



City of Montague Regular City Council  
230 S. 13<sup>th</sup> Street, Montague, CA 96064 Ph. (530) 459-3030

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## CITY OF MONTAGUE CITY COUNCIL MEETING AGENDA

February 5, 2026

6:30 P.M.

Council Chambers, 230 S. 13th Street, Montague, CA 96064

**PARTICIPATION:** Participants can attend in person, online, and/or by telephone, as follows:

- In-person at: **Montague City Council Chambers, 230 S. 13<sup>th</sup> St.**
- Online via WebEx at: <https://cityofmontague-454.my.webex.com/meet/clerk>
- Meeting number (access code): 2630 874 0065
- Telephone at:, 1-650-479-3208 When prompted, enter **Meeting ID:** 26308740065 **Passcode:** \*89335983

**AGENDA PACKET:** Copies of all staff reports and documents subject to disclosure that relate to any item of business referred to on the agenda are available for public inspection 72 hours before each regularly scheduled meeting at the City Clerk's office at City Hall, located at 230 S. 13<sup>th</sup> Street, Montague, California, during normal business hours. Any writing that is subject to disclosure that relates to an agenda item for open session distributed less than 72 hours prior to the meeting will be available for public inspection at the City Clerk's office during normal business hours. Materials distributed to a majority of councilmembers less than 72 hours before a meeting will be available for public inspection on the City's website at [www.cityofmontagueca.com](http://www.cityofmontagueca.com).

**SPEAKERS:** Speakers, please stand at the podium and speak loudly so the entire room can hear you. The chairman will recognize you and ask that you state your name and mailing address so that the City Staff can follow up on any issues requiring City action, or provide you with information, if appropriate.

**Please silence your cell phones. Thank you!**

### CITY COUNCIL AGENDA:

- I. CALL TO ORDER:**
- II. ROLL CALL:**
- III. PLEDGE OF ALLIGIANCE:**
- IV. PUBLIC COMMENTS:** "This time is set aside for the public to address the City Council on matters listed on the Consent Agenda as well as other items not included on the Regular Agenda within the authority of the City Council. If your comments concern an item noted under New Business or Old Business on the Regular Agenda, please address the City Council when that item is open for public comment." (The Brown Act requires the public be given the opportunity to address the City Council before action is taken. If there is a Consent Agenda, there is no other opportunity for public comment on items on the Consent Agenda.) The City Council has the right to reasonably limit the duration of each speaker to three minutes. Speakers may not cede their time. The City Council may ask questions but may take no action during the Public Comments portion of the meeting, except to direct staff to prepare a report, or to place an item on a future agenda.
- V. AGENDA APPROVAL:**
- VI. CONSENT CALENDAR:** Discussion/possible action - All matters listed under the consent calendar are considered routine and will be enacted by one motion unless any member of the Council wishes to remove an item for discussion. The City Clerk recommends approval of the following consent calendar items:
  1. Approval of City Council Meeting minutes for January 15, 2026.



**VII. DEPARTMENT REPORTS:**

1. Sheriff's update for January 2026
2. City Engineer's update for January 2026
3. Planning Commission's update for January 2026 (No Meeting for January)

**VIII. NEW BUSINESS:**

1. Discussion of FY 22/23 Final Audit:
2. Discussion/possible action of coming up events held by Kris Taylor of Shoppe Serendipity within the city for the Calander year 2026:
3. Consideration of approval of appointment of Brandon Shroeder to the Montague Volunteer Fire Department.
4. Consideration of approval of Resolution 26-01 to appoint Ruanna Smith as an alternate for SCORE:

**IX. COUNCIL AND STAFF REPORTS FOR JANUARY 2026:**

1. Fire Department:
2. Public Works/City Administrator:
3. Animal Control/ Code Enforcement:
4. City Clerk:
5. Treasurer:
6. Library:
7. Commissioner/ Council Statements and Requests: Members of the council may now make brief announcements, reports, or request staff to report to the council on any matter at a subsequent meeting.

**X. ADJOURN:**

In compliance with the requirements of the Brown Act, notice of this meeting has been posted in a publicly accessible place, 72 hours in advance of the meeting.

Public Hearings: If you wish to challenge in court any of the matters on an agenda for which a public hearing is to be conducted, you may be limited to raising only those issues which you (or someone else) raised orally at the public hearing or in written correspondence received by the City at or before the hearing. Any person seeking to challenge a Planning Commission decision made as a result of a proceeding in which by law a hearing is required to be given, evidence is required to be taken, and the discretion in the determination of facts is vested in the Planning Commission, shall be required to commence that action 90 days following the date on which the decision becomes final as provided in Code of Civil Procedure Section 1094.6. Please refer to Code of Civil Procedure 1094.6 to determine how to calculate when a decision becomes "final."

CHALLENGING DECISIONS OF CITY ENTITIES The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City of Montague is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision, including without limitation Government Code section 65009 applicable to many land use and zoning decisions, Government Code section 66499.37 applicable to the Subdivision Map Act, and Public Resources Code section 21167 applicable to the California



Environmental Quality Act (CEQA). Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. Government Code section 65009 and 66499.37, and Public Resources Code section 21167, impose shorter limitations periods and requirements, including timely service in addition to filing. If a person wishes to challenge the above actions in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Montague, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

The City of Montague does not discriminate on the basis of race, color, national origin, religion, age, gender, sexual orientation, disability, or any other legally protected classes in employment or provision of services. In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the City Clerk 48 hours prior to the meeting at (530) 459-3030 or by notifying the Clerk at [clerk@cityofmontagueca.com](mailto:clerk@cityofmontagueca.com)

#### **AFFIDAVIT OF NOTIFICATION AND POSTING**

**STATE OF CALIFORNIA**

**COUNTY OF SISKIYOU**

**CITY OF MONTAGUE**

I, David Dunn City Administrator for the City of Montague, hereby declare under penalty of perjury that a copy of the above Agenda of the Regular Meeting of the Regular City Council of the City of Montague, California, was delivered and/or notice by email not less than 72 hours, before the hour of 4:30 PM on February 5, 2026 to the members of the City Council, caused the agenda to be posted at the bulletin board found at City Hall, 230 S. 13<sup>th</sup> Street, Montague CA, and a copy to be place for review at the Office of the City Clerk.

**POSTED:** February 2, 2026 @ 4:30 PM



City of Montague Regular City Council  
230 S. 13<sup>th</sup> Street, Montague, CA 96064 Ph. (530) 459-3030

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**CITY OF MONTAGUE CITY COUNCIL MEETING MINUTES [DRAFT]**

**January 15, 2026**

**6:30 P.M.**

**Council Chambers, 230 S. 13th Street, Montague, CA 96064**

- I. CALL TO ORDER: @ 6:30 PM**
- II. ROLL CALL: Vela, Murakami, Dooley, and Jackson present.**
- III. PLEDGE OF ALLIGIANCE:**
- IV. PUBLIC COMMENTS:** "This time is set aside for the public to address the City Council on matters listed on the Consent Agenda as well as other items not included on the Regular Agenda within the authority of the City Council. If your comments concern an item noted under New Business or Old Business on the Regular Agenda, please address the City Council when that item is open for public comment." (The Brown Act requires the public be given the opportunity to address the City Council before action is taken. If there is a Consent Agenda, there is no other opportunity for public comment on items on the Consent Agenda.) The City Council has the right to reasonably limit the duration of each speaker to three minutes. Speakers may not cede their time. The City Council may ask questions but may take no action during the Public Comments portion of the meeting, except to direct staff to prepare a report, or to place an item on a future agenda. **No public comment.**
- V. AGENDA APPROVAL: Approved as is. Motion made by Vela. Seconded by Jackson. All Ayes.**
- VI. CONSENT CALENDAR:** Discussion/possible action - All matters listed under the consent calendar are considered routine and will be enacted by one motion unless any member of the Council wishes to remove an item for discussion. The City Clerk recommends approval of the following consent calendar items:
  - 1. Approval of City Council Meeting minutes for December 4, 2025. Approved as presented. Motion made by Jackson. Seconded by Dooley. All Ayes.**
- VII. DEPARTMENT REPORTS:**
  - 1. Sheriff's update for December 2025. No report. The city has a new sheriff and has not been notified of who the replacement is.**
  - 2. City Engineer's update for December 2025. Dunn presenting. Working on 9<sup>th</sup> and Prather rehab and rate study for the public hearing for proposed water rate increase.**
  - 3. Planning Commission's update for December 2025 (No Meeting for December)**
- VIII. NEW BUSINESS:**
  - 1. Consideration of approval of appointment of Zane Royat to the Montague Volunteer Fire Department. Presented by Murakami. Royat not present. Approved to appoint Zane Royat to the Montague Volunteer Fire Department and to be sworn in at a later date. Motion made by Dooley. Seconded by Jackson. All Ayes.**
- IX. COUNCIL AND STAFF REPORTS FOR DECEMBER 2025:**
  - 1. Fire Department: Presented by Murakami.**
  - 2. Public Works/City Administrator: Presented by Dunn.**
  - 3. Animal Control/ Code Enforcement: Report in packet.**
  - 4. City Clerk: Report in packet.**

5. Treasurer: **No report.**
6. **Library: Report in packet.**
7. Commissioner/ Council Statements and Requests: Members of the council may now make brief announcements, reports, or request staff to report to the council on any matter at a subsequent meeting. **Vela would like an update from the City Attorney concerning the employee handbook. Councils general consensus is to direct the City Attorney to start working on the policy handbook, together with the City staff and give updates to council at subsequent council meetings.**

**X. CLOSED BUSINESS: @ 7:08 PM**

1. Government Code 54956.9(d)(2) - - Conference with Legal Counsel – Potential Litigation: One Case. **Out of closed business @ 7:45 PM Briefing was given. No action taken.**

**XI. ADJOURN: @7:46 PM Motion made by Jackson. Seconded by Vela. All Ayes.**

**CITY OF MONTAGUE, CALIFORNIA**  
**BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**CITY OF MONTAGUE**  
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## INDEPENDENT AUDITOR'S REPORT

To the City Council  
City of Montague, California

### ***Unmodified and Disclaimer of Opinions***

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information; and I was engaged to audit the non-major fund, Montague Volunteer Fire Department Association (MVFDA), of the City of Montague, California, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Montague, California's basic financial statements as listed in the table of contents.

#### Summary of Opinions

| <u>Opinion Unit</u>                            | <u>Type of Opinion</u> |
|------------------------------------------------|------------------------|
| Governmental Activities                        | Unmodified             |
| Business-type Activities                       | Unmodified             |
| Montague Volunteer Fire Department Association | Disclaimer             |
| General Fund                                   | Unmodified             |
| COPS Fund                                      | Unmodified             |
| Fire Fund                                      | Unmodified             |
| STIP Fund                                      | Unmodified             |
| Water Fund                                     | Unmodified             |
| Sewer Fund                                     | Unmodified             |
| Airport Fund                                   | Unmodified             |
| Aggregate Remaining Fund Information           | Unmodified             |

#### Disclaimer of Opinion on the Montague Volunteer Fire Department Association

I do not express an opinion on the financial statements of the Montague Volunteer Fire Department Association of the City of Montague, California. Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the Montague Volunteer Fire Department Association section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the MVFDA.

#### Unmodified Opinions on Governmental Activities, Business-type Activities, Each Major Fund, and Aggregate Remaining Fund Information

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Montague, California as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Disclaimer of Opinion on the Montague Volunteer Fire Department Association***

During the audit of the basic financial statements for the year ended June 30, 2023, it was discovered by the City that there was an unreported bank account in the name of the Montague Fireman's Association that had activity dating back many years. The bank account under the name, Montague Fireman's Association, represents the banking activity of the MVFDA. The MVFDA was approved by City Council to be an aggregate discretely presented component unit, but the MVFDA never became a separate legal entity. Therefore, the MVFDA is being reported as a separate fund of the City and qualifies as a non-major fund. The MVFDA does not have an accounting system that could account for the cash receipts and disbursements, and there is not enough appropriate audit evidence to generate financial statement amounts. As of the date of my audit report, management was still in the process of rectifying the system deficiencies, performing various account analysis, and correcting the misstatements.

## **INDEPENDENT AUDITOR'S REPORT**

(Continued)

I was unable to confirm or verify by alternative means the financial statement amounts for MVFDA. As a result of these matters, I was unable to determine whether any adjustments might have been found necessary for the amounts included in the statement of financial position and changes in financial position for MVFDA. MVFDA's financial activities are included in the City of Montague, California's basic financial statements as a non-major fund and represent .41 percent, .42 percent, and 14 percent of the assets, fund balance, and revenues, respectively, of the City of Montague, California's aggregate remaining fund information for all non-major governmental funds.

### ***Basis for Unmodified Opinions***

I conducted my audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the City of Montague, California and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Auditor's Responsibilities for the Audit of the Montague Volunteer Fire Department Association

My responsibility is to conduct an audit of the City of Montague, California's financial statements in accordance with generally accepted auditing standards and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion on the Montague Volunteer Fire Department Association section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the MVFDA.

I am required to be independent of the City of Montague, California and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit.

