282
2. To raise hand: enter *9; To Speak: after being recognized, enter *6 to unmute

Please be advised that the Ukiah Valley Fire District complies with ADA requirements and needs to be notified 72 hours in advance of a meeting if any specific accommodations or interpreter services are needed in order for you to attend. Materials related to an item on this Agenda submitted to the Ukiah Valley Fire District after distribution of the Agenda Packet, are available for public inspection at the front counter at the Ukiah Valley Fire District Office, 1500 South State Street, Ukiah, CA 95482, during normal business hours Monday through Friday, 8:00 am to 4:00 pm.

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted at the following location: Ukiah Valley Fire District Office - 1500 South State Street; Ukiah Conference Center; 200 South School Street; Ukiah, California; and online not less than 72 hours prior to the meeting set forth on this agenda. To view the meeting, click on the name of the meeting at: www.cityofukiah.com/meetings.

Stephanie Abba, Clerk of the Board
Dated: June 10, 2022

UKIAH VALLEY FIRE DISTRICT BOARD OF DIRECTORS

REGULAR MEETING MINUTES

Meeting held virtually at: **https://zoom.us/j/97717635120**

April 12, 2022

6:30 P.M.

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1. **CALL TO ORDER**

2. **ROLL CALL AND PLEDGE OF ALLEGIANCE**

The Ukiah Valley Fire District Board of Directors met on April 12, 2022, having been legally noticed on April 8, 2022. President Haas called the meeting to order at 6:32 P.M. with the following **Directors Present:** Jenifer Bazzani, Peter Bushby, Michael Graham, and David Haas; **Directors Absent:** Bobby Banks **Staff Present:** Douglas Hutchison, Fire Chief, Eric Singleton, Battalion Chief; and Stephanie Abba, Clerk of the Board.

The Pledge of Allegiance was recited.

3. **ANNOUNCEMENTS**

No announcements were given.

4. **PUBLIC COMMENT ON NON-AGENDA ITEMS**

No public comment was received.

5. **APPROVAL OF MINUTES**

a. Approval of Minutes of February 8, 2022, a Regular Meeting

Motion/Second: Bazzani/Bushby to approve the Minutes of February 8, 2022, a Regular Meeting as submitted. Motion **carried** by the following votes: AYES: Bazzani, Bushby, Graham, and Haas; NOES: None; ABSTAIN: None; ABSENT: Banks

b. Approval of Minutes of March 8, 2022, a Special Meeting

Motion/Second: Bazzani/Graham to approve the Minutes of March 8, 2022, a Special Meeting as submitted. Motion **carried** by the following votes: AYES: Bazzani, Bushby, Graham, and Haas; NOES: None; ABSTAIN: None; ABSENT: Banks

c. Approval of Minutes of December 14, 2022, a Regular Meeting

Motion/Second: Bushby/Graham to approve the Minutes of December 14, 2021, a Regular Meeting as submitted. Motion **carried** by the following votes: AYES: Bazzani, Bushby, Graham, and Haas; NOES: None; ABSTAIN: None; ABSENT: Banks

6. **CONSENT CALENDAR**

a. Adoption of a Resolution of the Ukiah Valley Fire District Board Reconsidering the Circumstances of the State of Emergency and Implementing Teleconferencing Requirements for the Ukiah Valley Fire District Board Meetings During a Proclaimed State of Emergency Due to the FCOVID19 Pandemic.

PUBLIC COMMENT: *No public comment was received.*

Motion/Second: Bazzani/Bushby to remove this item from the Consent Calendar. The Ukiah Valley Fire District Board of Directors will go back to In-Person, bi-monthly meetings beginning on June 14, 2022, with the agreement that the meetings will be Hybrid meetings. Motion **carried** by the following votes: AYES: Bazzani, Bushby, Graham, and Haas; NOES: None; ABSTAIN: None; ABSENT: Banks

7. NEW BUSINESS – DISCUSSION/ACTION

No New Business was agendized.

8. UNFINISHED BUSINESS – DISCUSSION/ACTION

No Unfinished Business was agendized.

9. COMMUNICATIONS RECEIVED AND FILED - INFORMATION

No Communications were received.

10. DIRECTOR'S REPORT for FEC AND LAFCO

Report received

11. CHIEF'S AND VOLUNTEERS REPORT - INFORMATION

Chief's Report Received
No Volunteer Report was given

12. CLOSED SESSION

No closed session was held.

13. ADJOURNMENT

There being no further business, the meeting was adjourned at 7:07 P.M.

____
David B. Haas, President

____
Stephanie Abba, Clerk of the Board

Agenda Item No: 7.a.

MEETING DATE/TIME: 6/14/2022

AGENDA SUMMARY REPORT

SUBJECT: Approve the Refinancing of the Lovers Lane Mortgage through the City of Ukiah's General Fund, and Approval of the Corresponding Resolution.

DEPARTMENT: Fire

PREPARED BY: Doug Hutchison, Fire Chief

PRESENTER: Doug Hutchison, Fire Chief

ATTACHMENTS:

1. Lovers Lane Resolution and Amo Schedule
2. 10-year Treasury Note Interest rate

Summary: The Board will consider approving the refinancing of the Lovers Lane Mortgage through the City of Ukiah's General Fund and Adopt the Corresponding Resolution, Contingent upon the City of Ukiah's Council's Approval.

Background: On March 13, 2013, the UVFD entered into a loan agreement with the Savings Bank of Mendocino County for the purchase of the Fire Station Property located at 141 Lovers Lane, Ukiah, for the amount of $350,000. The annual interest rate on the loan is 4.5% and the monthly payments are $1,945.41. On April 1, 2023, a final balloon payment will be due in the amount of $255,187.63.

Discussion: Staff is recommending the refinancing of the UVFD Lovers Lane mortgage through an internal loan through the City of Ukiah's General Fund 100.

The resolution (Attachment 1) outlines the terms of the loan, and also includes the amortization schedule. Under the proposed internal loan, the UVFD will be obligated to make monthly payments to the General Fund for a period of ten years in the amount of $2,466.70 per month, which includes an interest rate of 3.022% per annum, which is the current rate for the 10-year U.S. Treasury note (Attachment 2). The loan would begin on April 1, 2023, upon making the final payment to the Savings Bank of Mendocino County. Prepayment option: the loan could be pre-paid at any time.

Recommended Action: Approve the refinancing of the Lovers Lane Mortage through the City of Ukiah's General Fund 100, and approve the Corresponding Resolution, Contingent upon the City of Ukiah Council's Approval.

BUDGET AMENDMENT REQUIRED: No

CURRENT BUDGET AMOUNT: N/A

PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: N/A

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: Finance Department

Approved:

Doug Hutchison, Fire Chief

RESOLUTION 2022-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH APPROVING AN INTERNAL LOAN FOR THE UKIAH VALLEY FIRE DISTRICT TO REFINANCE THE LOVERS LANE MORTGAGE

WHEREAS:

1. On March 13, 2013, the Ukiah Valley Fire District entered into a loan agreement with the Savings Bank of Mendocino County for the purchase of the Fire Station Property located at 141 Lovers Lane, Ukiah, California in the amount of $350,000.

2. On April 1, 2023, a final balloon payment will be due in the amount of $255,187.63.

3. The City Council has determined that financing the balance due by an internal loan from the General Fund 100 is in the best interest of both the City of Ukiah ("City") and the Ukiah Valley Fire District ("District"); and

4. The City and the District have entered an Amended and Restated Agreement for Shared Management of Fire Departments, effective July 1, 2017, under which the City provides administrative and financial services to the District, including the receipt and accounting for District revenue and expenses; and

5. As part of providing these accounting and financial services the City has established District funds, including District Fund Nos. 915 and 918; and

6. Under the internal loan, the Ukiah Valley Fire District will make monthly payments, with seventy percent (70%) paid from Fund 915 Ukiah Valley Fire District fund, and thirty percent (30%) paid from Fund 918 Ukiah Valley Fire District Mitigation Fees, pursuant to the terms set forth in the Amortization Schedule, attached hereto as Exhibit A; provided the City Council appropriates funds each year to make the payments, and provided that the Ukiah Valley Fire District Board of Directors also appropriates funds each year and approves this arrangement;

NOW, THEREFORE, BE IT RESOLVED that:

1. The City Council of the City of Ukiah hereby approves the internal loan of $255,187.63 to the Ukiah Valley Fire District for the final mortgage payment of the Fire Station Property located at 141 Lovers Lane, Ukiah, California.
2. Upon District's Board of Directors approving this internal loan and the terms of this resolution and the final payment being issued to the Savings Bank of Mendocino County, the Ukiah Valley Fire District will be obligated and directed to compensate the City's General Fund No. 100 in one hundred and twenty (120) monthly principal and interest payments of two thousand four hundred and sixty-six dollars and seventy cents ($2,466.70) per month which includes an interest rate of three and twenty-two thousandths percent (3.022%) per annum. Payments shall be made in monthly transfers from the Ukiah Valley Fire District Funds 915 and 918 to the General Fund. Transfers shall be treated as expenditures Funds 915 and 918 in the Ukiah Valley Fire District's budget, and revenue to the General Fund in the City's budgets and financial statements.
3. The Ukiah Valley Fire District will also have the option to pay off the remainder of the loan at any time regardless of the terms of the Amortization Schedule.

PASSED AND ADOPTED this __ day of _______, 2022, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Jim O. Brown, Mayor

ATTEST:

____
Kristine Lawler, City Clerk

EXHIBIT A

Lovers Lane Internal Loan Amortization Schedule

Loan Values	
Loan amount	$255,187.63
Annual interest rate	3.022%
Loan period in years	10
Start date of loan	4/1/2023

Loan Summary	
Monthly payment	$2,466.70
Number of payments	120
Total interest	$40,816.74
Total cost of loan	$296,004.37

Pmt No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
1	5/1/2023	$255,187.63	$2,466.70	$1,824.06	$642.65	$253,363.57
2	6/1/2023	$253,363.57	$2,466.70	$1,828.65	$638.05	$251,534.93
3	7/1/2023	$251,534.93	$2,466.70	$1,833.25	$633.45	$249,701.67
4	8/1/2023	$249,701.67	$2,466.70	$1,837.87	$628.83	$247,863.80
5	9/1/2023	$247,863.80	$2,466.70	$1,842.50	$624.20	$246,021.30
6	10/1/2023	$246,021.30	$2,466.70	$1,847.14	$619.56	$244,174.16
7	11/1/2023	$244,174.16	$2,466.70	$1,851.79	$614.91	$242,322.37
8	12/1/2023	$242,322.37	$2,466.70	$1,856.45	$610.25	$240,465.92
9	1/1/2024	$240,465.92	$2,466.70	$1,861.13	$605.57	$238,604.79
10	2/1/2024	$238,604.79	$2,466.70	$1,865.82	$600.89	$236,738.97
11	3/1/2024	$236,738.97	$2,466.70	$1,870.52	$596.19	$234,868.45
12	4/1/2024	$234,868.45	$2,466.70	$1,875.23	$591.48	$232,993.23
13	5/1/2024	$232,993.23	$2,466.70	$1,879.95	$586.75	$231,113.28
14	6/1/2024	$231,113.28	$2,466.70	$1,884.68	$582.02	$229,228.60
15	7/1/2024	$229,228.60	$2,466.70	$1,889.43	$577.27	$227,339.17
16	8/1/2024	$227,339.17	$2,466.70	$1,894.19	$572.52	$225,444.98
17	9/1/2024	$225,444.98	$2,466.70	$1,898.96	$567.75	$223,546.02
18	10/1/2024	$223,546.02	$2,466.70	$1,903.74	$562.96	$221,642.28
19	11/1/2024	$221,642.28	$2,466.70	$1,908.53	$558.17	$219,733.75
20	12/1/2024	$219,733.75	$2,466.70	$1,913.34	$553.36	$217,820.41
21	1/1/2025	$217,820.41	$2,466.70	$1,918.16	$548.54	$215,902.25
22	2/1/2025	$215,902.25	$2,466.70	$1,922.99	$543.71	$213,979.26
23	3/1/2025	$213,979.26	$2,466.70	$1,927.83	$538.87	$212,051.43
24	4/1/2025	$212,051.43	$2,466.70	$1,932.69	$534.02	$210,118.74
25	5/1/2025	$210,118.74	$2,466.70	$1,937.55	$529.15	$208,181.19
26	6/1/2025	$208,181.19	$2,466.70	$1,942.43	$524.27	$206,238.75
27	7/1/2025	$206,238.75	$2,466.70	$1,947.33	$519.38	$204,291.43
28	8/1/2025	$204,291.43	$2,466.70	$1,952.23	$514.47	$202,339.20
29	9/1/2025	$202,339.20	$2,466.70	$1,957.15	$509.56	$200,382.05
30	10/1/2025	$200,382.05	$2,466.70	$1,962.07	$504.63	$198,419.98
31	11/1/2025	$198,419.98	$2,466.70	$1,967.02	$499.69	$196,452.96
32	12/1/2025	$196,452.96	$2,466.70	$1,971.97	$494.73	$194,481.00
33	1/1/2026	$194,481.00	$2,466.70	$1,976.94	$489.77	$192,504.06
34	2/1/2026	$192,504.06	$2,466.70	$1,981.91	$484.79	$190,522.15
35	3/1/2026	$190,522.15	$2,466.70	$1,986.90	$479.80	$188,535.24
36	4/1/2026	$188,535.24	$2,466.70	$1,991.91	$474.79	$186,543.33
37	5/1/2026	$186,543.33	$2,466.70	$1,996.92	$469.78	$184,546.41
38	6/1/2026	$184,546.41	$2,466.70	$2,001.95	$464.75	$182,544.45