Auditor's Responsibilities for the Audit of the Governmental Activities, the Business-type Activities, Each Major Fund, and the Aggregate Remaining Fund Information

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

## INDEPENDENT AUDITOR'S REPORT

(Continued)

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Montague, California's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Montague, California's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* (not presented), the budgetary comparison information on pages 38-41, the pension disclosure schedules on pages 42-43, and the single-employer defined benefit post-employment healthcare plan information on page 44-45 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Montague, California's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Except as noted in the Auditor's Responsibilities for the Audit of the Montague Volunteer Fire Department Association non-major fund, the remaining fund information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

## INDEPENDENT AUDITOR'S REPORT

(Continued)

Except for the disclaimer of opinion on the MVFDA non-major fund, in my opinion, the combining and individual remaining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other 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 part of the basic financial statements, is required by the Governmental Accounting Standards Board. My opinion on the basic financial statements is not affected by this missing information.

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

In accordance with *Government Auditing Standards*, I have also issued my report dated January 14, 2026, on my consideration of the City of Montague, California's internal control over financial reporting and on my tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Montague, California's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Montague, California's internal control over financial reporting and compliance.

A handwritten signature in dark ink, appearing to read "Charles W. Pilon, CPA". The signature is stylized with a large "C" and "P".

Charles W. Pilon, CPA  
Anderson, California

January 14, 2026

## **BASIC FINANCIAL STATEMENTS**

**CITY OF MONTAGUE**  
**Statement of Net Position**  
**June 30, 2023**

|                                                                  | Governmental<br>Activities | Business-Type<br>Activities | Total                |
|------------------------------------------------------------------|----------------------------|-----------------------------|----------------------|
| <b>ASSETS</b>                                                    |                            |                             |                      |
| Cash and investments                                             | \$ 1,819,313               | \$ 2,890,641                | \$ 4,709,954         |
| Receivables (net of allowances for bad debts, where applicable): |                            |                             |                      |
| Trade accounts                                                   | -                          | 88,984                      | 88,984               |
| Loans                                                            | 532,741                    | -                           | 532,741              |
| Intergovernmental                                                | 174,743                    | 10,000                      | 184,743              |
| Leases                                                           | -                          | 16,616                      | 16,616               |
| Prepaid expenses                                                 | 9,684                      |                             | 9,684                |
| Restricted cash and investments                                  | 288,543                    | 283,857                     | 572,400              |
| Capital assets:                                                  |                            |                             |                      |
| Non-depreciable                                                  | 50,008                     | 32,400                      | 82,408               |
| Depreciable, net                                                 | 2,541,869                  | 7,451,560                   | 9,993,429            |
| <b>Total Assets</b>                                              | <b>5,416,901</b>           | <b>10,774,058</b>           | <b>16,190,959</b>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                            |                            |                             |                      |
| Deferred outflows related to pensions                            | 86,984                     | 144,224                     | 231,208              |
| Deferred outflows related to OPEB                                | 517                        | 699                         | 1,216                |
| <b>Total Deferred Outflows of Resources</b>                      | <b>87,501</b>              | <b>144,923</b>              | <b>232,424</b>       |
| <b>LIABILITIES</b>                                               |                            |                             |                      |
| Accounts payable                                                 | 102,287                    | 27,641                      | 129,928              |
| Accrued liabilities                                              | 12,406                     | 9,212                       | 21,618               |
| Overdraft payable                                                | 36,275                     | -                           | 36,275               |
| Deposits                                                         | -                          | 52,743                      | 52,743               |
| Long-term liabilities:                                           |                            |                             |                      |
| Due within one year                                              | 28,993                     | 20,272                      | 49,265               |
| Due in more than one year                                        | 272,763                    | 637,124                     | 909,887              |
| Net pension liability                                            | 180,231                    | 309,270                     | 489,501              |
| Net OPEB liability                                               | 39,496                     | 53,554                      | 93,050               |
| <b>Total Liabilities</b>                                         | <b>672,451</b>             | <b>1,109,816</b>            | <b>1,782,267</b>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                             |                            |                             |                      |
| Deferred inflows related to pensions                             | 15,412                     | 18,866                      | 34,278               |
| Deferred inflows related to OPEB                                 | 11,169                     | 15,145                      | 26,314               |
| Deferred inflows related to leases                               | -                          | 16,171                      | 16,171               |
| <b>Total Deferred Inflows of Resources</b>                       | <b>26,581</b>              | <b>50,182</b>               | <b>76,763</b>        |
| <b>NET POSITION</b>                                              |                            |                             |                      |
| Net investment in capital assets                                 | 2,303,460                  | 6,845,281                   | 9,148,741            |
| Restricted                                                       | -                          | 283,857                     | 283,857              |
| Unrestricted                                                     | 2,501,910                  | 2,629,845                   | 5,131,755            |
| <b>Total Net Position</b>                                        | <b>\$ 4,805,370</b>        | <b>\$ 9,758,983</b>         | <b>\$ 14,564,353</b> |

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

**CITY OF MONTAGUE**  
**Statement of Activities**  
**For The Year Ended June 30, 2023**

|                                                  |                    | Program Revenues     |                                    |                                  | Net (Expense) Revenue and Changes in Net Position |                          | Total               |
|--------------------------------------------------|--------------------|----------------------|------------------------------------|----------------------------------|---------------------------------------------------|--------------------------|---------------------|
|                                                  |                    | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities                           | Business-Type Activities |                     |
|                                                  | Expenses           |                      |                                    |                                  |                                                   |                          |                     |
| <b>Governmental Activities</b>                   |                    |                      |                                    |                                  |                                                   |                          |                     |
| General government                               | 457,422            | \$ 22,609            | \$ 195,267                         | \$ -                             | \$ (239,546)                                      | \$ -                     | \$ (239,546)        |
| Public works                                     | 179,055            | -                    | 135,552                            | 311,540                          | 268,037                                           | -                        | 268,037             |
| Public safety                                    | 804,246            | 443,158              | 219,987                            | -                                | (141,101)                                         | -                        | (141,101)           |
| Recreation services                              | 60,711             | 36,495               | -                                  | -                                | (24,216)                                          | -                        | (24,216)            |
| Community development                            | 65,088             | -                    | -                                  | -                                | (65,088)                                          | -                        | (65,088)            |
| <b>Total Governmental Activities</b>             | <b>1,566,522</b>   | <b>502,262</b>       | <b>550,806</b>                     | <b>311,540</b>                   | <b>(201,914)</b>                                  | <b>-</b>                 | <b>(201,914)</b>    |
| <b>Business-Type Activities</b>                  |                    |                      |                                    |                                  |                                                   |                          |                     |
| Water                                            | 613,119            | 490,887              | -                                  | -                                | -                                                 | (122,232)                | (122,232)           |
| Sewer                                            | 257,460            | 277,182              | -                                  | -                                | -                                                 | 19,722                   | 19,722              |
| Airport                                          | 51,948             | 7,437                | 15,000                             | -                                | -                                                 | (29,511)                 | (29,511)            |
| <b>Total Business-Type Activities</b>            | <b>922,527</b>     | <b>775,506</b>       | <b>15,000</b>                      | <b>-</b>                         | <b>-</b>                                          | <b>(132,021)</b>         | <b>(132,021)</b>    |
| <b>Total Primary Government</b>                  | <b>\$2,489,049</b> | <b>\$ 1,277,768</b>  | <b>\$ 565,806</b>                  | <b>\$ 311,540</b>                | <b>(201,914)</b>                                  | <b>(132,021)</b>         | <b>(333,935)</b>    |
| <b>General Revenues</b>                          |                    |                      |                                    |                                  |                                                   |                          |                     |
| Taxes:                                           |                    |                      |                                    |                                  |                                                   |                          |                     |
| Property                                         |                    |                      |                                    |                                  | 189,509                                           | -                        | 189,509             |
| Sales                                            |                    |                      |                                    |                                  | 87,873                                            | -                        | 87,873              |
| Franchise and other                              |                    |                      |                                    |                                  | 21,960                                            | -                        | 21,960              |
| Investment earnings                              |                    |                      |                                    |                                  | 81,238                                            | 13,593                   | 94,831              |
| Net change in fair value of investments          |                    |                      |                                    |                                  | (7,723)                                           | (4,198)                  | (11,921)            |
| Lease interest revenue                           |                    |                      |                                    |                                  | -                                                 | 510                      | 510                 |
| Fundraising revenues, net of expenses            |                    |                      |                                    |                                  | 35,768                                            | -                        | 35,768              |
| Other and donations                              |                    |                      |                                    |                                  | 11,672                                            | 610                      | 12,282              |
| Loss on impairment of assets                     |                    |                      |                                    |                                  | (784)                                             | -                        | (784)               |
| <b>Total General Revenues</b>                    |                    |                      |                                    |                                  | <b>419,513</b>                                    | <b>10,515</b>            | <b>430,028</b>      |
| <b>Changes in Net Position</b>                   |                    |                      |                                    |                                  | <b>217,599</b>                                    | <b>(121,506)</b>         | <b>96,093</b>       |
| <b>Net Position</b>                              |                    |                      |                                    |                                  |                                                   |                          |                     |
| <b>Beginning of Year, as Previously Reported</b> |                    |                      |                                    |                                  | <b>4,622,819</b>                                  | <b>9,940,023</b>         | <b>14,562,842</b>   |
| Prior period adjustment                          |                    |                      |                                    |                                  | (35,048)                                          | (59,534)                 | (94,582)            |
| <b>Beginning of Year, as Restated</b>            |                    |                      |                                    |                                  | <b>4,587,771</b>                                  | <b>9,880,489</b>         | <b>14,468,260</b>   |
| <b>End of Year</b>                               |                    |                      |                                    |                                  | <b>\$ 4,805,370</b>                               | <b>\$ 9,758,983</b>      | <b>\$14,658,935</b> |

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

**CITY OF MONTAGUE**  
**Balance Sheet**  
**and**  
**Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities**  
**Governmental Funds**  
**June 30, 2023**

|                                                                                                                                                             | Special Revenue Funds |                 |                   |                  |                          |                          |                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------|-------------------|------------------|--------------------------|--------------------------|---------------------|
|                                                                                                                                                             | General Fund          | COPS Fund       | Fire Fund         | STIP Fund        | Other Governmental Funds | Total Governmental Funds |                     |
| <b>ASSETS</b>                                                                                                                                               |                       |                 |                   |                  |                          |                          |                     |
| Cash and investments                                                                                                                                        | \$ 930,877            | \$ -            | \$ 133,134        | \$ -             | \$ 755,302               | \$ 1,819,313             |                     |
| Receivables (net of allowance for bad debts, where applicable):                                                                                             |                       |                 |                   |                  |                          |                          |                     |
| Loans                                                                                                                                                       | 85,329                | -               | -                 | -                | 447,412                  | 532,741                  |                     |
| Intergovernmental                                                                                                                                           | 120,655               | 627             | 14,594            | 26,996           | 11,871                   | 174,743                  |                     |
| Prepaid expenses                                                                                                                                            | 9,684                 | -               | -                 | -                | -                        | 9,684                    |                     |
| Restricted cash and investments                                                                                                                             | -                     | -               | 288,543           | -                | -                        | 288,543                  |                     |
| <b>Total Assets</b>                                                                                                                                         | <b>\$ 1,146,545</b>   | <b>\$ 627</b>   | <b>\$ 436,271</b> | <b>\$ 26,996</b> | <b>\$ 1,214,585</b>      | <b>\$ 2,825,024</b>      |                     |
| <b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>                                                                                                      |                       |                 |                   |                  |                          |                          |                     |
| <b>Liabilities</b>                                                                                                                                          |                       |                 |                   |                  |                          |                          |                     |
| Accounts payable                                                                                                                                            | \$ 31,945             | \$ 52,500       | \$ 8,981          | \$ 495           | \$ 8,366                 | \$ 102,287               |                     |
| Accrued liabilities                                                                                                                                         | 4,875                 | -               | -                 | -                | 7,531                    | 12,406                   |                     |
| Interest payable                                                                                                                                            | -                     | -               | 7,662             | -                | -                        | 7,662                    |                     |
| Compensated absences payable                                                                                                                                | 1,448                 | -               | -                 | -                | 137                      | 1,585                    |                     |
| Overdraft payable                                                                                                                                           | -                     | -               | -                 | 36,275           | -                        | 36,275                   |                     |
| <b>Total Liabilities</b>                                                                                                                                    | <b>38,268</b>         | <b>52,500</b>   | <b>16,643</b>     | <b>36,770</b>    | <b>16,034</b>            | <b>160,215</b>           |                     |
| <b>Deferred Inflows of Resources</b>                                                                                                                        |                       |                 |                   |                  |                          |                          |                     |
| Deferred revenue - unavailable                                                                                                                              | 5,011                 | -               | -                 | -                | -                        | 5,011                    |                     |
| <b>Fund Balances</b>                                                                                                                                        |                       |                 |                   |                  |                          |                          |                     |
| <b>Non-spendable:</b>                                                                                                                                       |                       |                 |                   |                  |                          |                          |                     |
| Noncurrent receivables                                                                                                                                      | 85,329                | -               | -                 | -                | 447,412                  | 532,741                  |                     |
| Prepaid expenses                                                                                                                                            | 9,684                 | -               | -                 | -                | -                        | 9,684                    |                     |
| <b>Total Nonspendable</b>                                                                                                                                   | <b>95,013</b>         | <b>-</b>        | <b>-</b>          | <b>-</b>         | <b>447,412</b>           | <b>542,425</b>           |                     |
| <b>Restricted for:</b>                                                                                                                                      |                       |                 |                   |                  |                          |                          |                     |
| Streets and roads                                                                                                                                           | -                     | -               | -                 | -                | 618,496                  | 618,496                  |                     |
| Fire protection                                                                                                                                             | -                     | -               | 288,417           | -                | -                        | 288,417                  |                     |
| Community development                                                                                                                                       | -                     | -               | -                 | -                | 140,211                  | 140,211                  |                     |
| <b>Total Restricted</b>                                                                                                                                     | <b>-</b>              | <b>-</b>        | <b>288,417</b>    | <b>-</b>         | <b>758,707</b>           | <b>1,047,124</b>         |                     |
| <b>Assigned for:</b>                                                                                                                                        |                       |                 |                   |                  |                          |                          |                     |
| Fire protection                                                                                                                                             | -                     | -               | 131,211           | -                | 5,036                    | 136,247                  |                     |
| Unassigned (deficit)                                                                                                                                        | 1,008,253             | (51,873)        | -                 | (9,774)          | (12,604)                 | 934,002                  |                     |
| <b>Total Fund Balance (Deficit)</b>                                                                                                                         | <b>1,103,266</b>      | <b>(51,873)</b> | <b>419,628</b>    | <b>(9,774)</b>   | <b>1,198,551</b>         | <b>2,659,798</b>         |                     |
| <b>Total Liabilities, Deferred Inflows and Fund Balances</b>                                                                                                | <b>\$ 1,146,545</b>   | <b>\$ 627</b>   | <b>\$ 436,271</b> | <b>\$ 26,996</b> | <b>\$ 1,214,585</b>      | <b>\$ 2,825,024</b>      |                     |
| <b>Total Governmental Fund Balance, as above</b>                                                                                                            |                       |                 |                   |                  |                          |                          | <b>\$ 2,659,798</b> |
| Amounts reported for governmental activities in the statement of net position are different because:                                                        |                       |                 |                   |                  |                          |                          |                     |
| Capital assets used in governmental activities are not financial resources and therefore not reported in the balance sheet                                  |                       |                 |                   |                  |                          |                          | 2,591,877           |
| Long-term debt used in governmental activities are not due and payable in the current period and therefore not reported in the balance sheet                |                       |                 |                   |                  |                          |                          | (288,417)           |
| Liabilities are not due and payable in the current period and therefore are not reported on the balance sheet                                               |                       |                 |                   |                  |                          |                          |                     |
| Net pension liability                                                                                                                                       |                       |                 |                   |                  |                          |                          | (180,231)           |
| Net OPEB liability                                                                                                                                          |                       |                 |                   |                  |                          |                          | (39,496)            |
| Long-term compensated absences in governmental activities are not due and payable in the current period and therefore are not reported in the balance sheet |                       |                 |                   |                  |                          |                          | (4,092)             |
| Deferred outflows (inflows) of resources are not receivable or due and payable in the current period and therefore are not reported on the balance sheet    |                       |                 |                   |                  |                          |                          |                     |
| Deferred outflows related to pensions                                                                                                                       |                       |                 |                   |                  |                          |                          | 86,984              |
| Deferred outflows related to OPEB                                                                                                                           |                       |                 |                   |                  |                          |                          | 517                 |
| Deferred inflows related to pensions                                                                                                                        |                       |                 |                   |                  |                          |                          | (15,412)            |
| Deferred inflows related to OPEB                                                                                                                            |                       |                 |                   |                  |                          |                          | (11,169)            |
| Deferred inflows from unavailable revenues                                                                                                                  |                       |                 |                   |                  |                          |                          | 5,011               |
| <b>Net Position of Governmental Activities</b>                                                                                                              |                       |                 |                   |                  |                          |                          | <b>\$ 4,805,370</b> |