Pmt No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
39	7/1/2026	$182,544.45	$2,466.70	$2,007.00	$459.71	$180,537.46
40	8/1/2026	$180,537.46	$2,466.70	$2,012.05	$454.65	$178,525.41
41	9/1/2026	$178,525.41	$2,466.70	$2,017.12	$449.59	$176,508.29
42	10/1/2026	$176,508.29	$2,466.70	$2,022.20	$444.51	$174,486.10
43	11/1/2026	$174,486.10	$2,466.70	$2,027.29	$439.41	$172,458.81
44	12/1/2026	$172,458.81	$2,466.70	$2,032.39	$434.31	$170,426.41
45	1/1/2027	$170,426.41	$2,466.70	$2,037.51	$429.19	$168,388.90
46	2/1/2027	$168,388.90	$2,466.70	$2,042.64	$424.06	$166,346.26
47	3/1/2027	$166,346.26	$2,466.70	$2,047.79	$418.92	$164,298.47
48	4/1/2027	$164,298.47	$2,466.70	$2,052.94	$413.76	$162,245.52
49	5/1/2027	$162,245.52	$2,466.70	$2,058.11	$408.59	$160,187.41
50	6/1/2027	$160,187.41	$2,466.70	$2,063.30	$403.41	$158,124.11
51	7/1/2027	$158,124.11	$2,466.70	$2,068.49	$398.21	$156,055.62
52	8/1/2027	$156,055.62	$2,466.70	$2,073.70	$393.00	$153,981.92
53	9/1/2027	$153,981.92	$2,466.70	$2,078.93	$387.78	$151,902.99
54	10/1/2027	$151,902.99	$2,466.70	$2,084.16	$382.54	$149,818.83
55	11/1/2027	$149,818.83	$2,466.70	$2,089.41	$377.29	$147,729.42
56	12/1/2027	$147,729.42	$2,466.70	$2,094.67	$372.03	$145,634.75
57	1/1/2028	$145,634.75	$2,466.70	$2,099.95	$366.76	$143,534.80
58	2/1/2028	$143,534.80	$2,466.70	$2,105.23	$361.47	$141,429.57
59	3/1/2028	$141,429.57	$2,466.70	$2,110.54	$356.17	$139,319.03
60	4/1/2028	$139,319.03	$2,466.70	$2,115.85	$350.85	$137,203.18
61	5/1/2028	$137,203.18	$2,466.70	$2,121.18	$345.52	$135,082.00
62	6/1/2028	$135,082.00	$2,466.70	$2,126.52	$340.18	$132,955.48
63	7/1/2028	$132,955.48	$2,466.70	$2,131.88	$334.83	$130,823.60
64	8/1/2028	$130,823.60	$2,466.70	$2,137.25	$329.46	$128,686.36
65	9/1/2028	$128,686.36	$2,466.70	$2,142.63	$324.08	$126,543.73
66	10/1/2028	$126,543.73	$2,466.70	$2,148.02	$318.68	$124,395.70
67	11/1/2028	$124,395.70	$2,466.70	$2,153.43	$313.27	$122,242.27
68	12/1/2028	$122,242.27	$2,466.70	$2,158.86	$307.85	$120,083.41
69	1/1/2029	$120,083.41	$2,466.70	$2,164.29	$302.41	$117,919.12
70	2/1/2029	$117,919.12	$2,466.70	$2,169.74	$296.96	$115,749.38
71	3/1/2029	$115,749.38	$2,466.70	$2,175.21	$291.50	$113,574.17
72	4/1/2029	$113,574.17	$2,466.70	$2,180.69	$286.02	$111,393.49
73	5/1/2029	$111,393.49	$2,466.70	$2,186.18	$280.53	$109,207.31
74	6/1/2029	$109,207.31	$2,466.70	$2,191.68	$275.02	$107,015.63
75	7/1/2029	$107,015.63	$2,466.70	$2,197.20	$269.50	$104,818.42
76	8/1/2029	$104,818.42	$2,466.70	$2,202.74	$263.97	$102,615.69
77	9/1/2029	$102,615.69	$2,466.70	$2,208.28	$258.42	$100,407.41
78	10/1/2029	$100,407.41	$2,466.70	$2,213.84	$252.86	$98,193.56
79	11/1/2029	$98,193.56	$2,466.70	$2,219.42	$247.28	$95,974.14
80	12/1/2029	$95,974.14	$2,466.70	$2,225.01	$241.69	$93,749.13
81	1/1/2030	$93,749.13	$2,466.70	$2,230.61	$236.09	$91,518.52
82	2/1/2030	$91,518.52	$2,466.70	$2,236.23	$230.47	$89,282.29
83	3/1/2030	$89,282.29	$2,466.70	$2,241.86	$224.84	$87,040.43
84	4/1/2030	$87,040.43	$2,466.70	$2,247.51	$219.20	$84,792.93
85	5/1/2030	$84,792.93	$2,466.70	$2,253.17	$213.54	$82,539.76

Pmt No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
86	6/1/2030	$82,539.76	$2,466.70	$2,258.84	$207.86	$80,280.92
87	7/1/2030	$80,280.92	$2,466.70	$2,264.53	$202.17	$78,016.39
88	8/1/2030	$78,016.39	$2,466.70	$2,270.23	$196.47	$75,746.16
89	9/1/2030	$75,746.16	$2,466.70	$2,275.95	$190.75	$73,470.21
90	10/1/2030	$73,470.21	$2,466.70	$2,281.68	$185.02	$71,188.53
91	11/1/2030	$71,188.53	$2,466.70	$2,287.43	$179.28	$68,901.10
92	12/1/2030	$68,901.10	$2,466.70	$2,293.19	$173.52	$66,607.92
93	1/1/2031	$66,607.92	$2,466.70	$2,298.96	$167.74	$64,308.95
94	2/1/2031	$64,308.95	$2,466.70	$2,304.75	$161.95	$62,004.20
95	3/1/2031	$62,004.20	$2,466.70	$2,310.56	$156.15	$59,693.65
96	4/1/2031	$59,693.65	$2,466.70	$2,316.37	$150.33	$57,377.27
97	5/1/2031	$57,377.27	$2,466.70	$2,322.21	$144.50	$55,055.06
98	6/1/2031	$55,055.06	$2,466.70	$2,328.06	$138.65	$52,727.01
99	7/1/2031	$52,727.01	$2,466.70	$2,333.92	$132.78	$50,393.09
100	8/1/2031	$50,393.09	$2,466.70	$2,339.80	$126.91	$48,053.29
101	9/1/2031	$48,053.29	$2,466.70	$2,345.69	$121.01	$45,707.60
102	10/1/2031	$45,707.60	$2,466.70	$2,351.60	$115.11	$43,356.01
103	11/1/2031	$43,356.01	$2,466.70	$2,357.52	$109.18	$40,998.49
104	12/1/2031	$40,998.49	$2,466.70	$2,363.46	$103.25	$38,635.03
105	1/1/2032	$38,635.03	$2,466.70	$2,369.41	$97.30	$36,265.63
106	2/1/2032	$36,265.63	$2,466.70	$2,375.37	$91.33	$33,890.25
107	3/1/2032	$33,890.25	$2,466.70	$2,381.36	$85.35	$31,508.90
108	4/1/2032	$31,508.90	$2,466.70	$2,387.35	$79.35	$29,121.54
109	5/1/2032	$29,121.54	$2,466.70	$2,393.37	$73.34	$26,728.18
110	6/1/2032	$26,728.18	$2,466.70	$2,399.39	$67.31	$24,328.79
111	7/1/2032	$24,328.79	$2,466.70	$2,405.44	$61.27	$21,923.35
112	8/1/2032	$21,923.35	$2,466.70	$2,411.49	$55.21	$19,511.86
113	9/1/2032	$19,511.86	$2,466.70	$2,417.57	$49.14	$17,094.29
114	10/1/2032	$17,094.29	$2,466.70	$2,423.65	$43.05	$14,670.64
115	11/1/2032	$14,670.64	$2,466.70	$2,429.76	$36.95	$12,240.88
116	12/1/2032	$12,240.88	$2,466.70	$2,435.88	$30.83	$9,805.00
117	1/1/2033	$9,805.00	$2,466.70	$2,442.01	$24.69	$7,362.99
118	2/1/2033	$7,362.99	$2,466.70	$2,448.16	$18.54	$4,914.83
119	3/1/2033	$4,914.83	$2,466.70	$2,454.33	$12.38	$2,460.51
120	4/1/2033	$2,460.51	$2,466.70	$2,460.51	$6.20	$0.00

Pmt No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance

Pmt No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance

Pmt No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance

Pmt No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance

Pmt No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance

Daniel Buffalo ▾

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U.S. 10 Year Treasury Note

TMUBMUSD10Y (Tullett Prebon)

5:00 PM EDT 06/09/22

YIELD

3.046% 0.025 ▲

PRICE

98 6/32

-2/32 (-0.07%) ▼

5 D

YIELD

1 Day Range
3.010 - 3.072

52 Week Range (Yield)
1.132 - 3.208
(08/04/21 - 05/09/22)

Coupon
2.875%

Maturity
05/15/32

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03/11/2022 to 06/09/2022 GO

DOWNLOAD A SPREADSHEET

DATE	OPEN	HIGH	LOW	CLOSE
06/08/22	2.983	3.039	2.983	3.022
06/07/22	3.049	3.062	2.963	2.983
06/06/22	2.940	3.064	2.932	3.049
06/03/22	2.912	2.986	2.902	2.940
06/02/22	2.914	2.957	2.891	2.912
06/01/22	2.853	2.956	2.842	2.914
05/31/22	2.745	2.880	2.745	2.853
05/30/22	2.745	2.745	2.745	2.745
05/27/22	2.751	2.768	2.716	2.745
05/26/22	2.751	2.794	2.707	2.744
05/25/22	2.754	2.773	2.717	2.751
05/24/22	2.854	2.863	2.724	2.754
05/23/22	2.785	2.869	2.785	2.854
05/20/22	2.846	2.879	2.779	2.854
05/19/22	2.889	2.920	2.778	2.893
05/18/22	2.990	3.011	2.880	2.970
05/17/22	2.883	2.996	2.879	2.879
05/16/22	2.918	2.952	2.855	2.932
05/13/22	2.852	2.943	2.852	2.918
05/12/22	2.931	2.931	2.816	2.852

Agenda Item No: 7.b.
MEETING DATE/TIME: 6/14/2022
ITEM NO: 2022-1724

City of Ukiah

AGENDA SUMMARY REPORT

SUBJECT: Consideration and Possible Adoption of the Fiscal Year 2022-2023 Fire Authority Budget.

DEPARTMENT: Fire **PREPARED BY:** Jessie Brunell, Senior Accountant
PRESENTER:

ATTACHMENTS:
1. FY 2022-23 Ukiah Valley Fire District Budget
2. FY 2022-23 Non-major Funds_ Fiduciary

Summary: The Board of Directors will review and consider approving and adopting the proposed Ukiah Valley Fire Authority budget for fiscal year 22-23.

Background: Fire Authority staff have been working for many months to draft the budget for the next fiscal year, and now have a final draft to propose.

Discussion: The proposed budget makes some significant investments in the Fire Authority's operations that will improve our service levels and efficiency. While there was much more that Fire Authority staff had proposed, some items have been postponed.

Links to the proposed budget are provided below.

JPA Budget: https://stories.opengov.com/ukiahca/published/6go7-KGIEr

Funds Summary: https://stories.opengov.com/ukiahca/published/zvdopeb6zB

Recommended Action: Adopt the recommended Ukiah Valley Fire Authority Budget for Fiscal Year 2022-2023

BUDGET AMENDMENT REQUIRED: N/A
CURRENT BUDGET AMOUNT: N/A
PROPOSED BUDGET AMOUNT: N/A
FINANCING SOURCE: N/A
PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A
COORDINATED WITH: Doug Hutchison- Fire Chief, Eric Singleton- Battalion Chief, Dan Buffalo- Finance Director

Approved:

Doug Hutchison, Fire Chief

THE CITY OF UKIAH

Ukiah Valley Fire Authority

Joint Powers Agreement Between the City of Ukiah and Ukiah Valley Fire Protection District

Presented here are two sections:

1. An overview of the financial activities of the Ukiah Valley Fire Authority, to which the Fire District is a participating member with the City of Ukiah.
2. Financial activities and condition specific to the Ukiah Valley Fire District.

What we are

The Ukiah Valley Fire Authority (UVFA) became effective on July 1, 2017, a Joint Powers Agreement (JPA) between the City of Ukiah and the Ukiah Valley Fire Protection District (UVFD). The JPA jointly manages, equips, maintains and operates all-risk fire, emergency medical and rescue services to the City and Fire District. UVFA was formed with the desire to maximize the use of existing resources, create cost containment opportunities, reduce duplication, maintain local control and continue to deliver fire, medical, and other emergency services at a high level of service.

The UVFA is currently budgeted for 30 full time safety positions (1- Fire Chief, 3- Battalion Chiefs, 6- Captains, 13- Engineer/Firefighter, 3- Ambulance Paramendics, 1- Fire Marshal), and 1- 0.8 time Administrative Assistant, and several dedicated volunteer Firefighters including a Volunteer Division Chief. The UVFA maintains four fire stations (three staffed with career personnel). The daily staffing consists of a Duty Officer, one full-time Ambulance staffed with two-persons, and a minimum of two/two-person crews cross staffing a Type I (Structural), Type II/III (Wildland Interface) Engines, and a reserve Ambulance.

What we do

UVFA is organized into the following activities:

- Administration
- Operations
- Training and Safety
- Fire Prevention
- Ambulance and EMS services

Our People

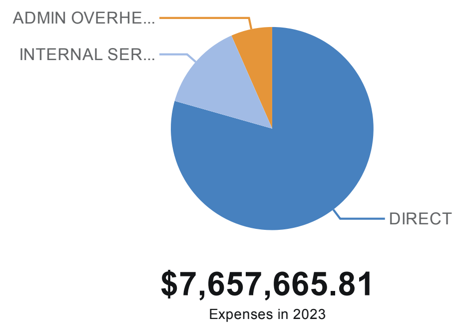
(21) Fire Authority

Data Updated 2 weeks ago

Category	2023
PROFESSIONAL	17
MANAGEMENT	9
EXECUTIVE	1
ADMINISTRATIVE & TECHNICAL	0.8

Budget Summary: Costs

(21) Fire Authority



Here is a summary of the budget unit in graphical form, illustrating direct costs and indirect costs. Click on the graph to explore greater detail of the unit's budget.

Budget Summary: Just the Numbers

(21) Fire Authority

Category	2023
DIRECT	$6,079,504.81
INTERNAL SERVICE USE	$1,073,237.00
ADMIN OVERHEAD	$504,924.00

Similar to the graph to the left, here is a summary of the budget unit, just the numbers. It illustrates direct costs and indirect costs. Click on the table to explore greater detail of the unit's budget.

(21) Fire Authority: Response and Prevention

	Prior Year 2 Actuals	Prior Year 1 Actuals	Current Budget	Estimated Year-End	2022 - 23 Budget
REVENUES	$138,018	$299,104	$2,456,604	$1,923,710	$2,314,546
EXPENSES					
DIRECT	$5,140,734	$4,761,343	$6,408,314	$5,610,496	$5,021,428
INDIRECT	$1,032,239	$1,205,343	$1,249,679	$1,249,679	$1,377,016
EXPENSES TOTAL	**$6,172,973**	**$5,966,686**	**$7,657,993**	**$6,860,175**	**$6,398,444**
REVENUES LESS EXPENSES	**-$6,034,955**	**-$5,667,581**	**-$5,201,389**	**-$4,936,465**	**-$4,083,898**

Provided here is an accounting of the net cost of service for this particular function or activity. Revenues reported are programmatic or directly resulting from the services being provided (e.g. user fees, charges, grants, etc.).

Expenses reported here also include non-departmental costs associated with this activity. This is why expenses may be higher than in other sections of this report focused specifically on the division.

Click "View Report" to the bottom right of the table for more detail.

NET COST OF SERVICE: (211) Fire Authority Ambulance and EMS

	Prior Year 2 Actuals	Prior Year 1 Actuals	Current Budget	Estimated Year-End	2022 - 23 Budget
REVENUES	$39,489	$79,692	$1,155,177	$226,648	$1,230,000
EXPENSES					
DIRECT	$76,492	$38,769	$1,815,745	$660,936	$1,106,625
INDIRECT	$0	$5,818	$184,220	$184,220	$201,145
EXPENSES TOTAL	**$76,492**	**$44,587**	**$1,999,965**	**$845,156**	**$1,307,770**
REVENUES LESS EXPENSES	**-$37,003**	**$35,105**	**-$844,788**	**-$618,508**	**-$77,770**

Provided here is an accounting of the net cost of service for this particular function or activity. Revenues reported are programmatic or directly resulting from the services being provided (e.g. user fees, charges, grants, etc.).

The bottom line reflects the difference between such revenues and the associated expenditures or appropriations. A positive number demonstrates fiscal self-sufficiency. A negative number signals a need for other resources to fully fund the function or activity, whether it be general revenues (i.e. taxes), the use of reserves, subventions from other funds (transfers), debt financing, or internal borrowing.

Click "View Report" to the bottom right of the table for more detail.

Objectives and Accomplishments
Department: Fire
Division: City Fire (212) & UVFD Fire (214)

	Year-Sequence	Objectives	Status	Department Comments
NEAR-TERM	2021-1	Increase total suppression & E.M.S. shift personnel.	In Progress	UVFA has been able to fill a large portion of our vacant positions last fiscal year. Currently, twenty-one of twenty-four FTE positions for fire personnel and all six FTE ambulance positions have been filled. Staff is presently establishing a list to fill the remainder of the vacancies and possibly staffing additional ambulances to subsidize the current ambulance shortage for the Ukiah area and the County. Though staffing has increased, it is still well below both National Fire Protection Association (NFPA) and International City and County Managers Association (ICMA) guidelines for staffing. Service level demands will require increases in staffing to cover fire, prevention, and E.M.S. services. Continued efforts to enhance revenue will be necessary.
	2021-2	Complete a Fire Mitigation Nexus study for the City & Ukiah Valley Fire District.	Pandemic affected	Due to COVID-19, the Nexus study has been delayed. Staff is currently working on an updated timeframe for completion within the fiscal year. The Nexus study is essential to ensure that the current Fire Mitigation Fees are adequate and accurate for UVFA's response area.
	2021-3	Identify alternative funding sources & enhance revenue for continued UVFA operations.	In Progress	UVFA was able to secure, through LAFCO, an overlay of the district property tax on the city through an annexation process. This process will bring approximately one million dollars in additional funding to the fire district and increase the overall budget of the combined district/city fire authority. UVFA will continually be looking for all avenues for additional funding options. Other areas include but are not limited to indexing existing property tax measures, new taxes (sales/property), and grant funding to reduce costs of specific items. With increased costs and demand for services, this will be an ongoing process into the future to provide a stable and sustainable fire service.
	2021-5	Develop a Fleet Replacement Master Plan.	In Progress	Team members are currently developing the document that includes the current fleet's future needs and replacement for the department based on the useful life of the vehicles.
	2021-6	Partner with allied agencies on mitigation for Wildland fires.	In Progress	UVFA has been working closely with Cal Fire to reduce the risk of Wildland fires in the surrounding Urban-Interface areas of the Ukiah Valley. A fuel reduction program is in place through Cal Fire to reduce the fuel load and create fire breaks on the eastern and western hills surrounding Ukiah. This has been an ongoing process and will be for the foreseeable future. Strategies for the future include working with federal agencies and the Bureau of Land Management (B.L.M.) to further reduce the risk to the Ukiah Valley.
	2021-7	Improve the Central Station training facility/grounds.	In Progress	The process has begun to improve the training grounds, training props, and the training tower to provide team members with up-to-date training in a positive and safe learning environment. This project will be phased based over the next few years. Improvements on the training grounds began two years ago now and will continue through this fiscal year. This project will be ongoing for the foreseeable future.
	2021-8	Re-negotiate the fire dispatch agreement.	In Progress	This is an ongoing process with Cal Fire, the County of Mendocino, and the City of Ukiah. Cal Fire currently provides services under two separate contracts with the City and County. Discussions have been held throughout the year between all agencies.
	2021-9	Represent UVFA's interests in the development & implementation of the County E.M.S. System.	In Progress	There has been a constant increase in demand for emergency medical services in the Ukiah Valley. In contrast, the UVFA has been supplementing/augmenting the private ambulance industry by shutting down engine companies to cross-staff ambulances to keep up with service demand. It has been an ongoing process; the UVFA began dual staffing roles (cross staffing ambulances) due to the ambulance shortages. UVFA staffs one full-time ambulance but is still looking into alternative options (staffing additional ambulances) to minimize down-staffing fire engines to keep up with the demand and shortfalls while providing a safe and sustainable future for the Ukiah Valley citizens.
INTERMEDIATE-TERM	2021-10	Develop a facilities enhancement plan.	In Progress	Staff is currently developing this document to include our current needs for our team members, as well as looking at the department's future needs.
	2021-11	Complete auto-extrication equipment purchase upgrade.	Completed	This has been a three-year phased purchase to replace the Department's aging auto-extrication equipment. The final purchase was completed last fiscal year, giving our team members the tools necessary to complete their job correctly and safely.
	2021-12	Develop a Strategic Master Plan.	In Progress - pandemic affected	Development for the Strategic Master Plan began last year to complete the succession planning portion. Unfortunately, staff faced delays to the document due to the pandemic, impacting external services.
	2022-1	Index fire-specific revenue sources, including special property taxes, to adjust to inflationary changes annually.	In Progress	This is necessary to ensure revenue sources meant to support a certain level of fire services are adjusted to match inflation and remain adequate to support those services as costs change. With significant inflationary pressures on operating and capital costs, this objective has become even more important to complete as soon as possible. The Fire Authority will be partnering with the Finance Department to develop and execute a plan to place this item in front of voters in the near future.
LONG-TERM	2021-14	Provide all California Fire Service Training and Education System (CFSTES) certification training internally.	In Progress	This will be a continuing process as UVFA is striving towards completing all CFSTES certifications internally. We have begun by certifying staff as instructors in a multitude of classes, with more to come in the subsequent years.
	2021-15	Complete the Center for Public Safety Excellence (CPSE) accreditation process.	Pandemic affected	The Center for Public Safety Excellence (CPSE) accreditation has been delayed as the pandemic has impacted services' availability. The process was supposed to begin last year but was delayed due to the COVID-19 pandemic's impacts. UVFA plans to start the accreditation process this year.

The Numbers Over Time

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EXPENSES 21 - FIRE AUTHORITY

Visualization

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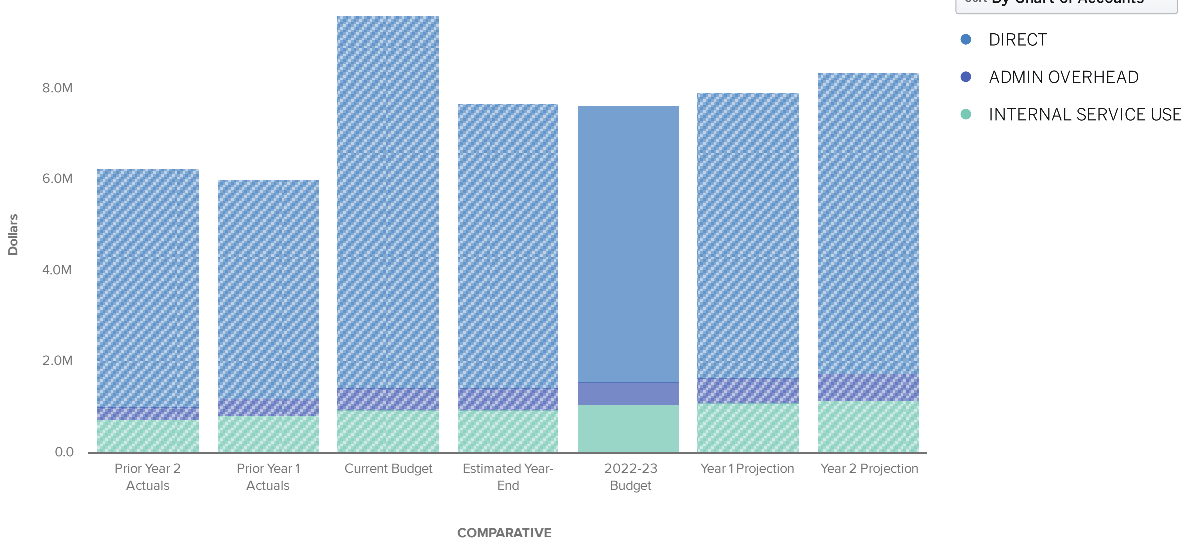

Fire Authority: Budget by Character

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EXPENSES 21 - FIRE AUTHORITY