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

**CITY OF MONTAGUE**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For The Year Ended June 30, 2023**

|                                                     | <u>Special Revenue Funds</u> |                    |                   |                   |                                |                                |
|-----------------------------------------------------|------------------------------|--------------------|-------------------|-------------------|--------------------------------|--------------------------------|
|                                                     | General<br>Fund              | COPS<br>Fund       | Fire<br>Fund      | STIP<br>Fund      | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
| <b>REVENUES</b>                                     |                              |                    |                   |                   |                                |                                |
| Property taxes                                      | \$ 189,509                   | \$ -               | \$ -              | \$ -              | \$ -                           | \$ 189,509                     |
| Sales and use taxes                                 | 87,873                       | -                  | -                 | -                 | -                              | 87,873                         |
| Franchise and other taxes                           | 21,960                       | -                  | -                 | -                 | -                              | 21,960                         |
| Licenses and permits                                | 19,040                       | -                  | 258               | -                 | -                              | 19,298                         |
| Intergovernmental revenues                          | 190,256                      | 174,776            | 45,211            | 311,540           | 172,278                        | 894,061                        |
| Charges for services                                | 2,740                        | -                  | 442,900           | -                 | 36,495                         | 482,135                        |
| Fines, forfeitures and penalties                    | 829                          | -                  | -                 | -                 | -                              | 829                            |
| Use of money and property                           | 74,479                       | -                  | 3,023             | -                 | 3,736                          | 81,238                         |
| Net change in fair value of investments             | (2,864)                      | -                  | (3,250)           | -                 | (1,609)                        | (7,723)                        |
| Fundraising revenues, net of expenses               | -                            | -                  | -                 | -                 | 35,768                         | 35,768                         |
| Proceeds from debt                                  | -                            | -                  | 288,417           | -                 | -                              | 288,417                        |
| Other and donations                                 | 1,261                        | -                  | 948               | -                 | 9,463                          | 11,672                         |
| <b>Total Revenues</b>                               | <b>585,083</b>               | <b>174,776</b>     | <b>777,507</b>    | <b>311,540</b>    | <b>256,131</b>                 | <b>2,105,037</b>               |
| <b>EXPENDITURES</b>                                 |                              |                    |                   |                   |                                |                                |
| Current:                                            |                              |                    |                   |                   |                                |                                |
| City council                                        | 11,621                       | -                  | -                 | -                 | -                              | 11,621                         |
| City clerk                                          | 98,361                       | -                  | -                 | -                 | -                              | 98,361                         |
| Finance and administration                          | 191,683                      | -                  | -                 | -                 | -                              | 191,683                        |
| Police protection                                   | -                            | 213,200            | -                 | -                 | -                              | 213,200                        |
| Fire protection                                     | -                            | -                  | 420,918           | -                 | 25,140                         | 446,058                        |
| Ordinance officer                                   | 92,154                       | -                  | -                 | -                 | -                              | 92,154                         |
| Planning                                            | 8,174                        | -                  | -                 | -                 | -                              | 8,174                          |
| Public works - administration                       | 9,061                        | -                  | -                 | -                 | -                              | 9,061                          |
| Public works - streets & roads                      | -                            | -                  | -                 | -                 | 40,572                         | 40,572                         |
| Public works - buildings & grounds                  | 88,658                       | -                  | -                 | -                 | -                              | 88,658                         |
| Public transportation                               | -                            | -                  | -                 | -                 | 31,027                         | 31,027                         |
| Community development                               | 60,288                       | -                  | -                 | -                 | 2,523                          | 62,811                         |
| Parks, recreation and culture                       | -                            | -                  | -                 | -                 | 53,180                         | 53,180                         |
| Library                                             | 9,968                        | -                  | -                 | -                 | -                              | 9,968                          |
| ARP Covid-19 expenditures                           | 6,854                        | -                  | -                 | -                 | -                              | 6,854                          |
| Bad debt expense (recovery)                         | (1,500)                      | -                  | -                 | -                 | (6,191)                        | (7,691)                        |
| Capital outlay                                      | 245,568                      | -                  | 81,059            | 321,385           | 5,361                          | 653,373                        |
| Debt service:                                       |                              |                    |                   |                   |                                |                                |
| Principal                                           | -                            | -                  | 25,621            | -                 | -                              | 25,621                         |
| Interest                                            | -                            | -                  | 7,662             | -                 | -                              | 7,662                          |
| <b>Total Expenditures</b>                           | <b>820,890</b>               | <b>213,200</b>     | <b>535,260</b>    | <b>321,385</b>    | <b>151,612</b>                 | <b>2,042,347</b>               |
| <b>Excess of Revenues Over (Under) Expenditures</b> | <b>(235,807)</b>             | <b>(38,424)</b>    | <b>242,247</b>    | <b>(9,845)</b>    | <b>104,519</b>                 | <b>62,690</b>                  |
| <b>OTHER FINANCING SOURCES (USES)</b>               |                              |                    |                   |                   |                                |                                |
| Operating transfers in                              | -                            | 39,851             | -                 | -                 | 3,117                          | 42,968                         |
| Operating transfers out                             | (42,968)                     | -                  | -                 | -                 | -                              | (42,968)                       |
| <b>Total Other Financing Sources (Uses)</b>         | <b>(42,968)</b>              | <b>39,851</b>      | <b>-</b>          | <b>-</b>          | <b>3,117</b>                   | <b>-</b>                       |
| <b>Changes in Fund Balances</b>                     | <b>(278,775)</b>             | <b>1,427</b>       | <b>242,247</b>    | <b>(9,845)</b>    | <b>107,636</b>                 | <b>62,690</b>                  |
| <b>FUND BALANCE</b>                                 |                              |                    |                   |                   |                                |                                |
| <b>Beginning of Year, as Previously Reported</b>    | <b>1,373,847</b>             | <b>(53,300)</b>    | <b>174,736</b>    | <b>71</b>         | <b>1,091,146</b>               | <b>2,586,500</b>               |
| Prior period adjustment                             | 8,194                        | -                  | 2,645             | -                 | (231)                          | 10,608                         |
| <b>Beginning of Year, as Restated</b>               | <b>1,382,041</b>             | <b>(53,300)</b>    | <b>177,381</b>    | <b>71</b>         | <b>1,090,915</b>               | <b>2,597,108</b>               |
| <b>End of Year</b>                                  | <b>\$ 1,103,266</b>          | <b>\$ (51,873)</b> | <b>\$ 419,628</b> | <b>\$ (9,774)</b> | <b>\$ 1,198,551</b>            | <b>\$ 2,659,798</b>            |

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

**CITY OF MONTAGUE**  
**Reconciliation of the Statement of Revenues, Expenditures and**  
**Changes in Fund Balance to the Statement of Activities**  
**Governmental Funds**  
**For The Year Ended June 30, 2023**

**Change in Fund Balance of Governmental Funds** **\$ 62,690**

Amounts reported for governmental activities in the statement of activities is different because:

|                                                                                                                                                                                                                   |                      |           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------|
| Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. | Depreciation         | (214,015) |
|                                                                                                                                                                                                                   | Capital Outlays      | 653,373   |
|                                                                                                                                                                                                                   | Impairment of assets | (784)     |
| Governmental funds report the proceeds from long-term debt, but in the Statement of Activities, the revenue is not reported in the current year.                                                                  |                      | (288,417) |
| Governmental funds report repayment of long-term debt as an expenditure, but the repayment reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.        |                      | 25,621    |
| Governmental funds do not report the change in long-term compensated absences as an expenditure, but it is reported in the Statement of Activities.                                                               |                      | 2,052     |
| Governmental funds do not report the change of unfunded pension obligations as an expense, but it is reported in the Statement of Activities.                                                                     |                      | 13,286    |
| Governmental funds do not report the change of OPEB obligations as an expense, but it is reported in the Statement of Activities.                                                                                 |                      | (4,492)   |
| Governmental funds do not report unavailable revenue, but it is reported as revenue in the Statement of Activities.                                                                                               | Current year         | 5,011     |
|                                                                                                                                                                                                                   | Prior year           | (36,726)  |

**Change in Net Position of Governmental Activities** **\$ 217,599**

**CITY OF MONTAGUE**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2023**

|                                                                  | Water               | Sewer              | Airport           | Total               |
|------------------------------------------------------------------|---------------------|--------------------|-------------------|---------------------|
| <b>ASSETS</b>                                                    |                     |                    |                   |                     |
| Cash and investments                                             | \$ 2,046,221        | \$ 651,244         | \$ 193,176        | \$ 2,890,641        |
| Receivables (net of allowances for bad debts, where applicable): |                     |                    |                   |                     |
| Trade accounts                                                   | 53,619              | 35,365             | -                 | 88,984              |
| Intergovernmental                                                | -                   | -                  | 10,000            | 10,000              |
| Lease                                                            | -                   | -                  | 16,616            | 16,616              |
| Restricted cash and investments                                  | 283,857             | -                  | -                 | 283,857             |
| Capital assets:                                                  |                     |                    |                   |                     |
| Non-depreciable                                                  | 1,200               | 1,200              | 30,000            | 32,400              |
| Depreciable, net                                                 | 6,329,953           | 741,973            | 379,634           | 7,451,560           |
| <b>Total Assets</b>                                              | <b>8,714,850</b>    | <b>1,429,782</b>   | <b>629,426</b>    | <b>10,774,058</b>   |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                            |                     |                    |                   |                     |
| Deferred outflows related to pensions                            | 87,695              | 56,529             | -                 | 144,224             |
| Deferred outflows related to OPEB                                | 458                 | 241                | -                 | 699                 |
| <b>Total Deferred Outflows of Resources</b>                      | <b>88,153</b>       | <b>56,770</b>      | <b>-</b>          | <b>144,923</b>      |
| <b>LIABILITIES</b>                                               |                     |                    |                   |                     |
| Accounts payable                                                 | 24,548              | 3,093              | -                 | 27,641              |
| Accrued liabilities                                              | 5,740               | 3,345              | 127               | 9,212               |
| Customer deposits                                                | 52,743              | -                  | -                 | 52,743              |
| Long-term liabilities:                                           |                     |                    |                   |                     |
| Due within one year                                              | 17,912              | 2,294              | 66                | 20,272              |
| Due in more than one year                                        | 632,351             | 4,732              | 41                | 637,124             |
| Net pension liability                                            | 191,066             | 118,204            | -                 | 309,270             |
| Net OPEB liability                                               | 35,079              | 18,475             | -                 | 53,554              |
| <b>Total Liabilities</b>                                         | <b>959,439</b>      | <b>150,143</b>     | <b>234</b>        | <b>1,109,816</b>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                             |                     |                    |                   |                     |
| Deferred inflows related to pensions                             | 13,185              | 5,681              | -                 | 18,866              |
| Deferred inflows related to OPEB                                 | 9,920               | 5,225              | -                 | 15,145              |
| Deferred inflows related to leases                               | -                   | -                  | 16,171            | 16,171              |
| <b>Total Deferred Inflows of Resources</b>                       | <b>23,105</b>       | <b>10,906</b>      | <b>16,171</b>     | <b>50,182</b>       |
| <b>NET POSITION</b>                                              |                     |                    |                   |                     |
| Net investment in capital assets                                 | 5,692,474           | 743,173            | 409,634           | 6,845,281           |
| Restricted for debt service                                      | 283,857             | -                  | -                 | 283,857             |
| Unrestricted                                                     | 1,844,128           | 582,330            | 203,387           | 2,629,845           |
| <b>Total Net Position</b>                                        | <b>\$ 7,820,459</b> | <b>\$1,325,503</b> | <b>\$ 613,021</b> | <b>\$ 9,758,983</b> |