Data

Collapse All	Prior Year 2 Actuals	Prior Year 1 Actuals	Current Budget	Estimated Year-End	2022-23 Budget	Year 1 Projection	Year 2 Proj
DIRECT	$ 5,217,226	$ 4,800,112	$ 8,159,060	$ 6,271,432	$ 6,079,505	$ 6,266,382	$ 6,59
PERSONNEL	3,402,680	3,613,029	4,177,779	3,879,185	4,571,948	4,896,146	5,18
SERVICES & OTHER OPERATING	1,149,872	1,086,756	2,102,203	1,808,561	1,242,522	1,297,401	1,34
DEBT SERVICE	51,479	55,604	51,580	51,580	51,479	51,479	5
CAPITAL	613,195	44,723	1,827,498	532,106	213,556	21,356	2
INDIRECT	1,032,239	1,211,161	1,433,815	1,433,815	1,578,161	1,665,015	1,75
ADMIN OVERHEAD	283,966	364,155	475,391	475,391	504,924	545,318	58
INTERNAL SERVICE USE	748,273	847,006	958,424	958,424	1,073,237	1,119,698	1,16
Total	$ 6,249,465	$ 6,011,272	$ 9,592,875	$ 7,705,247	$ 7,657,666	$ 7,931,397	$ 8,35

Fire Authority: Budget by Fund

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Funds 21 - FIRE AUTHORITY | EXPENSES

Data

Collapse All	Prior Year 2 Actuals	Prior Year 1 Actuals	Current Budget	Current Estimated Year-End	2022-23 Budget	Year 1 Projection	Year
▾ GOVERNMENTAL	$ 3,934,415	$ 3,802,080	$ 7,287,956	$ 6,542,010	$ 5,985,761	$ 6,258,825	$
▸ GENERAL FUND	3,890,911	3,410,087	7,265,561	6,519,615	5,940,661	6,240,365	
▸ SPECIAL REVENUES	43,504	391,993	22,395	22,395	45,100	18,460	
▾ PROPRIETARY	76,492	44,587	1,934,881	845,072	1,259,222	1,346,125	
▸ ENTERPRISE	76,492	44,587	1,934,881	845,072	1,259,222	1,346,125	
▾ FIDUCIARY	2,238,558	2,164,606	370,038	318,164	412,683	326,447	
▸ UKIAH VALLEY FIRE DISTRICT	2,238,558	2,164,606	370,038	318,164	412,683	326,447	
Total	$ 6,249,465	$ 6,011,272	$ 9,592,875	$ 7,705,247	$ 7,657,666	$ 7,931,397	$

District-Only Revenues and Expenditures

This section pertains to the financial activities and condition of the Fire District, specifically, separate and aside from the overall Fire Authority operation.

District Only Funds: Revenues and Expenditures

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Types UKIAH VALLEY FIRE DISTRICT

Visualization

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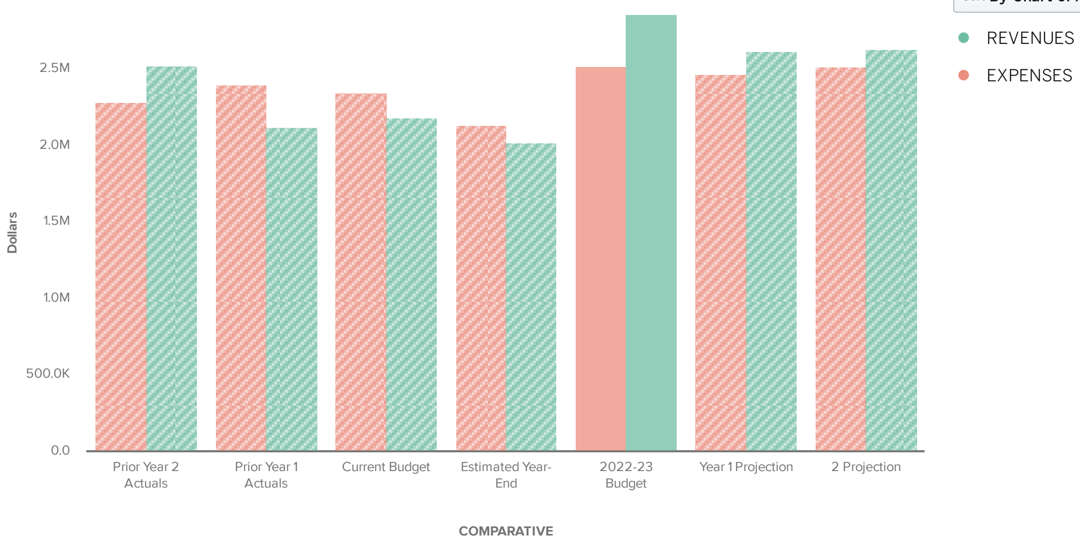

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Types

UKIAH VALLEY FIRE DISTRICT

Data

Collapse All	Prior Year 2 Actuals	Prior Year 1 Actuals	Current Budget	Estimated Year-End	2022-23 Budget	Year 1 Projection	2 Pro
REVENUES	$ 2,523,489	$ 2,119,071	$ 2,183,458	$ 2,018,192	$ 2,856,777	$ 2,616,215	$ 2,6
TAXES	1,072,354	1,121,087	1,151,000	1,144,340	2,120,918	2,127,263	2,1
CHARGES FOR SERVICE	37,501	202,777	45,049	29,420	60,100	60,400	
GRANTS AND SUBVENTIONS	50,959	55,193	111,392	57,261	50,606	51,618	
USE OF MONEY AND PROPERTY	12,291	-384	7,602	2,385	2,300	2,369	
FINES, FORFEITURES, AND PENALTIES	0	23,871	0	23,871	35,000	35,000	
LICENSES/PERMITS/FRANCHISES	36,796	112,279	178,000	162,000	280,603	286,215	2
OTHER REVENUES	504,777	395,306	6,500	5,000	52,000	53,350	
OTHER FINANCING SOURCES	808,811	208,942	683,915	593,915	255,250	0	
EXPENSES	2,285,693	2,401,872	2,344,043	2,134,372	2,521,183	2,471,953	2,5
DIRECT	2,012,062	1,890,810	2,113,563	1,993,892	2,516,492	2,466,978	2,5
INDIRECT	240,945	302,120	5,480	5,480	4,691	4,974	
OTHER FINANCING USES	32,686	208,942	225,000	135,000	0	0	
Revenues Less Expenses	$ 237,796	$ -282,800	$ -160,585	$ -116,180	$ 335,594	$ 144,263	$ 1

Notes:

1. Expenses here are presented by character to demonstrate the District's share in operations by character. In actuality, the District contract's with the City to perform all operating activities. Personnel, services and other operating, and indirect costs are contracted costs through the City. Further, the District does not employ any personnel directly. Personnel services are provided by the City, i.e. all fire personnel are City personnel.

District-Only Funds: Fund Balances

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UKIAH VALLEY FIRE DISTRICT FUND BALANCE/WORKING CA...

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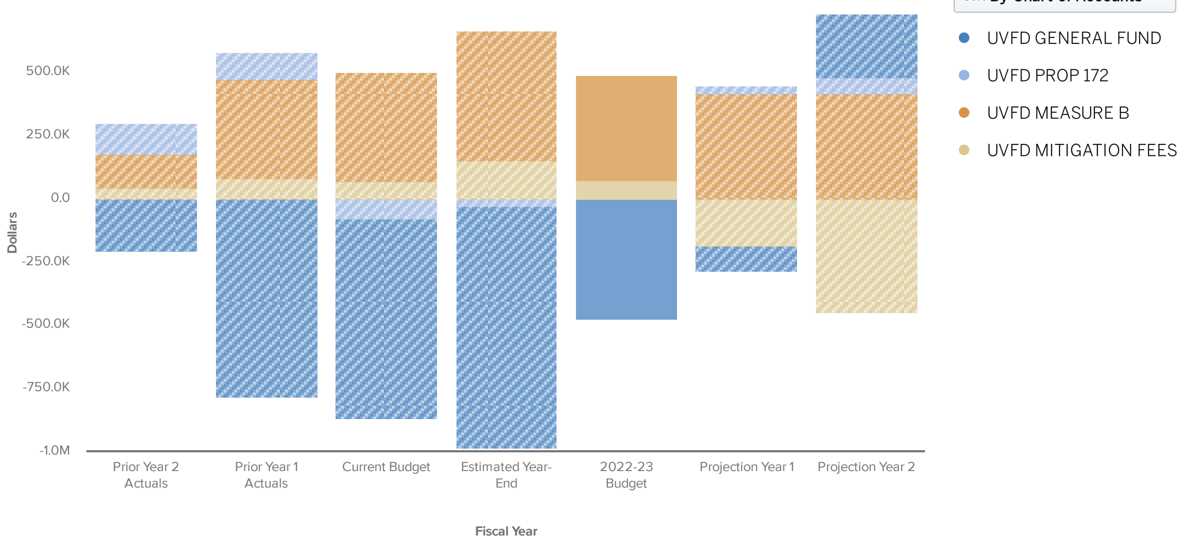

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UKIAH VALLEY FIRE DISTRICT FUND BALANCE/WORKING CA...

Data

	Prior Year 2 Actuals	Prior Year 1 Actuals	Current Budget	Estimated Year-End	2022-23 Budget	Projection Year 1	Projection Year 2
UVFD GENERAL FUND	$ -207,748	$ -782,116	$ -789,092	$ -954,487	$ -473,542	$ -99,233	$ 247,568
UVFD PROP 172	124,158	108,098	-77,666	-30,599	863	32,952	66,197
UVFD MEASURE B	134,232	387,319	432,719	513,152	414,386	413,300	412,793
UVFD MITIGATION FEES	42,315	82,722	69,478	151,777	73,730	-187,320	-450,325
Total	$ 92,957	$ -203,977	$ -364,562	$ -320,157	$ 15,437	$ 159,699	$ 276,233

Notes

1. District appropriations of $2.3 million include an interagency loan, estimated to be $458K from City to District. Terms of the loan are expected to be zero percent interest with repayment beginning in FY 2024, as new revenues are realized by the District from Measures B and J overlay on City parcel through annexation. This replaces the contribution in years past, booked as revenue from City to District to subvent the District's contribution to the Fire Authority at a 50/50 split. In reality, even with this past subvention and the interagency loan for 2021, the District's contribution to the Fire Authority will still be at a de facto split of 70/30 City.

THE CITY OF UKIAH

Non-major Funds : Fiduciary

Ukiah Valley Fire District

Non-major Funds: Fiduciary

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.

Ukiah Valley Fire District (UVFD) (915-918)

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.

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Types UKIAH VALLEY FIRE DISTRICT

Data

Collapse All	Prior Year 2 Actuals	Prior Year 1 Actuals	Current Budget	Estimated Year-End	2022-23 Budget	Year 1 Projection	2 Pro
▾ REVENUES	$ 2,523,489	$ 2,119,071	$ 2,183,458	$ 2,018,192	$ 2,856,777	$ 2,616,215	$ 2,6
▸ TAXES	1,072,354	1,121,087	1,151,000	1,144,340	2,120,918	2,127,263	2,1
▸ CHARGES FOR SERVICE	37,501	202,777	45,049	29,420	60,100	60,400	
▸ GRANTS AND SUBVENTIONS	50,959	55,193	111,392	57,261	50,606	51,618	
▸ USE OF MONEY AND PROPERTY	12,291	-384	7,602	2,385	2,300	2,369	
▸ FINES, FORFEITURES, AND PENALTIES	0	23,871	0	23,871	35,000	35,000	
▸ LICENSES/PERMITS/FRANCHISES	36,796	112,279	178,000	162,000	280,603	286,215	2
▸ OTHER REVENUES	504,777	395,306	6,500	5,000	52,000	53,350	
▸ OTHER FINANCING SOURCES	808,811	208,942	683,915	593,915	255,250	0	
▾ EXPENSES	2,285,693	2,401,872	2,344,043	2,134,372	2,521,183	2,471,953	2,5
▸ DIRECT	2,012,062	1,890,810	2,113,563	1,993,892	2,516,492	2,466,978	2,5

Updated On 31 May, 2022

← Back | History ▾ | Reset

Broken down by

UKIAH VALLEY FIRE DISTRICT

FUND BALANCE/WORKING CA...

Data

	Prior Year 2 Actuals	Prior Year 1 Actuals	Current Budget	Estimated Year-End	2022-23 Budget	Projection Year 1	Projection Year 2
UVFD GENERAL FUND	$ -207,748	$ -782,116	$ -789,092	$ -954,487	$ -473,542	$ -99,233	$ 247,568
UVFD PROP 172	124,158	108,098	-77,666	-30,599	863	32,952	66,197
UVFD MEASURE B	134,232	387,319	432,719	513,152	414,386	413,300	412,793
UVFD MITIGATION FEES	42,315	82,722	69,478	151,777	73,730	-187,320	-450,325
Total	$ 92,957	$ -203,977	$ -364,562	$ -320,157	$ 15,437	$ 159,699	$ 276,233

Agenda Item No: 7.c.

MEETING DATE/TIME: 6/14/2022

AGENDA SUMMARY REPORT

SUBJECT: Raise the monthly limit on UVFD Cal-Card Credit Card and revise Procurement Policy #1021.

DEPARTMENT: Fire

PREPARED BY: Eric Singleton, Battalion Chief

PRESENTER: Doug Hutchison, Fire Chief

ATTACHMENTS:

1. UVFD Procurement Policy 1021-Draft

Summary: The Ukiah Valley Fire District Board of Directors will consider raising the Ukiah Valley Fire District (UVFD) Cal-Card Program Credit card limit from $20,000 to $75,000 per month. Additionally, the Board of Directors will consider the revisions to the UVFD Procurement Policy #1021 to reflect current and future fiscal spending requirements.