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

**CITY OF MONTAGUE**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For The Year Ended June 30, 2023**

|                                                  | Water        | Sewer        | Airport    | Total        |
|--------------------------------------------------|--------------|--------------|------------|--------------|
| <b>REVENUES</b>                                  |              |              |            |              |
| User fees, charges and lease revenue             | \$ 490,887   | \$ 277,182   | \$ 7,437   | \$ 775,506   |
| <b>OPERATING EXPENSES</b>                        |              |              |            |              |
| Cost of power and water                          | 62,343       | 24,561       | 5,115      | 92,019       |
| Maintenance, operations and administration       | 300,809      | 178,092      | 14,291     | 493,192      |
| Depreciation and amortization                    | 249,967      | 54,807       | 32,542     | 337,316      |
| <b>Total Operating Expenses</b>                  | 613,119      | 257,460      | 51,948     | 922,527      |
| <b>Operating Income (Loss)</b>                   | (122,232)    | 19,722       | (44,511)   | (147,021)    |
| <b>OTHER REVENUES (EXPENSES)</b>                 |              |              |            |              |
| Intergovernmental revenues (repayments)          | -            | -            | 15,000     | 15,000       |
| Interest earned                                  | 9,762        | 1,173        | 2,658      | 13,593       |
| Net change in fair value of investments          | (1,728)      | (756)        | (1,714)    | (4,198)      |
| Lease interest revenue                           | -            | -            | 510        | 510          |
| Other                                            | 610          | -            | -          | 610          |
| <b>Total Other Revenues (Expenses)</b>           | 8,644        | 417          | 16,454     | 25,515       |
| <b>Changes in Net Position</b>                   | (113,588)    | 20,139       | (28,057)   | (121,506)    |
| <b>NET POSITION</b>                              |              |              |            |              |
| <b>Beginning of Year, as Previously Reported</b> | 7,973,044    | 1,325,901    | 641,078    | 9,940,023    |
| Prior period adjustment                          | (38,997)     | (20,537)     | -          | (59,534)     |
| <b>Beginning of Year</b>                         | 7,934,047    | 1,305,364    | 641,078    | 9,880,489    |
| <b>End of Year</b>                               | \$ 7,820,459 | \$ 1,325,503 | \$ 613,021 | \$ 9,758,983 |

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

**CITY OF MONTAGUE**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For The Year Ended June 30, 2023**

|                                                                                                   | Water        | Sewer      | Airport     | Total        |
|---------------------------------------------------------------------------------------------------|--------------|------------|-------------|--------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                       |              |            |             |              |
| Receipts from customers                                                                           | \$ 499,990   | \$ 293,635 | \$ 6,993    | \$ 800,618   |
| Payments to suppliers                                                                             | (101,653)    | (70,488)   | (9,408)     | (181,549)    |
| Payments to employees                                                                             | (254,142)    | (137,609)  | (9,945)     | (401,696)    |
| <b>Net Cash Provided (Used) by Operating Activities</b>                                           | 144,195      | 85,538     | (12,360)    | 217,373      |
| <b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>                                           |              |            |             |              |
| Intergovernmental revenues received                                                               | -            | -          | 25,000      | 25,000       |
| Receipts from other income                                                                        | 610          | -          | -           | 610          |
| <b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>                               | 610          | -          | 25,000      | 25,610       |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                       |              |            |             |              |
| Interest income received                                                                          | 8,034        | 417        | 1,454       | 9,905        |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>                                   |              |            |             |              |
| Purchase of capital assets                                                                        | (51,106)     | -          | -           | (51,106)     |
| Repayment of debt                                                                                 | (28,386)     | -          | -           | (28,386)     |
| <b>Net Cash Provided (Used) by Financing Activities</b>                                           | (79,492)     | -          | -           | (79,492)     |
| <b>Net Increase (Decrease) in Cash</b>                                                            | 73,347       | 85,955     | 14,094      | 173,396      |
| <b>CASH</b>                                                                                       |              |            |             |              |
| Beginning of year                                                                                 | 2,256,731    | 565,289    | 179,082     | 3,001,102    |
| <b>End of year</b>                                                                                | \$ 2,330,078 | \$ 651,244 | \$ 193,176  | \$ 3,174,498 |
| <b>Comprised of:</b>                                                                              |              |            |             |              |
| Cash and investments                                                                              | \$ 2,046,221 | \$ 651,244 | \$ 193,176  | \$ 2,890,641 |
| Restricted cash and investments                                                                   | 283,857      | -          | -           | 283,857      |
| <b>Total Cash and Cash Investments</b>                                                            | \$ 2,330,078 | \$ 651,244 | \$ 193,176  | \$ 3,174,498 |
| Reconciliation of operating income (loss) to cash provided (used) by operating activities:        |              |            |             |              |
| Operating income (loss)                                                                           | \$ (122,232) | \$ 19,722  | \$ (44,511) | \$ (147,021) |
| Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities: |              |            |             |              |
| Depreciation and amortization                                                                     | 249,967      | 54,807     | 32,542      | 337,316      |
| (Increase) decrease in:                                                                           |              |            |             |              |
| Accounts receivable                                                                               | 8,425        | 16,453     | -           | 24,878       |
| Lease receivable                                                                                  | -            | -          | 690         | 690          |
| Deferred outflows related to pensions                                                             | (51,795)     | (33,619)   | -           | (85,414)     |
| Deferred outflows related to OPEB                                                                 | 202          | 107        | -           | 309          |
| Increase (decrease) in:                                                                           |              |            |             |              |
| Accounts payable                                                                                  | 14,321       | 423        | -           | 14,744       |
| Accrued liabilities                                                                               | 1,667        | 780        | 10          | 2,457        |
| Compensated absences                                                                              | 1,685        | 725        | 44          | 2,454        |
| Deposits                                                                                          | 678          | -          | -           | 678          |
| Net pension liability                                                                             | 121,265      | 77,309     | -           | 198,574      |
| Net OPEB liability                                                                                | (5,238)      | (2,758)    | -           | (7,996)      |
| Deferred inflows related to pensions                                                              | (73,864)     | (47,945)   | -           | (121,809)    |
| Deferred inflows related to OPEB                                                                  | (886)        | (466)      | -           | (1,352)      |
| Deferred inflows related to Leases                                                                | -            | -          | (1,135)     | (1,135)      |
| <b>Net Cash Provided (Used) by Operating Activities</b>                                           | \$ 144,195   | \$ 85,538  | \$ (12,360) | \$ 217,373   |

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

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Montague, California (hereafter "the City") operates under a City Clerk – City Council form of government and provides the following services: public safety, streets and roads, water and sewer, culture and recreation, public improvements, planning and zoning, and general administrative services.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental entities. The following is a summary of the more significant policies:

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

The financial statements of the City include all of the financial activities of the City. In evaluating how to define the City for financial reporting purposes, management has considered all potential legal component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic - but not the only - criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the City is able to exercise oversight responsibilities. Based upon the application of these criteria, the City does not have any component units.

**B. Basis of Presentation**

**Government-wide Financial Statements:**

The statement of net position and statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities are reported separately from business-type activities (such as water, sewer, and airport).

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the City's business-type activities and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and therefore are clearly identifiable to a particular function. Program revenues include charges paid by recipients of goods and services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented instead as general revenues.

When both restricted and unrestricted resources (net position) are available, restricted resources are depleted first before the unrestricted resources are used.

**Fund Financial Statements:**

Fund financial statements of the City are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Total assets, liabilities, revenues, or expenditure/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category type; and

Total assets, liabilities, revenues, or expenditures/expenses for the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the City are described below:

**Major Governmental Funds:**

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

COPS Fund: accounts for police protection activities financed through COPS grants.

Fire Fund: established to account for fire suppression activities, as financed by fire suppression fees levied on property owners, as well as from monies provided by the Montague Fire Protection District.

STIP Fund: accounts for road work financed by the state.

**Major Proprietary Funds:**

The Enterprise Funds (Water, Sewer, and Airport) are used to account for operations that are financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that the costs (expenses) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Water Fund: established to account for the operations of the City's water utility, a self-supporting activity which renders a service on a user charge basis to residents and businesses within the City.

Sewer Fund: established to account for the operations of the City's sewer utility, a self-supporting activity which renders a service on a user charge basis to residents and businesses within the City.

Airport Fund: was established to account for the operations of the Montague – Yreka Airport.

Additionally, the City reports the following funds:

Gas Tax Fund: established to account for the construction and maintenance of the streets and roads of the City as financed by gas taxes received from the State.

Parks and Recreation Fund: accounts for park and recreation activities of the City as financed by user charges and grants received from the State.

Community Development Block Grant (CDBG) Fund: accounts for the financing of home rehabilitation, as financed by monies passed through the State by the federal government.

Economic Development Block Grant (EDBG) Fund: accounts for the financing of businesses, as financed by monies passed through the State by the federal government.

Revolving Loan Fund: established to account for the funds used to make loans to homeowners and businesses.

Local Transportation Fund: established to account for the construction and maintenance of the streets and roads of the City, as well as to provide mass transit, as financed from "Transportation Development Act" monies passed through the County of Siskiyou by the State.

Montague Volunteer Fire Department Association Fund: established to account for the funds of the Montague Volunteer Fire Department.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

**Measurement Focus:**

In the government-wide statements, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In fund financial statements, the current financial resources measurement focus or the economic resources measurement focus is used as appropriate.

All governmental funds utilize a current financial resources measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present resources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the year.

All proprietary (enterprise) funds utilize an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as a net position.

Fiduciary (agency) funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them. The District does not have any fiduciary funds.

**Basis of Accounting:**

In the government-wide statements, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used.

Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental and agency funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when measurable and available. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty (60) days after year end for all revenues except those involving non-exchange type revenues which use one year. Expenditures (including capital outlays) are recorded when the related fund liability is incurred.

All proprietary funds utilize the accrual basis of accounting, as described above.

**D. Assets, Liabilities, Net Assets or Fund Equity**

**Cash and Cash Equivalents:**

For purposes of the statement of cash flows, the City considers as cash equivalents all highly liquid investments with a maturity at the date of purchase of three months or less.

**Investments:**

The City participates in the California Local Agency Investment Fund (“LAIF”). LAIF is an external investment pool through which local governments may pool investments. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without the loss of interest. The fair value of the City’s portion of LAIF is the same as its value of the pool shares. The regulatory oversight of LAIF rests with the Local Agency Investment Board.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Receivables:**

In the fund financial statements, material receivables in governmental funds are the same as those in the government-wide statements since they are both measurable and available. Interest earnings are recorded when earned only if paid within sixty (60) days since they would be considered both measurable and available. Proprietary fund receivables consist of all revenues earned at year-end but not yet received. Allowances for uncollectible accounts receivable are based on historical trends, periodic aging of accounts receivable, and management's detailed analysis of the composition of accounts receivable.

**Property Taxes:**

The County of Siskiyou assesses, bills, and collects property taxes for the City. Assessed values are determined annually by the Siskiyou County Assessor as of January 1 and become a lien on such property January 1. Taxes are due November 1 and February 1 (secured), and July 1 (unsecured) and are delinquent if not paid by December 10 and April 10 (secured), and August 31 (unsecured). The County is permitted by the State Constitution (Article XIII A) to levy taxes at 1% of the full market value of the property (at the time of purchase) and can increase a property's assessed valuation by reappraisal due to new construction, change in ownership, or by increase in fair market value not to exceed a 2% each year. Property taxes collected by the County on behalf of the City but not remitted to the City by June 30 are accrued in revenue and included in other accounts receivable.

**Interfund Receivables and Payables:**

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. These may include amounts relating to goods and services type transactions, and inter-fund loans.