Background: Due to the current economic growth along with the substantial inflation of all costs related to goods and services, the UVFD Cal-Card program has reached and/or exceeded its $20,000 limit prior to the end of each month this fiscal year while using the program to purchase goods and services to maintain the day-to-day operations.

Discussion: Increasing the Cal-Card Credit Card spending limit allows for purchasing of goods and services to maintain the day-to-day operations as well as having an ample amount left over per month for unforeseen or emergency purchases for operational needs or capital items. Adapting the UVFD Procurement policy along with utilizing the UVFD Cal-Card program with increased limits will allow for Fire Service staff to handle most purchases in-house, expediting the process and freeing up time for the City of Ukiah purchasing department, which already has a heavy workload. The procurement policy was first adopted on February 14, 1996, and had its first revision on October 06, 2017. Staff requests an additional revision (included as attachment 1), date June 14, 2022.

Recommended Action: Approve the increase to the Cal-Card Credit Card Program and the Revisions to the Procurement Policy #1021.

BUDGET AMENDMENT REQUIRED: No

CURRENT BUDGET AMOUNT: N/A

PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: N/A

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: Doug Hutchison, Fire Chief

Approved: ______________________

Doug Hutchison, Fire Chief

UKIAH VALLEY FIRE DISTRICT

1500 SOUTH STATE STREET
UKIAH, CA 95482-6709
Phone: (707)462-7921 ♦ Fax: (707)462-2938 ♦ Email: uvfd@sonic.net

PROCUREMENT POLICY (#1021)

1021.10:

- It shall be the policy of the Board of Directors of the Ukiah Valley Fire District that all purchases of goods and services for the operations of the Fire District shall be fully accountable and performed in an appropriate logical manner. Therefore, the following policy is adopted and shall be adhered to in all cases.

1021.20:

- There shall be four processes utilized to disburse funds from the Ukiah Valley Fire District to individuals or businesses who are owed funds for goods and services. These are:
  - Petty Cash
  - Checking Account
  - Ukiah Valley Fire District Cal-Card Program
  - City of Ukiah Finance Department

1021.30:

- Purchase authority is defined as the maximum amount of funds, which can be obligated by an individual. Normal operational needs dictate that the Fire Chief or their~~r his~~ delegate must have the ability to obligation funds to a specific level with fund obligation above that level resting with the Ukiah Valley Fire District Board of Directors. In addition, good business practices required that fund obligations above a certain level take advantage of competition in the marketplace.

1021.40:

- In compliance with the above, the following is the Ukiah Valley Fire District Policy:

  - Petty Cash: A petty cash account shall be established with a maximum account amount of $250.00. This account shall be the sole responsibility of the Administrative Secretary and shall be secured and accountable in compliance with the procedures formulated by the Administrative Secretary and approved by the Fire Chief. Purchases from petty cash shall be limited to a $100.00 per invoice charge, multiple invoices shall not be used to circumvent this limit.

  - City of Ukiah Finance Department: The Finance Department is authorized to make payments from the District's General Fund when presented with an approved batched voucher list.

  - Expenditure Authority: The Ukiah Valley Fire District will maintain as the named and controlling entity of the District Cal-Card Program with the authority to purchase goods and services for the fire department as a whole. The Fire Chief shall have the authority to purchase goods and services up to a maximum of $5,000. Multiple invoices shall not be used to circumvent this authority. Purchase in excess of $25,001 shall be authorized by the Ukiah Valley Fire Board of Directors prior to payment.

- The Ukiah Valley Fire District Cal-Card Program is authorized for Credit Card Purchases as follows:
  - Fire Chief: Shall be authorized up to a maximum of $2~~3~~5,000 per transaction, and a monthly maximum of $50,000.
  - Chief Officers (Division / Battalion Chiefs) & Administrative Cards: Shall be authorized up to a maximum of $7,500 per transaction and a monthly maximum of $20,000.
  - Non-Chief Officers (Captains / General staff): Shall be authorized up to a maximum of $1,000 per transaction, and a monthly maximum of $5,000.

- Competitive Quotations and Bids:

  - Three competitive quotations will be solicited for any expenditure in excess of $5,000 to a maximum amount of $25,000. The lowest quote shall be accepted unless justification is shown and approved for acceptance of a higher quote. If less than three quotes are received, after a good faith effort, the lowest of the received bids shall be accepted unless the above justification exists. If utilizing the District Cal-Card Program for purchases or services fire service staff will be responsible for the above information with the Fire Chief being the final authority for any decisions based on justifications in lieu of the lowest bid.

  - For expenditures in excess of $25,001, a formal bid process shall be utilized to ensure the wisest expenditure of funds. This process will include a request for a proposal with attached specifications for the goods or services involved. The formal bid process will be approved by the Ukiah Valley Board of Directors prior to the request for a proposal being forwarded or advertised. If utilizing the District al-Card Program for purchases or services fire service staff will be responsible for procuring, receiving, and presenting the formal bidding process to the Ukiah Valley Board of Directors.

Adoption Date: 02/14/1996
Revision Date: 10/06/2017
Revision Date: 06/14/2022

Ukiah Valley Fire District Board of Directors: Policy #1021

City of Ukiah

AGENDA SUMMARY REPORT

SUBJECT: Discussion and Possible Action on Replacement of the West Fence at the North Fire Station

DEPARTMENT: Fire **PREPARED BY:** Doug Hutchison, Fire Chief
PRESENTER:

ATTACHMENTS:
None

Summary: The Board will discuss and consider approving payment for one half of the West side fence at the North Fire Station.

Background: Several months ago, the Fire Chief was contacted by the owner of the apartments to the West of the North Fire Station regarding the dilapidated condition of the fence between the two properties. The owner was inquiring if the Fire Authority would be willing to pay for half of the replacement. The Fire Chief informed her that it would have to go to the Fire District Board of Directors for approval, but that he believed they would be in favor.

Discussion: Since that initial contact, the Fire Chief received a single estimate from the owner for $18,500.00 for 200 feet of wood fence. The statement contained no breakdown as to cost of material versus labor, or other costs. At the beginning of June, the contractor listed on the estimate arrived on site and completed the demolition/removal of the old fence, and the installation of the new fence without any prior notice to the Fire Authority.

Recommended Action: Provide direction to staff regarding payment for one half of the west side fence at the North Fire Station.

BUDGET AMENDMENT REQUIRED:
CURRENT BUDGET AMOUNT:
PROPOSED BUDGET AMOUNT:
FINANCING SOURCE:
PREVIOUS CONTRACT/PURCHASE ORDER NO.:
COORDINATED WITH:

Approved: ____________________
Doug Hutchison, Fire Chief

Agenda Item No: 7.e.
MEETING DATE/TIME: 6/14/2022
ITEM NO: 2022-1769

City of Ukiah

AGENDA SUMMARY REPORT

SUBJECT: Report on Changes Within the Fire Authority's Fire Prevention Office.

DEPARTMENT: Fire **PREPARED BY:** Doug Hutchison, Fire Chief
PRESENTER:

ATTACHMENTS:
None

Summary: The Board will receive a report on changes within the Fire Authority's Fire Prevention Office.

Background: With the recent departure of the Fire Authority's Fire Marshal, changes have been made as to how certain functions of that office are being accomplished.

Discussion: As a result of that departure, to assure a continuation of operations, the City of Ukiah hired a civilian (non-sworn) Fire Inspector to complete state-mandated inspections, and has assigned plan checking functions to the Building Department. All other functions normal associated with the Fire Marshal's office remain with the Fire Authority.

Recommended Action: Receive the report, and give direction to staff as necessary.

BUDGET AMENDMENT REQUIRED:
CURRENT BUDGET AMOUNT:
PROPOSED BUDGET AMOUNT:
FINANCING SOURCE:
PREVIOUS CONTRACT/PURCHASE ORDER NO.:
COORDINATED WITH:

Approved:
Doug Hutchison, Fire Chief

KATRINA BARTOLOMIE
ASSESSOR
COUNTY CLERK-RECORDER
REGISTRAR OF VOTERS
COMMISSIONER OF
CIVIL MARRIAGES

COUNTY OF MENDOCINO

OFFICE OF ASSESSOR-COUNTY CLERK-RECOF
501 LOW GAP ROAD, RM. 1020
UKIAH, CALIFORNIA 95482
E-MAIL: acr@co.mendocino.ca.us

TONYA MOUNTS
ASSISTANT ASSESSOR
(707) 234-6800
ASSESSOR FAX: (707) 463-6597

AMANDA WOLTER
ASSISTANT REGISTRAR OF VOTERS
ASSISTANT CLERK RECORDER
(707) 234-6819

Business Property (707) 234-6815
County Clerk: (707) 234-6822
Recorder: (707) 234-6823
CLERK-RECORDER FAX: (707) 463-4257

May 6, 2022

Ukiah Valley Fire Protection District
ATTN: Stephanie Abba
1500 S State St
Ukiah, CA 95482

Your Special District Board Election will be conducted on Tuesday, November 8. 2022 in accordance with the provisions of your principal act. Accordingly, there are certain items that must be executed and filed with this office no later than 125 days (July 6, 2022) prior to the date of the election. These items are listed below:

- The attached "Notice of Elective Offices to be Filled" (form enclosed), which includes: Who is responsible for paying Candidate's Statement of Qualifications; and the list of officials whose terms expire in December 2022 (please indicate whether they were elected or appointed and if the office will be for a short term or a long term.

  AND

- A map showing the boundaries of the district and the boundaries of the division of the district, if any.

PLEASE NOTE: We need BOTH the Notice of Elective Offices to be Filled AND a map of the district to order your election.

Potential candidates may obtain their filing forms directly from our office (501 Low Gap Road, Room 1020, Ukiah, CA 95482). Forms will be available and the filing period begins on July 18, 2022 and ends at 5:00pm on August 12, 2022.

Please feel free to contact this office if you have any questions.

Sincerely,

KATRINA BARTOLOMIE
Assessor-County Clerk-Recorder

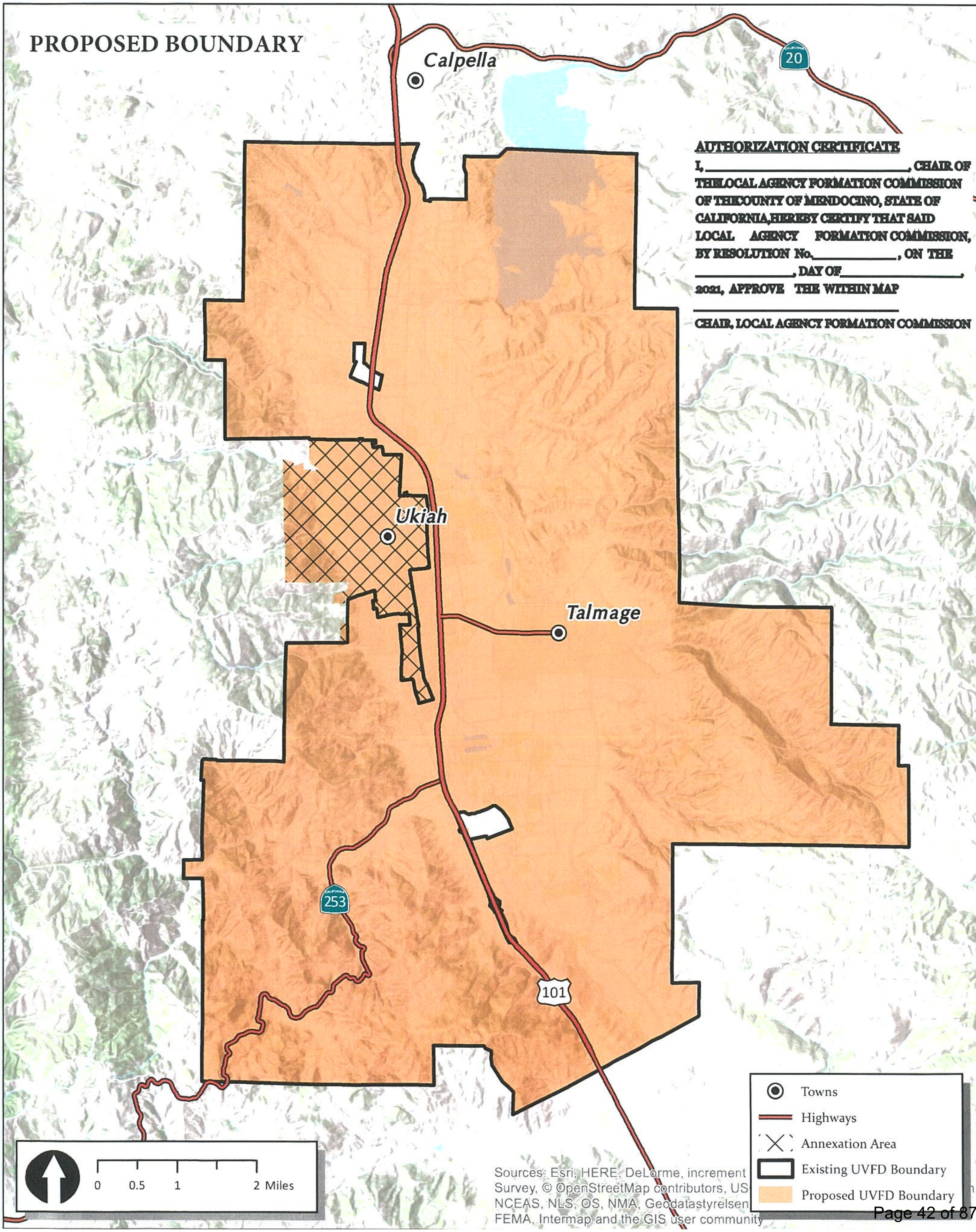
Amanda Wolter

Amanda Wolter
Assistant Registrar of Voters

enclosure

Ukiah Valley Fire District Annexation

of Ukiah City Limits for Fire Services-LAFCo File No. A-2021-02



MEMORANDUM

TO: KATRINA BARTOLOMIE, ASSESSOR-COUNTY CLERK-RECORDER

FROM: Ukiah Valley Fire DISTRICT

SUBJECT: **NOTICE OF ELECTIVE OFFICES TO BE FILLED, AND STATEMENT OF RESPONSIBILITY FOR STATEMENTS OF QUALIFICATIONS**

Notice is hereby given that, pursuant to Elections Code Section 10509 (which requires notification prior to the 125th day before the election (July 6, 2022), the following are the elected office holders of this district whose terms will expire in 2022, and whose successors will be required to be elected at the upcoming election to be held on November 8, 2022.