**Restricted Assets:**

Resources set aside for the debt service of the City's construction loan financing for the water system improvements as restricted assets on the balance sheet/net position because they are maintained in separate bank accounts and their use is restricted.

**Capital Assets:**

The accounting treatment over property, plant, equipment, and infrastructure assets (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

In the government-wide and proprietary fund financial statements, property, plant, equipment, and infrastructure assets with a cost, as defined below, of \$5,000 or more are accounted for as capital assets. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except donated capital assets are recorded at their estimated fair market value at the date of donation. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

|                                      |                |
|--------------------------------------|----------------|
| Utility plants                       | 7 to 50 years  |
| Buildings and improvements           | 5 to 35 years  |
| Equipment, furnishings, and vehicles | 3 to 35 years  |
| Infrastructure                       | 10 to 20 years |

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

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Compensated Absences:

Vacation pay and compensated time off is vested to the employees as it accrues and is payable upon separation of service. Sick leave does not vest to the employees and is paid only when sick leave is taken. Therefore, only vacation pay, and compensated time off, have been accrued in the accompanying financial statements.

Advances of grants:

Advances of grants represents monies received from various grantors that has not yet been expended by the City and is not earned (as revenue) until it is properly expended.

Deferred Outflows and Inflows of Resources:

In accordance with GASB Statement No. 63, *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position"*, and revised by Statement No. 65, *"Items Previously Reported as Assets and Liabilities"*, the City has classified certain assets as Deferred Outflows of Resources and certain liabilities as Deferred Inflows of Resources as of June 30, 2023.

Deferred Outflows of Resources are defined as a consumption of net assets by the government that is applicable to a future reporting period. Similar to prepaid expenses and deposits.

Deferred Inflows of Resources are defined as an acquisition of net assets by the government that is applicable to a future reporting period. For example, deferred revenue unavailable, advances from grants and pension related .

Government-wide and Proprietary Fund Net Position:

Government-wide and proprietary fund net position are divided into three components:

- Net investment in capital assets: Consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that we used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to cash.
- Restricted net position: Consists of assets that are restricted by the City's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared venues), by grantors (both federal and state), and by other contributors.
- Unrestricted: All other net position is reported in this category.

Fund Balance Classification:

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form (i.e. noncurrent receivables and prepaid items) or (b) are legally or contractually required to be maintained intact.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The City has externally imposed restrictions for streets and roads, fire protection and community development fund balances.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City did not have any committed resources as of June 30, 2023.
- Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to the City clerk through the budgetary process. This classification also includes the remaining positive fund balance for the Fire Fund and MVFDA Fund combined, assigned for future capital purchases. The City had assigned resources as of June 30, 2023 of \$136,247.
- Unassigned: This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

**E. Revenues, Expenditures and Expenses**

**Operating Revenues and Expenses:**

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

**Expenditures/Expenses:**

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified by character (current, debt service or capital outlay) for governmental funds, and by operating or nonoperating classifications for proprietary funds.

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to the use of economic resources.

**F. Estimates**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**G. Budgets**

The City adopts an annual budget for the fiscal year commencing the following July 1. Budgets are adopted on a basis consistent with generally accepted accounting principles. The level of control (the level at which expenditures may not exceed budget) is the fund. Unused appropriations lapse at the end of the fiscal year. The City does not use encumbrance accounting.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 2 IMPACT OF RECENTLY ISSUED ACCOUNTING STANDARDS**

Effective in Future Fiscal Years

Effective for fiscal years beginning July 1, 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, Compensated Absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

This Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

Effective for fiscal years beginning July 1, 2024, the GASB issued Statement No. 102, Certain Risk Disclosures. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely to begin to occur within 12 months of the date the financial statements are issued.

**NOTE 3 CASH AND INVESTMENTS**

The City follows the practice of pooling cash of all funds, unless the funds are required by law, debt covenant or other instrument to be held in a separate account. Interest income on pooled cash invested is allocated monthly to the various funds based on the same proportion that such funds bear to the total monies invested.

Cash and investments as of June 30, 2023 are classified in the accompanying financial statements as follows:

| <b>Statement of Net Position</b>     |                     |
|--------------------------------------|---------------------|
| Current cash and investments         | \$ 4,709,954        |
| Restricted cash and investments      | 572,400             |
| <b>Total Cash and Investments</b>    | <b>\$ 5,282,354</b> |
| <b>Consisting of the following:</b>  |                     |
| Cash on hand                         | \$ 381              |
| Deposits with financial institutions | 4,508,101           |
| Investments in LAIF                  | 773,872             |
| <b>Total Cash and Investments</b>    | <b>\$ 5,282,354</b> |

**Investments Authorized:**

The City manages its pooled idle cash investments under the guidelines of the State of California Government Code Section 53601 which specifically authorizes investments in the following instruments: treasury bills, treasury notes, federal agency securities, bankers' acceptances, nonnegotiable certificates of deposit, commercial paper, negotiable certificates of deposit, and repurchase agreements. All investments activities are conducted with financial institutions approved by the City Council.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 3 CASH AND INVESTMENTS (Continued)**

Disclosure Relating to Interest Rate Risk:

Interest rate risk is the risk that changes in market rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value in market interest rates. As of year-end, the weighted average life, as well as the estimated fair value of each investment are shown in the table below.

|                              | Cost       | Fair Value | Average Life    |
|------------------------------|------------|------------|-----------------|
| Local Agency Investment Fund | \$ 785,794 | \$ 773,872 | 390-day average |

Disclosure Relating to Credit Risk:

Generally, credit risk is the risk that an issuer if an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF and Certificated of Deposits with banks do not have such a rating.

Concentration of Credit Risk:

The investment policy of the City 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 or reporting unit that represent 5 percent or more of total City investments.

Custodial Credit Risk:

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure a City's deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

The City's balance in banks (i.e. financial institutions) was \$4,471,827, all of which was covered by federal depository insurance, or the collateral requirements discussed in the preceding paragraph. The bank balance differs from the book balance of \$4,509,601 because of outstanding checks and deposits.

Investment in State Investment Pool (LAIF):

The City invests funds in the State Treasurer's Pooled Money Investment Account (PMIA) through LAIF, a voluntary program created by statute in 1977. The PMIA has regulatory oversight from the Pooled Money Investment Board and an in-house Investment Committee. The Local Agency Investment Advisory Board has oversight of LAIF. LAIF is an unrated external investment pool.

Carrying value of investments must be at fair value if the difference between carrying value and fair value becomes material. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 3 CASH AND INVESTMENTS (Continued)**

In accordance with authorized investment laws, the State Treasurer's Investment Pool (LAIF) invests in various structured notes and mortgage-backed securities, such as collateralized mortgage obligations. As of June 30, 2023, PIMA's weighted average maturities were 1.07 years. (Copies of a report of LAIF's investments may be obtained from the State Treasurer's Office; Local Agency Investment Fund; P.O. Box 942809; Sacramento, CA 94209-0001).

**NOTE 4 RECEIVABLES**

The following is the composition of loans receivable at June 30, 2023:

|                              | General<br>Fund  | CDBG<br>Fund      | EDBG<br>Fund     | RLF Fund         | Total            |
|------------------------------|------------------|-------------------|------------------|------------------|------------------|
| Mortgage loans               | \$ 94,829        | \$ 381,844        | \$ 153,771       | \$190,197        | \$820,641        |
| Less allowance for bad debts | (9,500)          | (46,500)          | (126,000)        | (105,900)        | (287,900)        |
| <b>Loans Receivable, Net</b> | <b>\$ 85,329</b> | <b>\$ 335,344</b> | <b>\$ 27,771</b> | <b>\$ 84,297</b> | <b>\$532,741</b> |

All of the loans are due from homeowners and businesses within the City of Montague. There are no related party loans outstanding.

**Lease Receivables:**

Effective July 1, 2021, the City implemented *GASB Statement 87*, Leases. As a result of implementing this Statement, the City's lessor leasing arrangement is now being presented according to the provisions of the Statement. The disclosures for the lease are as follows:

**Business-Type Activities – Airport Fund**

**Facilities Lease** - In May 2016, the City entered into an agreement with Steelman Aviation, Inc. ("Operator") for the use of the Airport facilities. The terms of this agreement include a fixed minimum monthly payment ("base rent") of \$100 per month as well as additional contingent payments based on the operator's annual sales volume of business, proceeds from tie-down, ramp fees and subleases of hangar land and building space, and fuel flow fees. The lease commenced June 1, 2016 with a term of twenty (20) years, with an option to renew for five (5) years. The lease agreement provides for a review and redetermination of the base payment amount at the beginning of each renewal period based on the percentage change in the Consumer Price Index ("CPI"). For the first six years of the agreement the City has chosen not to implement the annual review and a change of the payment amount.

The City implemented GASBS No. 87 for the year ended June 30, 2022 and used the base rent payment schedule in the July 2021 commencement to measure the lease receivable as of July 1, 2021. In addition, the lease receivable was discounted to a net present value at July 1, 2021 using a 3% interest rate, the approximate rate for real estate purchases in June 2021. The balance of the lease receivable at June 30, 2023 was \$16,616.

For the year ended June 30, 2023, the City Airport Fund received \$1,135 in lease revenue, \$510 in lease interest revenues, and additional variable lease revenues of \$6,302 for monthly payments that exceeded the base rental payment.

City Montague, California  
Notes to the Financial Statements  
June 30, 2023

**NOTE 5 OPERATING TRANSFERS**

The following is a summary of operating transfers in/out:

|                            | Transfer<br>Out From: |                       |
|----------------------------|-----------------------|-----------------------|
| Transfer In To:            | General<br>Fund       | Total<br>Transfers In |
| COPS Fund                  | \$ 39,851             | \$ 39,851             |
| Non-major Funds            | 3,117                 | 3,117                 |
| <b>Total Transfers Out</b> | <b>\$ 42,968</b>      | <b>\$ 42,968</b>      |

The operating transfers to the COPS fund and the Non-major fund was for operating expenditures.

**NOTE 6 CAPITAL ASSETS**

Depreciation expense was charged to functions/programs as follows:

|                                                        |                   |
|--------------------------------------------------------|-------------------|
| <b><u>Governmental Activities</u></b>                  |                   |
| General government                                     | \$ 162,411        |
| Public works                                           | 283               |
| Public safety                                          | 43,790            |
| Recreation services                                    | 7,531             |
| <b>Depreciation Expense – Governmental Activities</b>  | <b>\$ 214,015</b> |
| Water Fund                                             | \$ 249,967        |
| Sewer Fund                                             | 54,807            |
| Airport Fund                                           | 32,542            |
| <b>Depreciation Expense – Business-Type Activities</b> | <b>\$ 337,316</b> |

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 6 CAPITAL ASSETS (Continued)**

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

|                                                     | June 30,<br>2022    | Additions<br>and<br>Transfers | Retirements<br>and<br>Transfers | June 30,<br>2023    |
|-----------------------------------------------------|---------------------|-------------------------------|---------------------------------|---------------------|
| <b>Governmental Activities</b>                      |                     |                               |                                 |                     |
| <b>Capital Assets, not being Depreciated</b>        |                     |                               |                                 |                     |
| Land                                                | \$ 38,000           | \$ -                          | \$ -                            | \$ 38,000           |
| Construction in progress                            | 34,644              | 321,385                       | (344,021)                       | 12,008              |
| Total Capital Assets, not being Depreciated         | 72,644              | 321,385                       | (344,021)                       | 50,008              |
| <b>Capital Assets, being Depreciated</b>            |                     |                               |                                 |                     |
| Buildings and improvements                          | 1,893,254           | 200,000                       | (15,720)                        | 2,077,534           |
| Equipment, furnishings and vehicles                 | 1,053,596           | 131,988                       | -                               | 1,185,584           |
| Infrastructure                                      | 3,297,711           | -                             | 344,021                         | 3,641,732           |
| Total Capital Assets, being Depreciated             | 6,244,561           | 331,988                       | 328,301                         | 6,904,850           |
| <b>Less: Accumulated Depreciation</b>               |                     |                               |                                 |                     |
| Buildings and improvements                          | 1,106,909           | 50,828                        | (14,936)                        | 1,142,801           |
| Equipment, furnishings and vehicles                 | 842,064             | 28,085                        | -                               | 870,149             |
| Infrastructure                                      | 2,214,929           | 135,102                       | -                               | 2,350,031           |
| Total Accumulated Depreciation                      | 4,163,902           | 214,015                       | (14,936)                        | 4,362,981           |
| Total Capital Assets, being Depreciated, Net        | 2,080,659           | 117,973                       | 343,237                         | 2,541,869           |
| <b>Governmental Activities Capital Assets, Net</b>  | <b>2,153,303</b>    | <b>439,358</b>                | <b>(784)</b>                    | <b>2,591,877</b>    |
| <b>Business-Type Activities</b>                     |                     |                               |                                 |                     |
| <b>Capital Assets, not being Depreciated</b>        |                     |                               |                                 |                     |
| Land                                                | 32,400              | -                             | -                               | 32,400              |
| Total Capital Assets, not being Depreciated         | 32,400              | -                             | -                               | 32,400              |
| <b>Capital Assets, being Depreciated</b>            |                     |                               |                                 |                     |
| Utility plant                                       | 10,434,560          | 51,106                        | -                               | 10,485,666          |
| Buildings and improvements                          | 830,374             | -                             | -                               | 830,374             |
| Equipment, furnishings and vehicles                 | 445,829             | -                             | -                               | 445,829             |
| Total Capital Assets, being Depreciated             | 11,710,763          | 51,106                        | -                               | 11,761,869          |
| <b>Less: Accumulated Depreciation</b>               |                     |                               |                                 |                     |
| Utility plant                                       | 3,268,474           | 274,681                       | -                               | 3,543,155           |
| Buildings and improvements                          | 421,178             | 31,609                        | -                               | 452,787             |
| Equipment, furnishings and vehicles                 | 283,341             | 31,026                        | -                               | 314,367             |
| Total Accumulated Depreciation                      | 3,972,993           | 337,316                       | -                               | 4,310,309           |
| Total Capital Assets, being Depreciated, Net        | 7,737,770           | (286,210)                     | -                               | 7,451,560           |
| <b>Business-Type Activities Capital Assets, Net</b> | <b>7,770,170</b>    | <b>(286,210)</b>              | <b>-</b>                        | <b>7,483,960</b>    |
| <b>Government-Wide Capital Assets, Net</b>          | <b>\$ 9,923,473</b> | <b>\$ 153,148</b>             | <b>\$ (784)</b>                 | <b>\$10,075,837</b> |

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 7 LONG-TERM LIABILITIES**

Changes in long-term liabilities for the year ended June 30, 2023, are as follows:

|                                 | June 30,<br>2022  | Increases         | Decreases        | June 30,<br>2023  | Due<br>Within<br>One Year |
|---------------------------------|-------------------|-------------------|------------------|-------------------|---------------------------|
| <b>Governmental Activities</b>  |                   |                   |                  |                   |                           |
| Note from direct borrowing      | \$ 25,621         | \$ -              | \$ 25,621        | \$ -              | \$ -                      |
| Equipment lease financing       | -                 | 288,417           | -                | 288,417           | 19,746                    |
| Interest payable                | -                 | 7,662             | -                | 7,662             | 7,662                     |
| Compensated absences            | 7,998             | 116               | 2,437            | 5,677             | 1,585                     |
| <b>Governmental Activities</b>  | <b>\$ 33,619</b>  | <b>\$ 296,195</b> | <b>\$ 28,058</b> | <b>\$ 301,756</b> | <b>\$ 28,993</b>          |
| <b>Business-type activities</b> |                   |                   |                  |                   |                           |
| Note from direct borrowing      | \$ 667,065        | \$ -              | \$ 28,386        | \$ 638,679        | \$ 14,193                 |
| Compensated absences            | 16,263            | 2,454             | -                | 18,717            | 6,079                     |
| <b>Business-Type Activities</b> | <b>\$ 683,328</b> | <b>\$ 2,454</b>   | <b>\$ 28,386</b> | <b>\$ 657,396</b> | <b>\$ 20,272</b>          |

The City's outstanding note from direct borrowing related to governmental activities of \$25,621 was fully repaid during the fiscal year.

Equipment Lease Financing – through a Municipal Lease and Option Agreement with Municipal Asset Management, Inc. dated September 30, 2022, the City's Fire Fund, as part of the Governmental Activities, purchased a new Type 6 Fire Engine Pumper on a new F550 Chassis for \$288,417 with lease financing. The effective date of the financing was October 12, 2022, and is financed over twelve (12) annual equal payments of principal, and accrued interest thereon, of \$30,181.21, commencing October 5, 2023, and maturing on October 5, 2034. This equipment financing was assumed by WestAmerica Bank Commercial Lending.

Security and Default: Consistent with lease purchase agreements, security lies solely in the right to repossess the equipment in the event of default. In addition, failure to pay any lease payment at the time specified in the lease will constitute default, and under these circumstances, the Lessor has the option to demand payment of the outstanding principal and accrued interest thereon immediately due and payable.

The terms of the debt at June 30, 2023, as well as debt service requirements for governmental activities, are as follows:

|                            |                                |                  |
|----------------------------|--------------------------------|------------------|
| Original issue amount      | \$288,417                      |                  |
| Rate of interest           | 3.69%                          |                  |
| Maturity Date              | 10/5/2034                      |                  |
|                            | <b>Governmental Activities</b> |                  |
| <b>Year Ended June 30:</b> | <b>Principal</b>               | <b>Interest</b>  |
| 2024                       | \$ 19,746                      | \$ 10,435        |
| 2025                       | 20,267                         | 9,914            |
| 2026                       | 21,015                         | 9,166            |
| 2027                       | 21,790                         | 8,391            |
| 2028                       | 22,595                         | 7,587            |
| 2029-2033                  | 126,112                        | 24,794           |
| 2034-2038                  | 56,892                         | 3,470            |
| <b>Totals</b>              | <b>\$288,417</b>               | <b>\$ 73,757</b> |

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 7 LONG-TERM LIABILITIES (Continued)**

The City's outstanding note from direct borrowing related to business-type activities of \$638,679 contains the following significant finance-related provisions:

**Security Interest:** The City pledges to repay the entire Principal amount of the loan from the water user fees and service charges of its Water Enterprise Fund and has pledged said water user fees and services charges as collateral to secure the repayment of the loan. no significant provisions relating to security pledged, however, in the event of default, outstanding amounts become immediately due if the City is unable to make the payment.

**Reserve Fund:** The City agrees to provide for the accumulation of the necessary reserves (the "Reserve Fund") to assure that the funds are available to make the semiannual payments when due. At a minimum, a reserve of two (2) semiannual payments (\$28,386) shall be accumulated during the first ten (10) years of the loan repayment term (beginning July 1, 2016) and thereafter be maintained at that level. At June 30, 2023, the City has accumulated the entire minimum reserve (\$283,857) in a separate reserve account and shows this as restricted cash.

**Annual Net Revenues:** The City agrees to maintain water rates and charges in amounts sufficient to generate and maintain annual net revenues equal to 1.2 times total debt service payable (the "Debt Coverage Ratio" computed to be  $\$28,386 \times 1.2 = \$34,063$ ).

**Default:** In the event of default, outstanding amounts may become immediately due if the City is unable to make the payment, if there is any material breach in the agreement, or if there is any loss, theft, damage, impairment, seizure, or levy of the collateral given as security.

The terms of the debt at June 30, 2023, as well as debt service requirements for business-type activities, are as follows:

|                            | <b>Water Pipeline</b> |                  |
|----------------------------|-----------------------|------------------|
| Original issue amount      | \$                    | 851,572          |
| Rate of interest           |                       | 0.00%            |
| Maturity date              |                       | 1/1/2046         |
| <b>Year Ended June 30:</b> |                       | <b>Principal</b> |
| 2024                       | \$                    | 14,193           |
| 2025                       |                       | 28,386           |
| 2026                       |                       | 28,386           |
| 2027                       |                       | 28,386           |
| 2028                       |                       | 28,386           |
| 2029-2033                  |                       | 141,928          |
| 2034-2038                  |                       | 141,929          |
| 2039-2043                  |                       | 141,928          |
| 2044-2046                  |                       | 85,157           |
| <b>Total</b>               | <b>\$</b>             | <b>638,679</b>   |

**NOTE 8 PENSION PLAN**

*Plan Description, Benefits Provided, and Employees Covered*

The "**Plan**" is a cost-sharing multiple-employer defined-benefit pension plan administered by CalPERS. The June 30, 2022, GASB 68 actuarial valuation report for the Miscellaneous Risk Pool lists a full description of the assumptions for funding purposes, but not accounting purposes, and membership information. The benefits provided from Appendix B of the June 30, 2022, actuarial valuation report for the CalPERS Miscellaneous Risk Pool are available on the CalPERS' website under "Forms and Publications."

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 8 PENSION PLAN (Continued)**

*Contribution Description*

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that an actuary determine the employer contribution rates for all public employers on an annual basis, and that the rates shall be effective on the July 1 following notice of a change in the rate. The CalPERS' annual actuarial valuation process determines the total plan contributions. For public-agency cost-sharing plans covered by either the **Plan**, the basis of the **Plan**'s actuarially determined rate is the estimated amount necessary to pay the **Plan**'s allocated share of the risk pool's costs of benefits earned by employees during the year, and unfunded accrued liability. PERL requires the employer to contribute the difference between the actuarially determined rate and the contribution rate of the employees.

For the measurement period ended June 30, 2022 (the measurement date), the basis for the contribution rates are actual contributions made, and not the actuarially determined contribution. The employees and employer had the following contribution rates, shown as a percentage of the annual payroll:

| <b>Contribution Type</b> | <b>Classic</b> | <b>PEPRA</b> |
|--------------------------|----------------|--------------|
| Employee (Charged)       | 7.000%         | 6.750%       |
| Employee (Effective)     | 6.920%         | 6.750%       |
| Employer                 | 8.650%         | 7.590%       |

The charged employee contribution rate is the percentage that the **Plan** charges the employees after the first \$400 in earnings for Classic plans. The Classic **Plan** charges the first \$400 in earnings at two-thirds of the charged rate. The effective employee contribution rate takes this into consideration.

Employer contribution rates may change if the **Plan** amends its contracts. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any employer-paid member contributions, or situations where members pay a portion of the employer contribution.

*Actuarial Methods and Assumptions Used to Determine Plan Contributions*

CalPERS derived the actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021-22 from the June 30, 2021, funding valuation report.

|                                          |                                                                                                         |
|------------------------------------------|---------------------------------------------------------------------------------------------------------|
| <b>Actuarial Cost Method</b>             | Entry-Age Normal                                                                                        |
| <b>Actuarial Assumptions:</b>            |                                                                                                         |
| <b>Investment rate of return</b>         | 6.90%                                                                                                   |
| <b>Inflation</b>                         | 2.30%                                                                                                   |
| <b>Salary increases</b>                  | Varies by entry age and service                                                                         |
| <b>Mortality rate table <sup>1</sup></b> | Derived using CalPERS' membership data for all funds                                                    |
| <b>Post-retirement benefit increase</b>  | Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies |

All other actuarial assumptions used in the June 30, 2022, valuation use the results of the 2021 CalPERS Experience Study and Review of Actuarial Assumptions, including updates to salary increases, mortality, and retirement rates, as a basis. Employers should refer to CalPERS' Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022, to obtain the required supplementary information for proper financial reporting.

<sup>1</sup> CalPERS developed the mortality table used based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale MP-2016. For more details on this table, please refer to the 2021 experience study report.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 8 PENSION PLAN (Continued)**

**Amortization of Deferred Outflows and Deferred Inflows of Resources**

*Description of the Amortization Methodology*

Under GASB 68, agencies recognize actuarial gains and losses related to changes in total pension liability and fiduciary net position in the pension expense systematically over time.

Agencies recognize the first amortized amount of a gain or loss in the pension expense for the year the gain or loss occurs. Agencies categorize the remaining amounts as deferred outflows and deferred inflows of resources related to pensions that are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

|                                                         |                                                                                                                                                                                                              |
|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Difference between projected and actual earnings</b> | Five-year straight-line amortization                                                                                                                                                                         |
| <b>All other amounts</b>                                | Straight-line amortization over the expected average remaining service lifetime (EARSL) of all members provided with pensions (active, inactive and retired), as of the beginning of the measurement period. |

The report amortizes the Net Difference between the Projected and Actual Investment Earnings on Pension Plan Investments over a five-year period on a straight-line basis. The report recognizes one-fifth of the total in the Pension Expense during the measurement period and amortizes the remaining Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments at the measurement date over the remaining four-year period. The Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments in the Schedule of Collective Pension Amounts represents the unamortized balance relating to the current measurement period and the prior measurement period on a net basis.

The employer should amortize deferred outflows and deferred inflows of resources relating to Differences between Expected and Actual Experience, Changes of Assumptions, and employer-specific amounts over the EARSL of members provided with pensions through the **Plan**. The EARSL for PERF C for the June 30, 2022, measurement date is 3.7 years.

CalPERS derived the EARSL by dividing the total service years of 574,665 (the sum of remaining service lifetimes of all active employees) by 153,587 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to zero. The basis of total future service is the members' probability of decrementing due to an event other than receiving a cash refund.

The Schedule of Collective Pension Amounts does not reflect employer-specific amounts such as changes in the employer proportion, differences between actual employer contributions and employers' proportionate shares of contributions, and employer contributions to PERF C subsequent to the measurement date, as defined in GASB 68 paragraphs 54, 55, and 57. Appropriate treatment of such amounts is the responsibility of the employers.

CalPERS' website provides CalPERS' Comprehensive Annual Financial Report for the fiscal year ended June 30, 2022, and the CalPERS' GASB 68 Accounting Valuation Reports for the public agency Miscellaneous and Safety Risk Pools, which together provide additional financial and actuarial information required for GASB 68 disclosures.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 8 PENSION PLAN (Continued)**

*Allocation of Net Pension Liability and Pension Expense to Individual Plans*

A key aspect of GASB 68 pertaining to cost-sharing employers is the establishment of an approach to allocate the net pension liability and pension expense to the individual employers within the risk pool. Paragraph 49 of GASB 68 indicates that for pools with contribution rates within the pool based on separate relationships, the proportional allocation should reflect those relationships. The allocation method utilized by CalPERS determines the employer's share by reflecting these relationships through the plans they sponsor within the risk pool. The valuation uses plan liability and asset-related information where available, and proportional allocations of individual plan amounts as of the valuation date where not available.