OFFICE: *1	**TO BE ELECTED** AT LARGE or BY DIVISION *2	**LENGTH OF TERM:** (Commencing 12/02/2022)
1. Robert (Bobby) Banks - Elected (long-term)		4 YEARS
2. Michael Graham - Appointed (long-term)		4 YEARS
3.		YEARS
4.		YEARS
5.		YEARS

PLEASE MARK THE APPROPRIATE OPTIONS BELOW:

1. The length of Statement of Qualifications shall not exceed (select one):
   [X] 200 words
   [ ] 400 words *

*Please note: Estimated cost for printing 400 word statements are DOUBLE that of the 200 word statements and would apply to all Statements of Qualifications regardless of the number of words.

2. The costs incurred in the printing of the optional Statements of Qualifications (English & Spanish, if requested by the candidate) in the Sample Ballot is the responsibility of the (select one)
   [X] District
   [ ] Candidate

Multi-county districts please be advised that the estimated cost reflects only the Mendocino County portion of the cost.

I HEREBY CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND SUBMIT THIS STATEMENT IN COMPLIANCE WITH ELECTIONS CODE SECTIONS 10509 AND 13307.

SEAL EST. 1940

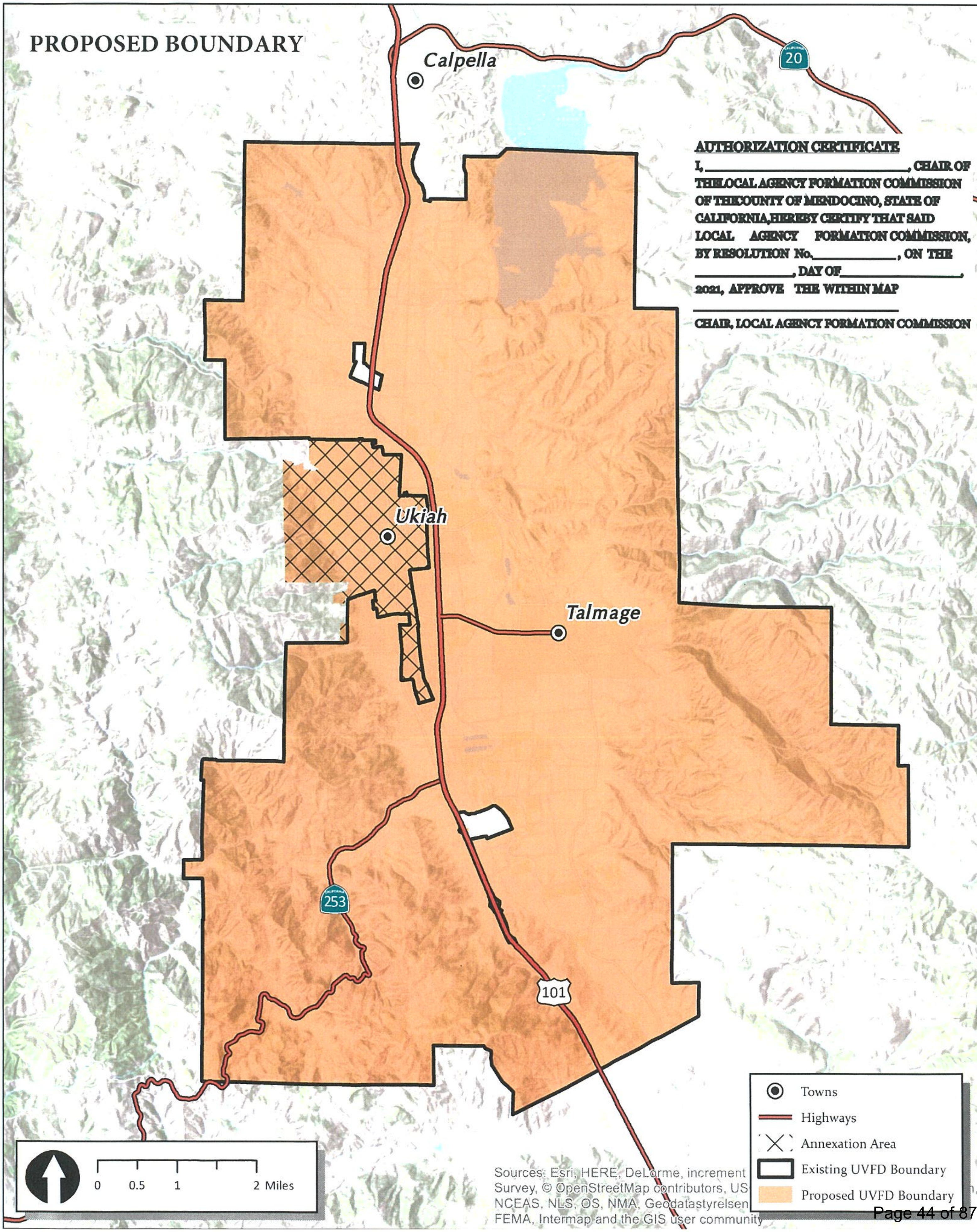
SIGNED: Stephanie Abba DATE: May 18, 2022

*1 In the case of directors to be nominated by division or unit, show the division or unit number. If the office has otherwise been designated by number, show the office number.

*2 If a director of a Public Utility District is to be elected by a territorial unit substitute "territorial unit" for "division".

Ukiah Valley Fire District Annexation

of Ukiah City Limits for Fire Services-LAFCo File No. A-2021-02



MENDOCINO
Local Agency Formation Commission

Ukiah Valley Conference Center | 200 South School Street | Ukiah, California 95482
Telephone: (707) 463-4470 | E-mail: eo@mendolafco.org | Web: www.mendolafco.org

Sent by Certified Mail

April 29, 2022

To: Board of Directors of Independent Special Districts
From: Uma Hinman, Executive Officer
Subject: Notice of Vacancies for Special District Members to LAFCo

Mendocino Local Agency Formation Commission (LAFCo) has received the resignation of the Alternate Special District member Jenifer Bazzani and invites nominations to fill the following current and upcoming vacancies for Alternate and Regular Special District Members. View our website for the current Commission members: https://www.mendolafco.org/commission.

Seat	Current Status	New Term
Regular Special District	Term ends December 31, 2022	January 1 2023 – December 31, 2026
Alternate Special District	Vacant Term ends December 31, 2022	January 1 2023 – December 31, 2026

In accordance with Government Code Section 56332(f), the Executive Officer performs the nomination and election process on behalf of the Special District Selection Committee.

LAFCo is an independent, quasi-legislative agency that reviews city and special district reorganizations and the establishment of boundaries and authorized services for numerous local agencies, including fire, community service, and water districts. The Commission is comprised of seven regular and four alternate members representing the county, cities, independent special districts, and general public.

LAFCo conducts nominations and elections to select district members on behalf of the Independent Special Districts. Members are elected to four-year terms; there are no term limits. Each district may nominate one person for the regular member position. Nominees must be board members and nominations must be approved by the district's governing body. All nominations must be accompanied by a completed nomination form (enclosed) and may be mailed or emailed to LAFCo (see letterhead).

If nominations are received for only one candidate for either seat by the end of the nominating period, the candidate shall be deemed appointed. If more than one nomination is received, LAFCo will prepare and send ballots to each district. If you have any questions, please contact LAFCo staff at 707-463-4470 or email the Clerk at clerk@mendolafco.org.

Nomination Form

(due to LAFCo by August 1, 2022)

Special District Regular Member

4-year Term, ending December 31, 2026

Name of District: ______________________________

Address: ______________________________

Telephone: ______________________________

The Board hereby nominates ______________________________
to serve on the Mendocino Local Agency Formation Commission.

Board action taken on the __________ day of ____________________, 2022 by the following vote:

Ayes: ______________________________

Noes: ______________________________

Abstain: ______________________________

Absent: ______________________________

District Representative:

______________________________ ____________

Signature Date

______________________________ ____________

Printed Name Title

Nominations due to LAFCo (mail, email, or hand delivery) by August 1, 2022.

UKIAH VALLEY FIRE DISTRICT

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2021

Ukiah Valley Fire District
Table of Contents
June 30, 2021

TABLE OF CONTENTS

Van Lant & Fankhanel, LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Ukiah Valley Fire District
Ukiah, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Ukiah Valley Fire District (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Van Lant & Fankhanel, LLP
29970 Technology Drive, Suite 105 A
Murrieta, CA 92563
909.856.6879

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Ukiah Valley Fire District, as of June 30, 2021, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the California State Controller's Office and State regulations governing special districts.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a required 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. Our opinion on the basic financial statements is not affected by this missing information.

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

Van Lant + Fankhanel, LLP

April 22, 2022

BASIC FINANCIAL STATEMENTS

Ukiah Valley Fire District
Statement of Net Position
June 30, 2021

	Governmental Activities
ASSETS	
Cash and Investments	$ 78,451
Receivables:	
Taxes	50,434
Interest	154
Capital Assets, Not Being Depreciated	286,680
Capital Assets, Depreciated, Net	1,341,277
Total Assets	1,756,996
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Amounts	417,796
Total Deferred Outflows of Resources	417,796
LIABILITIES	
Accounts Payable	53,267
Due to City of Ukiah	302,863
Accrued Interest Payable	5,697
Noncurrent Liabilities:	
Due within one year	55,738
Due in more than one year	2,010,314
Total Liabilities	2,427,879
DEFERRED INFLOWS OF RESOURCES	
Pension Related Amounts	269,456
Total Deferred Inflows of Resources	269,456
NET POSITION	
Net Investment in Capital Assets	1,164,756
Restricted:	
Fire Suppression Equipment	393,016
Unrestricted	(2,080,315)
Total Net Position	$ (522,543)

The accompanying notes are an integral part of this statement.

Ukiah Valley Fire District
Statement of Activities
Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Governmental Activities Net (Expenses) Revenues: Governmental Activities
Governmental Activities:					
Public Safety	$ 2,322,814	$ 979,942	$ 497,033	$ -	$ (845,839)
Interest on long-term Debt	28,693	-	-	-	(28,693)
Total Governmental Activities	$ 2,351,507	$ 979,942	$ 497,033	$ -	(874,532)
General Revenues:					
Property Taxes					426,627
Investment Income					(384)
Miscellaneous Income					6,912
Total General Revenues					433,155
Change in Net Position					(441,377)
Net Position - Beginning					(81,166)
Net Position - Ending					$ (522,543)

The accompanying notes are an integral part of this statement.

Ukiah Valley Fire District
Balance Sheet
Governmental Fund
June 30, 2021

	General Fund
ASSETS	
Cash and Investments	$ 78,451
Receivables:	
Taxes	50,434
Interest	154
Total Assets	$ 129,039
LIABILITIES	
Accounts Payable	$ 53,267
Due to City of Ukiah	302,863
Total Liabilities	356,130
FUND BALANCES	
Nonspendable	-
Restricted for:	
Fire Suppression Equipment	393,016
Committed	-
Assigned	-
Unassigned	(620,107)
Total Fund Balances	(227,091)
Total Liabilities and Fund Balances	$ 129,039

The accompanying notes are an integral part of this statement.

Ukiah Valley Fire District
Reconciliation of the Governmental Fund Balance Sheet to the Government-wide Statement of Net Position
June 30, 2021

Fund Balances - Governmental Fund	$ (227,091)
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources. Therefore, they are not reported in the fund financial statements.	
Capital Assets	2,422,538
Less: Accumulated Depreciation	(794,681)
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Net Pension Liability	(1,602,851)
Long-term Leases Payable	(463,201)
Interest expenditures are recognized when due, and therefore, interest payable is not recorded in the governmental funds.	(5,697)
Amounts for deferred inflows and deferred outflows related to the District's Net Pension Liability are not reported in the funds.	
Deferred Outflows Related to Pensions	417,796
Deferred Inflows Related to Pensions	(269,456)
Net Position of Governmental Activities	$ (522,643)

The accompanying notes are an integral part of this statement.