1. In determining a cost-sharing plan's proportionate share, CalPERS' staff calculated the total amounts of liabilities and assets for the risk pool on the valuation date (June 30, 2021). The risk pool's fiduciary net position (FNP) subtracted from its total pension liability (TPL) determines the net pension liability (NPL) at the valuation date.
2. Using standard actuarial roll-forward methods, the staff then calculated the risk-pool TPL at the measurement date (June 30, 2022). The staff then subtracted the risk-pool FNP at the measurement date from this number to determine the NPL for the risk pool at the measurement date.
3. We calculated the individual plan's TPL, FNP, and NPL at the valuation date. We calculated this and the subsequent steps each risk pool separately.
4. We calculated two ratios by dividing the plan's individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.
5. The plan's TPL as of the Measurement Date is equal to the risk-pool TPL generated in (2), multiplied by the TPL ratio generated in (4).
6. The plan's FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4), plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
7. The plan's NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

Please refer to the CalPERS "Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan Schedules of Employer Allocations and Collective Pension Amounts" report for the Miscellaneous and Safety Risk Pools, available from CalPERS' website under the GASB 68 section.

Each plan's proportion of aggregate employer contributions is equal to the plan's proportion of FNP calculated in (4). Each plan's proportionate share of risk-pool pension expense is the sum of the related proportionate shares of the components of the aggregate pension expense.

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

As of June 30, 2023, the City reported net pension liabilities for its proportionate shares of the net pension liability of the **Plan** as follows:

|               | <b>Proportionate Share<br/>of Net Pension Liability</b> |         |
|---------------|---------------------------------------------------------|---------|
| Miscellaneous | \$                                                      | 489,501 |

The City's net pension liability for the **Plan** is measured as a proportionate share of the net pension liability. The net pension liability of the **Plan** is measured as of June 30, 2022, 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, 2021, rolled forward to June 30, 2022, using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 8 PENSION PLAN (Continued)**

The City's proportionate share of the net pension liability for the **Plan** as of the June 30, 2021 and 2022, measurement dates was as follows:

|                              | <b>Miscellaneous</b> |
|------------------------------|----------------------|
| Proportion - June 30, 2021   | 0.01140%             |
| Proportion - June 30, 2022   | 0.01046%             |
| Change - Increase/(Decrease) | -0.00094%            |

The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2023, the contributions recognized as part of pension expense for the **Plan** were \$53,054.

For the year ended June 30, 2023, the City recognized pension expense under GASB 68 of \$18,667.

At the June 30, 2022 measurement date, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| <b>Measurement Year Ended June 30, 2022</b>                                       | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|-----------------------------------------------------------------------------------|-----------------------------------------------|----------------------------------------------|
| Changes of assumptions                                                            | \$ 50,160                                     | \$ -                                         |
| Differences between expected and actual experience                                | 9,830                                         | 6,584                                        |
| Net differences between projected and actual earnings on pension plan investments | 89,664                                        | -                                            |
| Differences between actual contributions vs proportionate share of contributions  | -                                             | 27,694                                       |
| Change in employer's proportion                                                   | 23,446                                        | -                                            |
| Pension contributions subsequent to measurement date                              | 58,108                                        | -                                            |
| <b>Total</b>                                                                      | <b>\$ 231,208</b>                             | <b>\$ 34,278</b>                             |

The \$53,108 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| <b>Measurement Period Ending June 30:</b> | <b>Amount</b>     |
|-------------------------------------------|-------------------|
| 2023                                      | \$ 35,222         |
| 2024                                      | 31,243            |
| 2025                                      | 17,516            |
| 2026                                      | 54,841            |
| 2027                                      | -                 |
| Remaining                                 | -                 |
| <b>Total</b>                              | <b>\$ 138,822</b> |

*Discount Rate*

The discount rate used to measure the total pension liability for PERF C was 6.90%. 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, as 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.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 8 PENSION PLAN (Continued)**

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 Plan's Share of the Net Pension Liability to Changes in the Discount Rate*

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

|                                     | Discount Rate -1% | Current Discount Rate | Discount Rate +1% |
|-------------------------------------|-------------------|-----------------------|-------------------|
|                                     | 5.90%             | 6.90%                 | 7.90%             |
| <b>Plan's Net Pension Liability</b> | \$ 750,322        | \$ 489,501            | \$ 274,910        |

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS' financial report (CAFR), available at the CalPERS' website.

*Long-term Expected Rate of Return*

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. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

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

| <b>Asset Class</b>             | <b>Assumed<br/>Asset<br/>Allocation</b> | <b>Real Return Years<br/>1 - 10<sup>1,2</sup></b> |
|--------------------------------|-----------------------------------------|---------------------------------------------------|
| Global equity - cap-weighted   | 30.0%                                   | 4.45%                                             |
| Global equity non-cap-weighted | 12.0                                    | 3.84                                              |
| Private Equity                 | 13.0                                    | 7.28                                              |
| Treasury                       | 5.0                                     | 0.27                                              |
| Mortgage-backed Securities     | 5.0                                     | 0.50                                              |
| Investment Grade Corporates    | 10.0                                    | 1.56                                              |
| High Yield                     | 5.0                                     | 2.27                                              |
| Emerging Market Debt           | 5.0                                     | 2.48                                              |
| Private Debt                   | 5.0                                     | 3.57                                              |
| Real assets                    | 15.0                                    | 3.21                                              |
| Leverage                       | (5.0)                                   | (0.59)                                            |

<sup>1</sup> An expected inflation of 2.30% used for this period.

<sup>2</sup> Figures are based on the 2021-22 Asset Liability Management study.

*Payable to the Pension Plan*

The City did not have any current amounts payable to the pension plan at June 30, 2023.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

**Plan Description**

The City sponsors a single-employer defined benefit OPEB plan that provides medical and prescription drug coverage at retirement. Employees may continue health coverage with the City at retirement for themselves, their spouses, and dependents for life once they meet certain eligibility requirements and as long as required contributions are made.

**Implementation Date**

The Plan effective date was in 2011, however, the City implemented the Plan during this fiscal year because there have been only one employee that has opted in for these benefits upon retirement and the City did not understand that the required implementation date for the fiscal year ended June 30, 2018, pursuant to GASB Statement No. 75 was applicable to the City. Therefore, the City has made the appropriate accounting entries to record the OPEB balances as a prior period adjustment on July 1, 2022, and the entries required to update the balances to June 30, 2023.

**Changes Since Prior Valuation**

There are no plan provision changes since the last full valuation. For a complete description of substantive plan provisions, refer to the City of Tulelake GASB 75 Disclosures for fiscal year ending June 30, 2023 report. Roll-forward valuation results shown in this report have been projected from the prior year's valuation, with adjustments for actual premium and contribution changes since the prior year.

**Benefits Provided**

On retirement from CalPERS, employees with a membership date before 1/1/2013 that have reached age 50 with 5 years of City service can retire and elect any CalPERS medical plan. Employees with a membership date or after 1/1/2013 that have reached age 52 with 5 years of City service can retire and elect any CalPERS medical plan.

**Contributions**

Employer Subsidy: pursuant to Government Code 22892 of the Public Employees' Medical and Hospital Act (PEMHCA), the City contributes the minimum amount allowed based on the "equal" contribution formula, which is equal to the "contribution percentage" multiplied by the PEMHCA minimum. The contribution percentage will increase by 5 percentage points annually until it equals 100%. The monthly PEMHCA minimum amounts are \$149 and \$151 for 2022 and 2023, respectively. The minimum employer contribution increases annually by the CPI medical care component. The amount of City-provided contribution is the same regardless of the retiree's dependent coverage and health plan choice. Retirees are required to contribute the portion of premium rates not covered by the Employer Subsidy.

Contributions: the City pays benefits as they come due

Contribution Rate: Benefits due

Reporting period contributions: \$ 1,752

(Includes implicit subsidy payment)

At June 30, 2022 (the valuation date), the benefit terms covered the following employees:

| <b><u>Plan Demographics</u></b>                                  |          |
|------------------------------------------------------------------|----------|
| Active employees                                                 | 7        |
| Inactive employees or beneficiaries currently receiving benefits | 1        |
| Inactive employees entitled to but not yet receiving benefits    | 0        |
| <b>Total Membership</b>                                          | <b>8</b> |

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)**

**Financial Report**

The City issues a stand-alone financial report that is available to the public. The report is available at: <https://cityofmontagueca.org>

**Total OPEB Liability(TOL)**

The City's TOL was valued as of June 30, 2022 and was used to calculate the TOL measured as of June 30, 2022.

**Actuarial Assumptions**

The TOL as of June 30, 2022 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

**Summary of Assumptions**

|                           |                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inflation                 | 2.30%                                                                                                                                                                                                                                                                                                                                                                       |
| Payroll growth            | 2.80% wage inflation plus seniority, merit, and promotion salary increases based on CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021 for Public Agency Miscellaneous and Police members.                                                                                                                                             |
| Investment rate of return | N/A; OPEB Plan is unfunded                                                                                                                                                                                                                                                                                                                                                  |
| Discount rate             | 3.69% annually which is Fidelity 20 year GO Municipal Bond Index AA/Aa or higher on the Measurement Date. The 2-Bond Index consists of 20 general obligation bonds that mature in 20 years.                                                                                                                                                                                 |
| Healthcare trend rates    | Short-term healthcare trends are based on recent plan experience. Long-term healthcare trends are based on a Society of Actuaries report performed by a committee of actuaries and economists. The Getzen Model was used for this report. These trend rates assume that deductibles and out-of-pocket maximums will be increased periodically as trends increase over time. |

**Changes Since Prior Measurement Date**

1. The Single Equivalent Discount Rate (SEDR) has increased from 2.16% as of June 30, 2021 to 3.69% as of June 30, 2022 based on updated municipal bond index, which caused a decrease in the liability.
2. Second year health care trend rates have been updated to reflect actual premium increases from 2022 to 2023 as shown in the table above, which caused a decrease in the liability.
3. Health care trend rates have been updated as follows based on updated Getzen Model of Long-Run Medical Cost Trends, which caused an increase in the liability.

**Discount Rate**

Under GASB 75, the discount rate used in valuing OPEB liabilities as of the Measurement Date for an unfunded plan is a single rate that reflects a yield or index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). For the current year's valuation, the municipal bond index as of the prior and current Measurement Dates are:

Index: Fidelity GO AA 20 Years Municipal Index: 2.16% as of June 30, 2021 and 3.69% as of June 30, 2022.

The final equivalent single discount rate for accounting disclosure as of June 30, 2022 is 3.69%.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)**

**Actuarial Cost Method**

Entry Age Normal Level Percentage of Pay; a method that allocates the actuarial present value of the projected benefits of each individual on a level basis over the earnings of the individual between entry age and assumed exit age(s).

- The portion allocated to a valuation year is called the Normal Cost.
- The portion allocated to past periods is called the Actuarial Accrued Liability (AAL) or Total OPEB Liability (TOL).

**Census Data**

Census information was provided by the City as of June 30, 2022. We have reviewed this data for reasonableness, and no material modification was made to the data.

**Participation Rate**

50% of active employees are assumed to elect health coverage with the City at retirement for life. For future retirees, 40% of active employees are assumed to elect spousal coverage at retirement. Husbands are assumed to be three years older than wives. Existing retirees who are currently enrolled in the City's health plans are assumed to continue coverage until death. Upon retiree's death, surviving spouses are assumed to continue coverage in the City's health plans (all of them are assumed to receive contingent pension benefit). Existing retirees who currently waived coverage are not assumed to re-enroll in the future.

**Trend Rates**

Historically, health care costs have increased more rapidly than the rate of inflation. In estimating the value of retiree health benefits, assumptions must be made on future increases in healthcare costs. The health care trend rates assumption used in this valuation is based on the Getzen Model of Long-Run Medical Cost Trends, which was first designed by T.E. Getzen for the Society of Actuaries (SOA) in 2007. The model is designed to make long-run forecasts and typically used to select medical trend assumptions for retiree medical valuations to present liabilities disclosed under the appropriate accounting standards, or to determine contributions under a funding policy. The long-run baseline projection and input variables were developed under the guidance of the SOA Project Oversight Group. The model is updated annually along with updated documentation and recommended input variables by the author of the model.