Ukiah Valley Fire District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Fund
Year Ended June 30, 2021

	General Fund
REVENUES	
Property Taxes	$ 426,627
Special Assessments	766,731
Intergovernmental	497,033
Charges for Services	213,211
Use of Money and Property	(384)
Other Revenues	6,912
Total Revenues	1,910,130
EXPENDITURES	
Current:	
Services and Supplies	179,087
Contract Fire Services	1,917,552
Capital Outlay	19,121
Debt Service:	
Principal	53,641
Interest and Fiscal Charges	29,993
Total Expenditures	2,199,394
Excess (Deficiency) of Revenues Over Expenditures	(289,264)
Net Change in Fund Balances	(289,264)
Fund Balances, Beginning of Year	62,173
Fund Balances, End of Year	$ (227,091)

The accompanying notes are an integral part of this statement.

Ukiah Valley Fire District
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Fund to the Statement of Activities
Year Ended June 30, 2021

Net change in fund balances - Governmental Fund	$ (289,264)
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 and reported as depreciation expense.	
Capital Expenditures	19,121
Depreciation Expense	(109,602)
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):	
Net Pension Liability	(179,075)
Payments on Long-term Leases	53,641
Accrued interest on long-term debt is not recorded in the governmental funds. This is the net change in accrued interest for the current period.	1,300
Amounts for deferred inflows and deferred outflows related to the District's Net Pension Liability are not reported in the funds. This is the net change in deferred inflows and outflows related to net pension liability.	
Deferred Outflows Related to Pensions	112,613
Deferred Inflows Related to Pensions	(50,111)
Change in net position of governmental activities	$ (441,377)

The accompanying notes are an integral part of this statement.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Ukiah Valley Fire District (District) conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental accounting and financial reporting principles. The following is a summary of the significant policies.

A) Description of Reporting Entity

The District was formed on March 28, 1949 under the provisions of Division 12, Part 3 of the Health and Safety Code of the State of California. Ukiah Valley Fire District is a special district of the County of Mendocino, California, providing Fire Protection to residents within its boundaries. The boundaries of the District encompass an area of approximately 82 square miles in the Ukiah Valley. The District is a governed entity administered by a Board of Directors (the Board) that acts as the authoritative and legislative body of the entity. The Board appoints the Chairperson (Chair) of the Board from existing board members. The Chair’s responsibilities include presiding at all Board meetings and performing all duties commonly incident to the position of the presiding officer of a board.

The accompanying financial statements present the District and its component units, entities for which the District is considered to be financially accountable. Currently, the District has no such component units to report.

B) Description of Funds

The accounts of the District are organized in one fund, which is considered a separate accounting entity. The operations of the fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The following types of funds are used:

<u>Governmental Fund</u>

General Fund – The General Fund is used to account for all financial resources of the District. The General Fund balance is available to the District for any purpose provided it is expended according to the general laws of California and the bylaws of the District.

C) Basis of Accounting/ Measurement Focus

<u>Government-wide Financial Statements</u>

The Government-wide financial statements (Statement of Net Position and Statement of Activities) report information on all nonfiduciary activities of the primary government.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, the District's assets, deferred outflows, liabilities and deferred inflows, including capital assets and long-term debt, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Operating grants and contributions include revenues restricted to meeting the requirements of a particular operating function and may include state shared revenues and grants. Capital grants and contributions include revenues restricted to meeting the requirements of a particular capital function and may include grants or other contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and Statement of Revenue, Expenditures, and Changes in Fund Balance for the General Fund. An accompanying schedule is presented to reconcile and explain the differences in fund balance as presented in these statements to the net position presented in the Government-wide Financial Statements.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balance presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the current period. "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Accrued revenues include property taxes received within 60 days after year-end and earnings on investments. Grant funds earned but not received are recorded as a receivable at year-end, and amounts not received within the 60-day availability period are reported as unavailable revenues. Expenditures are recorded when the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

D) Claims and Judgements

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 62, the District records a liability for claims, judgments, and litigation when it is probable that a liability has been incurred at year-end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. The District had no claims and judgments payable to report at June 30, 2021.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

E) Capital Assets

Capital assets, which include land, buildings, improvements, and equipment, are reported in the Governmental Activities column of the Government-Wide Financial Statements. Capital assets are defined by the District as all land, buildings, vehicles, computers, equipment, and improvements, with an initial individual cost of more than $5,000 and an estimated useful life of more than one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets received prior to the implementation of GASB 72 were recorded at fair value on the date of donation. Donated capital assets received subsequent to the implementation of GASB 72 are recorded at acquisition value as of the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Depreciation is recorded in the Government-Wide Financial Statements on a straight-line basis over the useful life of the assets as follows:

Buildings and Improvements	30-60 Years
Improvements other than buildings	5-50 Years
Machinery and Equipment	3-20 Years
Vehicles	5-10 Years

F) Investments

The District maintains cash deposits with the County (Mendocino) and City (Ukiah) and participates in the external investment pools of the County and the City. The County and the City are restricted by the State code in the type of investments they can make. Furthermore, the County treasurer and the City Treasurer have written investment policies, approved by the Board of Supervisors and the City Council, respectively, which are more restricted than the State code as to the term of maturity and type of investment. The County and City investment pools are not rated.

The County's and City's investment policies authorize the County and the City to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. At June 30, 2021, the District's cash and investments with the County Treasurer and the City Treasurer were stated at fair value. However, the value of the pool shares in the County and the City that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District's portion in the pool.

For information regarding investments held by the County, refer to the County of Mendocino financial statements which may be obtained by contacting the County Auditor-Controller at 501 Low Gap Rd. #1080, Ukiah, CA 95482.

For information regarding investments held by the City, refer to the City of Ukiah financial statements which may be obtained on the City's website at www.cityofukiah.com .

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

G) Use of Estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

I) Compensated Absences

Qualified employees are allowed to accrue vacation, depending on the length of employment from 12 to 22 hours per month, generally up to a maximum of two year's vacation benefit per employee. In the event of an employee termination, an employee is reimbursed for any unused accumulated vacation leave. Compensated absences are generally liquidated by the General Fund.

J) Accounts Receivable and Property Taxes

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. There is no allowance from doubtful accounts at June 30, 2021.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments on November 1 and February 1. The District relies on the competency of the County of Mendocino Assessor's office to properly assess, collect and distribute property taxes.

K) Fund Balance – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the governing board, which is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the governing board.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board of Directors can make assignments of fund balance.

Unassigned – these are either residual positive net resources of fund balance in excess of what can properly be classified in one of the other four categories, or negative balances. The General Fund is the only fund that reports a positive unassigned fund balance.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

L) Net Position

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

M) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position (balance sheet) will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

N) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense related to pensions, information about the fiduciary net position of the California Public Employees Retirement System (CalPERS) and additions to/deductions from CalPERS fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, employer and employee contributions are recognized in the period the related salaries are earned and become measurable pursuant to formal commitments, statutory or contractual requirements, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, and investments are reported at fair value.

O) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

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

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

GASB 91 - Conduit Debt Obligations: The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

2) CASH AND INVESTMENTS

Cash and investments as of June 30, 2021 consist of the following:

Statement of Net Position:		
Cash and Investments	$	78,451
Total Cash and Investments	$	78,451
Deposits with Financial Insitutions	$	-
Cash in County of Mendocino Pool		78,451
Total Cash and Investments	$	78,451

Authorized Investments

In accordance with Section 53601 of the California Government Code, the District's Board of Directors has directed the District to invest in the following:

- Local Agency Investment Fund (State Pool - LAIF)
- Cash pooled with the City and County

Concentration of Credit Risk

The investment policy of the District contains no limitation on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total District investments.

2) CASH AND INVESTMENTS – Continued

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the 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 District'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 equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Fair Value of Investments
The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. None of the District's investments as of June 30, 2021 are subject to the fair value hierarchy measurements (cash pooled with City and County).

The State Treasurer's Local Agency Investment Fund is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee, comprised of California State officials and various participants, provide oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer's Office. It is the District's understanding that the values of shares in the LAIF pool reflect "fair value." The District is a voluntary participant in the investment pool.

Investment in City and County Pools

The District maintains cash deposits with the County and City and participates in the external investment pools of the County and the City. The County and the City are restricted by the State code in the type of investments they can make. Furthermore, the County Treasurer and the City Treasurer have written investment policies, approved by the Board of Supervisors and the City Council, respectively, which are more restricted than the State code as to the term of maturity and type of investment. The County and City investment pools are not rated.

The County's and the City's investment policies authorize the County and the City to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. At June 30, 2021, the District's cash and investments with the County treasurer and the City treasurer were stated at fair value. However, the value of the pool shares in the County and the City that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District's portion in the pool.

2) CASH AND INVESTMENTS – Continued

For information regarding investment held by the County refer to the County of Mendocino financial statements which may be obtained by contacting the County Auditor-Controller at 501 Low Gap Rd. #1080 Ukiah, CA 95482.

For information regarding investments held by the City refer to the City of Ukiah financial statements which may be obtained by contacting the City Finance Director at 300Seminary Ave, Ukiah, CA 95482.

3) CAPITAL ASSETS AND DEPRECIATION

The District has reported all capital assets in the Government-Wide Statement of Net position. The following table presents the capital assets activity for the year ended June 30, 2021.

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not depreciated:				
Land	$ 286,680	$ -	$ -	$ 286,680
Construction in Progress	1,161	-	1,161	-
Total Capital Assets Not Depreciated	287,841	-	1,161	286,680
Depreciable capital assets:				
Buildings and Other Improvements	930,100	-	-	930,100
Equipment and Vehicles	1,373,076	20,282	187,500	1,205,858
Total Cost of Depreciable Capital Assets	2,303,176	20,282	187,500	2,135,958
Less accumulated depreciation for				
Buildings and Other Improvements	333,200	34,326	-	367,526
Equipment and Vehicles	539,379	75,276	187,500	427,155
Total Accumulated Depreciation	872,579	109,602	187,500	794,681
Depreciable capital assets, net	1,430,597	(89,320)	-	1,341,277
Total Capital assets, net	$ 1,718,438	$ (89,320)	$ 1,161	$ 1,627,957

Depreciation expense in the amount of $109,602 was charged to the public safety function in the Statement of Activities for the year ended June 30, 2021.

4) RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters.

<u>Workers' Compensation and General Liability</u>

The District is a participating member of the Golden State Risk Management Authority (GSRMA), a joint powers authority offering comprehensive risk management programs. The District's purchased insurance coverage from GSRMA provides coverage for general liability, employment practices, errors and omissions, auto liability, property and workers' compensation. GSRMA pays 100% of the claims up to the per occurrence limits. There were no workers' compensation and general liability claims for the past two fiscal years.

5) LONG-TERM LIABILITIES

Changes in long-term liabilities are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due in one year
Net Pension Liability	$ 1,423,776	$ 179,075	$ -	$ 1,602,851	$ -
Notes Payable from Direct Borrowing:					
Type 3 Fire Engine Payable	147,018	-	27,312	119,706	28,320
Mortgage Payable	285,776	-	10,731	275,045	11,236
Commercial Pumper Payable	84,048	-	15,598	68,450	16,182
Total Governmental Activities	$ 1,940,618	$ 179,075	$ 53,641	$ 2,066,052	$ 55,738

Capital Leases payable from Direct Borrowings

The District, at various occasions, enters into lease agreements that qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The assets acquired through capital lease are as follows:

Asset Description	
Fire Engines	$ 650,921
Fire Stations	350,000
Less: Accumulated Depreciation	(409,329)
Total	$ 591,592

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021, were as follows:

Fiscal Year Ending June 30,	Governmental Activities
2022	$ 74,824
2023	327,184
2024	51,479
2025	51,479
Totals	$ 504,966
Less: Interest	(41,765)
Present Value	$ 463,201

6) CLASSIFICATION OF NET POSITION & FUND BALANCE

In the government-wide financial statements net position is classified as follows:

Net Investment in Capital Assets

This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation 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. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted Net Position

This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position
This category represents the net position of the District that are not externally restricted for any project or other purpose.

7) RETIREMENT PLAN

General Information about the Defined Benefit Pension 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 (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2019 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2019 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

7) RETIREMENT PLAN – Continued

Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	57
Monthly benefits, as a % of eligible compensation	3-year average	3-year average
Required employee contribution rates	0%	0%
Required employer contribution rates	$163,459	$58

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 actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. 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 District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The District pays the required employee contribution on behalf of the employees.

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The District's required contribution for the unfunded liability was $163,517 in fiscal year 2021.

The District's contributions to the plan for the year ended June 30, 2021 were $163,517.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions
As of June 30, 2021, the District reported a liability of $1,602,851 for its proportionate share of the net pension liability. The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability as of June 30, 2020 and 2021 was as follows:

Proportion - June 30, 2020	0.01389%
Proportion - June 30, 2021	0.01473%
Change - Increase (Decrease)	0.00084%

For the year ended June 30, 2021, the District recognized pension expense of $198,065. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

7) RETIREMENT PLAN – Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 163,517	$ -
Differences between actual and expected experience	124,948	-
Changes in assumptions	-	5,243
Change in employer's proportion	94,695	-
Differences between the employer's contributions and the employer's proportionate share of contributions	-	264,213
Net differences between projected and actual earnings on plan investments	34,636	-
Total	$ 417,796	$ 269,456

$163,517 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 ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	
2022	$ (39,337)
2023	(4,126)
2024	10,914
2025	17,372
2026	-
Thereafter	-

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

	All Plans
Valuation date	June 30, 2019
Measurement date	June 30, 2020
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.75%
Projected salary increase	(1)
Investment rate of return	7.15%
Mortality	(2)

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

(2) Derived using CalPERS' Membership Data for all Funds.

7) RETIREMENT PLAN – Continued

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

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 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 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 returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

The expected rate of return was set by calculating the 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 follows:

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	50%	4.80%	5.98%
Global Fixed Income	28%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Estate	13%	3.75%	4.93%
Liquidity	1%	-	-0.92%

(1) An expected inflation of 2.0% used for this period.
(2) An expected inflation of 2.92% used for this period.

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

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District'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:

7) RETIREMENT PLAN – Continued

1% Decrease		6.15%
Net Pension Liability	$	2,583,399
Current Discount Rate		7.15%
Net Pension Liability	$	1,602,851
1% Increase		8.15%
Net Pension Liability	$	798,204

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

Payable to the Pension Plan
At June 30, 2021, the District reported a payable of $0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2021.

8) UKIAH VALLEY FIRE AUTHORITY

The Ukiah Valley Fire Authority (UVFA) became effective on July 1, 2017, a Joint Powers Agreement (JPA) between the City of Ukiah and the Ukiah Valley Fire Protection District (UVFD). The JPA jointly manages, equips, maintains and operates all-risk fire, emergency medical and rescue services to the City and Fire District. The JPA established a Fire Executive Committee (FEC) whose membership consists of two appointees from each of the two governing bodies. Powers and duties of the FEC are to take any and all actions within its authority as specified in the Agreement necessary and appropriate to implement the purposes of the Agreement which benefits the citizens and visitors of the greater Ukiah Valley area. The City of Ukiah and the Ukiah Valley Fire District split the operating costs of the UVFA equally. Separate financial statements are not issued by the Authority.

9) CONTINGENCIES

To the best of the District's knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body, pending or threatened against or affecting the District, which is likely to have a material adverse effect on the financial condition of the District.

10) CONTRIBUTIONS FROM THE CITY OF UKIAH

The District received a contribution of $388,395 from the City of Ukiah to support the District's operations to pay for its share of the of the operating costs of the UVFA.

11) FINANCIAL CONDITION OF THE DISTRICT AND MANAGEMENT'S PLANS

The District's current year of operations resulted in an operating deficit of approximately $289,000. In addition, the unassigned fund balance at year-end is a negative $620,107.

11) FINANCIAL CONDITION OF THE DISTRICT AND MANAGEMENT'S PLANS - Continued

The Ukiah Valley Fire Protection District completed an annexation of fire services of all parcels within the City of Ukiah in December of 2021, expanding its legal service area and jurisdictional boundary for the provision of fire services to parcels located within the City of Ukiah. In doing so, certain special property taxes, assessments, and fees levied by the District outside the City of Ukiah would now be levied on City parcels, increasing revenues to the District by an estimated $850,000 and strengthening its financial position, thereby better enabling it to participate in the joint powers agreement with the City of Ukiah for overall fire protection services. The City of Ukiah, through the joint powers agreement, has committed to participate financially no less than fifty percent of the operating costs for the provision of fire services within the city limits and within the larger jurisdictional boundaries of the District. The City and District regularly review that cost share allocation to determine the most equitable and appropriate share, and the agreement cannot be broken unless both parties agree to it.

REQUIRED SUPPLEMENTARY INFORMATION

Ukiah Valley Fire District
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Property Taxes	$ 362,714	$ 362,714	$ 426,627	$ 63,913
Special Assessments	708,150	708,150	766,731	58,581
Intergovernmental	755,756	755,756	497,033	(258,723)
Charges for Services	85,096	85,096	213,211	128,115
Use of Money and Property	1,102	1,102	(384)	(1,486)
Other Revenues	6,500	6,500	6,912	412
Total Revenues	1,919,318	1,919,318	1,910,130	(9,188)
EXPENDITURES				
Current:				
Services and Supplies	193,859	193,859	179,087	14,772
Contract Fire Services	1,946,863	1,946,863	1,917,552	29,311
Capital Outlay	15,750	15,750	19,121	(3,371)
Debt Service:				
Principal	64,006	64,006	53,641	10,365
Interest and Fiscal Charges	16,082	16,082	29,993	(13,911)
Total Expenditures	2,236,560	2,236,560	2,199,394	37,166
Excess (Deficiency) of Revenues Over Expenditures	(317,242)	(317,242)	(289,264)	27,978
Net Change in Fund Balances	(317,242)	(317,242)	(289,264)	$ 27,978
Fund Balance, Beginning of Year	62,173	62,173	62,173	
Fund Balance, End of Year	$ (255,069)	$ (255,069)	$ (227,091)	

Ukiah Valley Fire District
Required Supplementary Information
For the Year Ended June 30, 2021

Schedule of the District's Proportionate Share of the Net Pension Liability
Last 10 Years*

Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a % of Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
2020	0.01473%	$ 1,602,851	$ - (1)	N/A	77.80%
2019	0.01389%	1,423,776	- (1)	N/A	79.20%
2018	0.01331%	1,282,336	- (1)	N/A	79.80%
2017	0.01289%	1,278,081	455,496	280.59%	76.55%
2016	0.01257%	1,107,193	466,257	237.46%	77.10%
2015	0.01130%	775,444	381,107	203.47%	81.45%
2014	0.01149%	693,656	428,484	161.89%	81.83%

(1) Beginning in fiscal year 2019, the District had no employees or covered payroll. Therefore, this amount is $0.

Notes to the Schedule of the District's Proportionate Share of the Net Pension Liability

Benefit Changes: None

Changes in Assumptions: In 2017, the accounting discount rate changed from 7.65% to 7.15%.

*Fiscal year 2015 was the first year of implementation; therefore, 10 years of information are not yet available.

Ukiah Valley Fire District
Required Supplementary Information
For the Year Ended June 30, 2021

Schedule of Plan Contributions
Last 10 Years*

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2021	$ 163,517	$ (163,517)	$ -	$ -	N/A
2020	82,026	(82,026)	-	-	N/A
2019	66,086	(66,086)	-	-	N/A
2018	73,816	(73,816)	-	697,653	10.58%
2017	109,227	(109,227)	-	455,496	23.98%
2016	101,152	(101,152)	-	466,257	21.69%
2015	86,481	(86,481)	-	381,107	22.69%

Notes to the Schedule of Plan Contributions

Valuation Date: 6/30/13, 6/30/14, 6/30/15, 6/30/16, 6/30/17, 6/30/18, 6/30/19

*Fiscal year 2015 was the first year of implementation; therefore, 10 years of information are not yet available.

Ukiah Valley Fire District
Notes to Required Supplementary Information
For the Year Ended June 30, 2021

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1) The annual budget is adopted by the Board of Directors after the holding of a hearing and provides for the general operation of the District. The operating budget includes proposed expenditures and the means of financing them.

2) The Board of Directors approves total budgeted appropriations and any amendments to appropriations throughout the year. This "appropriated budget" (as defined by GASB Code Sec. 2400.109) covers District expenditures. Budget figures used in the accompanying financial statements are the final adjusted amounts.

3) Formal budgetary integration is employed as a management control device during the year.

4) The annual budget for the District is adopted on a basis consistent with generally accepted accounting principles (GAAP). Accordingly, actual revenues and expenditures have been adjusted for comparison with related budgeted amounts in the financial statements.

SUPPLEMENTARY INFORMATION

Measure B Special Tax

Resolution 2003-7, approved by the taxpayers on November 4, 2003, established a special tax rate (Measure B), effective July 1, 2004. The special tax assessment is to be used for the specific purpose of replacing fire suppression vehicles, emergency equipment, personnel safety equipment, and training. The rate of tax is $10 per unit and is accounted for by the District in separate accounts internally.

The following is a summary of the activity for the year ended June 30, 2021:

Additions:	
Measure "B" Assessments	$ 123,810
Reimbursements	88,340
Investment Income	(3,056)
Total Additions	209,094
Deductions:	
Capital Outlay	5,982
Contract Services	103,491
Capital Lease Payments	55,604
Total Deductions	165,077
Increase (Decrease) of Measure "B" Related Funds	44,017
Beginning Balance, Measure "B" Related Funds	348,999
Ending Balance, Measure "B" Related Funds	$ 393,016

Ukiah Valley Fire District
Supplementary Information
For the Year Ended June 30, 2021

Mitigation Fees

Resolution 2008-5, approved by the Board of Directors on June 11, 2008, established a Mitigation Fee effective July 1, 2009. The fees collected are to be used for the specific purpose of providing capital improvements and equipment to serve new development projects. The rate of the fee is $.39 per square foot of a proposed structure and is accounted for by the District in separate accounts internally.

The following is a summary of the activity for the year ended June 30, 2021:

Additions:	
Mitigation Fee Revenues	$ 57,033
Investment Income	(13)
Total Additions	57,020
Deductions:	
Capital Lease Payments	16,614
Total Deductions	16,614
Increase (Decrease) of Mitigation Fee Related Funds	40,406
Beginning Balance, Mitigation Fee Related Funds	42,315
Ending Balance, Mitigation Fee Related Funds	$ 82,721

Van Lant & Fankhanel, LLP
Certified Public Accountants

April 22, 2022

Board of Directors
Ukiah Valley Fire District
Ukiah, CA

We have audited the financial statements of the governmental activities and each major fund of the Ukiah Valley Fire District for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 5, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

> Management's estimate of the fair value of investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of investments in determining that it is reasonable in relation to the financial statements as a whole.

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Management's estimate of capital assets depreciation is based on historical estimates of each capitalized item's useful life. We evaluated key factors and assumptions used to develop the estimated useful lives in determining that they are reasonable in relation to the financial statements as a whole.

Management's estimate of the net pension liability is based on actuarial information provided by the California Public Employee Retirement System's (CalPERS) actuarial office. We evaluated the key factors and assumptions to develop the net pension liability in determining that it is reasonable in relation to the financial statements as a whole.

Management's estimate of the financial condition and plans for the operating deficit and additional revenues to be received as a result is based off of information obtained from management and documentation from LAFCO. We evaluated the key factors in the information provided to determine that it is reasonable in relation to the financial statements as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of the fair value of investments in Note 2 to the financial statements represents amounts susceptible to market fluctuation.

The disclosure of accumulated depreciation in Note 3 to the financial statements is based on estimated useful lives which could differ from actual useful lives of each capitalized item.

The disclosure of the net pension liability in Note 7 to the financial statements is based on the District's proportionate share of the total pension liability of the pool and includes assumptions for discount rates, which could differ from actual discount rates. Note 7 discloses the differences in the net pension liability assuming different discount rates.

The disclosure of management's plans in Note 11 is based on estimates of future revenues to be received by the District as a result of the annexation, actual results could differ from these estimates.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 22, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

<u>Other Matters</u>

We applied certain limited procedures to management's discussion and analysis and the schedules listed as required supplementary information in the table of contents, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Van Lant + Fankhanel, LLP

Communication of Significant Deficiencies

Board of Directors and Management
Ukiah Valley Fire District
Ukiah, California

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ukiah Valley Fire District (the “District”) as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the District’s internal control over financial reporting 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 District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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, mistatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described as item 2021-1 to be a significant deficiency.

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This communication is intended solely for the information and use of management, Board of Directors, and others within the District, and is not intended to be, and should not be, used by anyone other than these specified parties.

Van Lant & Fankhanel, LLP

April 22, 2022

UKIAH VALLEY FIRE DISTRICT
SCHEDULE OF FINDINGS
Year Ended June 30, 2021

2020-1: Permit Issuance and Cashiering System

Condition:

As part of our audit procedures, we evaluated the District's internal controls over the issuance of permits and plan checks and the collection of fees related to these transactions. We noted that the same individual responsible for calculating the fees and issuing permits and plan checks is also responsible for collecting the payments from customers. In addition, although the number of payments received by the District are minimal, the District does not have a formal receipting system at the District office (manual cash receipts or a cashiering software program)

Criteria:

In a strong internal control environment, the same individual responsible for issuing permits should not be collecting the payments. In addition, controls should be established over payments at the "point of sale" to ensure payments are not misappropriated.

Cause of Condition:

Limited staff and lack of a formal cashiering system at the District office.

Potential Effect of Condition:

The potential for permits to be issued without a corresponding cash receipt recorded is increased.

Recommendation:

We recommend the District review the procedures for permit issuance and payment collections to determine if changes can be made to segregate these duties and increase controls over receipts.