**Schedule of Changes in Net OPEB Liability**

Changes in the NOL as of the June 30, 2022 Measurement Year is as follows:

| <b>Changes in the Net OPEB Liability</b>       | <b>Increases (Decreases)<br/>Net OPEB Liability</b> |
|------------------------------------------------|-----------------------------------------------------|
| Balance as of report date June 30, 2022        | \$ 106,942                                          |
| Changes for the year:                          |                                                     |
| Service cost                                   | 13,931                                              |
| Interest                                       | 2,592                                               |
| Changes of assumptions or other inputs         | (28,663)                                            |
| Benefit payments                               | (1,752)                                             |
| Net changes                                    | (13,892)                                            |
| <b>Balance as of report date June 30, 2023</b> | <b>\$ 93,050</b>                                    |

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)**

OPEB Expense

The table below shows the comparison of the OPEB Expense recognized by the City for the current and prior fiscal years:

| <b>OPEB Expense</b>                                                       |                  |
|---------------------------------------------------------------------------|------------------|
| <b>Fiscal Year</b>                                                        | <b>2022/23</b>   |
| SEDR as of beginning of year                                              | 2.16%            |
| SEDR as of end of year                                                    | 3.69%            |
| Service cost                                                              | \$ 13,931        |
| Interest on TOL and Service Cost                                          | 2,592            |
| Current period recognition of Deferred Outflows / (Inflows) of Resources: |                  |
| Changes of assumptions or other inputs                                    | (2,349)          |
| Total current period recognition                                          | \$ (2,349)       |
| <b>OPEB Expense</b>                                                       | <b>\$ 14,174</b> |

Sensitivity of Liability to Changes in the Discount Rate and Healthcare Cost Trend Rate

The following presents the Net OPEB Liability of the City, as well as what the City's Net OPEB Liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate as of June 30, 2022.

|                                     | <b>1% Decrease</b> | <b>Discount Rate</b> | <b>1% Increase</b> |
|-------------------------------------|--------------------|----------------------|--------------------|
|                                     | 2.69%              | 3.69%                | 4.69%              |
| <b>Total OPEB liability (asset)</b> | <b>\$ 110,552</b>  | <b>\$ 93,050</b>     | <b>\$ 79,211</b>   |
| Increase (decrease)                 | 17,502             |                      | (13,839)           |
| % Change                            | 18.8%              |                      | -14.9%             |

The following presents the Net OPEB Liability of the City, as well as what the City's Net OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates as of June 30, 2022.

|                                     | <b>Healthcare</b>  |                                |                    |
|-------------------------------------|--------------------|--------------------------------|--------------------|
|                                     | <b>1% Decrease</b> | <b>Trend Rates<sup>1</sup></b> | <b>1% Increase</b> |
| <b>Total OPEB liability (asset)</b> | <b>\$ 76,489</b>   | <b>\$ 93,050</b>               | <b>\$ 115,148</b>  |
| Increase (decrease)                 | (16,561)           |                                | 22,098             |
| % Change                            | -17.8%             |                                | 23.7%              |

<sup>1</sup> Comparison of Baseline, 1% Decrease and 1% Increase in healthcare trend rates assumptions are as shown below:

| Periods      | 1% Decrease                                                                                               | Baseline                                                                                         | 1% Increase                                                                                               |
|--------------|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| Non-Medicare | Actual premium increases through 2024 less 1% followed by 5.50% decreasing to 2.94% ultimate rate by 2075 | Actual premium increases through 2024 followed by 7.0% decreasing to 3.94% ultimate rate by 2075 | Actual premium increases through 2024 plus 1% followed by 6.50% decreasing to 4.94% ultimate rate by 2075 |
| Medicare     | 5.00% followed by 4.75% and decreasing to 2.94% ultimate rate by 2075                                     | 6.00% followed by 5.75% and decreasing to 3.94% ultimate rate by 2075                            | 7.00% followed by 6.75% and decreasing to 4.94% ultimate rate by 2075                                     |

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)**

Deferred Inflows and Outflows of Resources Related to OPEB

The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|                                                           | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|-----------------------------------------------------------|-----------------------------------|----------------------------------|
| Differences between actual and expected experience        | \$ -                              | \$ -                             |
| Changes of assumptions or other inputs                    | -                                 | 26,314                           |
| Employer contributions subsequent to the measurement date | 1,216 <sup>1</sup>                | -                                |
| <b>Total</b>                                              | <b>\$ 1,216</b>                   | <b>\$ 26,314</b>                 |

<sup>1</sup> Based on actual benefit payment of \$1,800 less the implicit subsidy unreimbursed of (\$584).

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <b><u>Year Ended June 30:</u></b> | <b><u>Amount</u></b> |
|-----------------------------------|----------------------|
| 2024                              | \$ (2,349)           |
| 2025                              | (2,349)              |
| 2026                              | (2,349)              |
| 2027                              | (2,349)              |
| 2028                              | (2,349)              |
| Thereafter                        | (14,569)             |
| <b>Total</b>                      | <b>\$ (26,314)</b>   |

**NOTE 10 RISK MANAGEMENT**

The City belongs to a joint power authority called Small Cities Organized Risk Effort (SCORE). The cities in SCORE are involved in a program whereby they share risk for general liability, workers compensation, and employment practices to limits of \$25,000,000 for general liability, \$100,000,000 for workers compensation, and \$1,000,000 for employment practices. Each City has a self-insured retention (SIR) of \$25,000 in a banking plan. Losses above the SIR are covered under the program risk sharing provisions up to \$500,000 for liability, or \$150,000 for workers compensation.

**NOTE 11 DEFICIT FUND BALANCE**

At June 30, 2023, the COPS Fund, STIP Fund and Parks and Recreation Fund had deficit fund balances of \$51,873, \$9,774 and \$12,604, respectively. The City expects the deficits to be cleared in future years with the revenues of normal operations, transfers from other funds and/or a reduction in services.

**NOTE 12 CONTINGENCIES AND COMMITMENTS**

The City participates in several Federal and State assisted grant programs, as well as the California Fire Assistance Agreement (CFAA) for outside fire services, that are subject to audit by the grantors and CalOES (see subsequent events below). Although the ultimate outcome of such audits cannot be determined at this time, the City believes that such audits will not have a material adverse effect on the City.

The City is involved in various litigation; however, in the City's Attorney's opinion, the potential claims against the City resulting from litigation would not materially affect the accompanying financial statements.

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 13 SUBSEQUENT EVENTS**

As of January 14, 2026, the date in which the financial statements were available to be issued and the issuance date, the City Council and management have reviewed the financial statements, and they are aware of one event that has occurred subsequent to the balance sheet date and through the date of the independent auditor's report that would require adjustments to or disclosure in the financial statements.

Subsequent event: In February 2025, the City was notified by the Office of Audits and Investigations of the California Office of Emergency Services (CalOES) that CalOES would be investigating the City of Montague's oversight of funds reimbursed to the Montague Fire Department, specifically those related to the payment of administrative fees which is ten percent (10%) of the outside service fees charged to CalOES for outside fire services. The investigation covered the funds reimbursed from 2021 to 2024, which covers the period of the financial statements subject to the financial statement audit. As of the date of this audit report, the City has not received a letter of findings from CalOES and believes that the results of this investigation will not materially affect the accompanying financial statements.

**NOTE 14 PRIOR PERIOD ADJUSTMENTS**

During the fiscal year ended June 30, 2023, the City found a material error in recording the refund from SCORE insurance in the wrong period, which affected two governmental funds, the General Fund and Fire Fund. In addition, the City implemented their past "other post-employment benefits" (OPEB) plan as of the valuation and measurement date of June 30, 2022. See more information in Footnote No. 9. This affected the Governmental Activities and two Business-Type Activities for the Water Fund and Sewer Fund. The effect of this change and the correction of the errors are shown in the following tables:

|                                                                  | General Fund        | Fire Fund         | Montague<br>Firemans'<br>Association |
|------------------------------------------------------------------|---------------------|-------------------|--------------------------------------|
| <b>FUND BALANCES</b>                                             |                     |                   |                                      |
| Beginning Fund Balance, as Previously Reported                   | \$ 1,373,847        | \$ 174,736        | \$ -                                 |
| <b>Prior Period Adjustments:</b>                                 |                     |                   |                                      |
| 1. Correct recording of 21-22 SCORE DAP dividend                 | 8,194               | 2,645             | -                                    |
| 2. Record the prior year ending fund balance, unaudited          | -                   | -                 | (231)                                |
| <b>Net Impact on Change in Fund Balance: Increase (Decrease)</b> | <b>8,194</b>        | <b>2,645</b>      | <b>(231)</b>                         |
| <b>Beginning Fund Balance, as Restated</b>                       | <b>\$ 1,382,041</b> | <b>\$ 177,381</b> | <b>\$ (231)</b>                      |
| <b>GOVERNMENTAL ACTIVITIES</b>                                   |                     |                   |                                      |
| Net Position - Beginning - as Previously Reported                | \$ 4,622,819        |                   |                                      |
| <b>Prior Period Adjustments:</b>                                 |                     |                   |                                      |
| 1. Correct recording of 21-22 SCORE DAP dividend                 | 10,839              |                   |                                      |
| 2. Record the prior year ending fund balance, unaudited          | (231)               |                   |                                      |
| 3. Deferred outflows related to OPEB                             | 744                 |                   |                                      |
| 4. Net OPEB Liability                                            | (46,400)            |                   |                                      |
| <b>Net Impact on the Change in Net Position: Decrease</b>        | <b>(35,048)</b>     |                   |                                      |
| <b>Net Position - Beginning - as Restated</b>                    | <b>\$ 4,587,771</b> |                   |                                      |

**City Montague, California**  
**Notes to the Financial Statements**  
**June 30, 2023**

**NOTE 14 PRIOR PERIOD ADJUSTMENTS (Continued)**

|                                                                             | Water Fund          | Sewer Fund          | Total<br>Business-<br>Type<br>Activities |
|-----------------------------------------------------------------------------|---------------------|---------------------|------------------------------------------|
| <b>BUSINESS-TYPE ACTIVITIES</b>                                             |                     |                     |                                          |
| <b>Effect of Restatement on Beginning Net Position:</b>                     |                     |                     |                                          |
| Net Position - Beginning - as Previously Reported                           | \$ 7,973,044        | \$ 1,325,901        | \$ 9,940,023                             |
| <b>Prior Period Adjustments:</b>                                            |                     |                     |                                          |
| 1. Deferred outflows related to OPEB                                        | 660                 | 348                 | 1,008                                    |
| 2. Net OPEB Liability                                                       | (39,657)            | (20,885)            | (60,542)                                 |
| <b>Net Impact on the Net Position: (Decrease)</b>                           | <b>(38,997)</b>     | <b>(20,537)</b>     | <b>(59,534)</b>                          |
| <b>Net Position - Beginning - as Restated</b>                               | <b>\$ 7,934,047</b> | <b>\$ 1,305,364</b> | <b>\$ 9,880,489</b>                      |
| <b>Effect on Change in Net Position of the Preceding Period:</b>            |                     |                     |                                          |
| Change in net position for the year ended June 30, 2022, as reported        | \$ (123,277)        | \$ (13,149)         | \$ (167,059)                             |
| Impact of decrease in change in net position                                | (38,997)            | (20,537)            | (59,534)                                 |
| <b>Change in Net Position for the Year Ended June 30, 2022, as Restated</b> | <b>\$ (162,274)</b> | <b>\$ (33,686)</b>  | <b>\$ (226,593)</b>                      |

**NOTE 15 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Excess of expenditures over appropriations

For the year ended June 30, 2023, expenditures exceed appropriations in the General Fund and the special revenue funds for STIP and Fire activities by \$318,852, \$321,385 and \$330,448, respectively. The over expenditure in the General Fund were funded by reserves. In the STIP Fund, the over expenditure was funded by an approved State grant. In the Fire Fund, the over expenditure was primarily caused by salaries and wages paid for work on out-of-town fires that were approved by the City Council and funded by revenues from California OES, CalFire and US Forest Service.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**(Unaudited)**

**CITY OF MONTAGUE**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For The Year Ended June 30, 2023**

|                                                     | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>GAAP<br/>Basis<br/>Actual<br/>Amounts</b> | <b>Favorable<br/>(Unfavorable)<br/>Variance With<br/>Final Budget</b> |
|-----------------------------------------------------|----------------------------|-------------------------|----------------------------------------------|-----------------------------------------------------------------------|
| <b>REVENUES</b>                                     |                            |                         |                                              |                                                                       |
| Property taxes                                      | \$ 169,500                 | \$ 169,500              | \$ 189,509                                   | \$ 20,009                                                             |
| Sales and use taxes                                 | 98,800                     | 98,800                  | 87,873                                       | (10,927)                                                              |
| Franchise and other taxes                           | 22,300                     | 22,300                  | 21,960                                       | (340)                                                                 |
| Licenses and permits                                | 16,800                     | 16,800                  | 19,040                                       | 2,240                                                                 |
| Intergovernmental revenues                          | 310,016                    | 293,754                 | 190,256                                      | (103,498)                                                             |
| Charges for services                                | 5,000                      | 5,000                   | 2,740                                        | (2,260)                                                               |
| Fines, forfeitures and penalties                    | 1,100                      | 1,100                   | 829                                          | (271)                                                                 |
| Use of money and property                           | 13,300                     | 13,300                  | 74,479                                       | 61,179                                                                |
| Net change in fair value of investments             | -                          | -                       | (2,864)                                      | (2,864)                                                               |
| Other                                               | 3,600                      | 3,600                   | 1,261                                        | (2,339)                                                               |
| <b>Total Revenues</b>                               | <b>640,416</b>             | <b>624,154</b>          | <b>585,083</b>                               | <b>(39,071)</b>                                                       |
| <b>EXPENDITURES</b>                                 |                            |                         |                                              |                                                                       |
| Current:                                            |                            |                         |                                              |                                                                       |
| City council                                        | 13,000                     | 13,000                  | 11,621                                       | 1,379                                                                 |
| City clerk                                          | 106,800                    | 106,800                 | 98,361                                       | 8,439                                                                 |
| Finance and administration                          | 133,700                    | 133,700                 | 191,683                                      | (57,983)                                                              |
| Ordinance officer                                   | 97,250                     | 97,250                  | 92,154                                       | 5,096                                                                 |
| Planning                                            | 12,000                     | 12,000                  | 8,174                                        | 3,826                                                                 |
| Public works                                        | 115,950                    | 99,688                  | 97,719                                       | 1,969                                                                 |
| Community development                               | 23,100                     | 23,100                  | 60,288                                       | (37,188)                                                              |
| Library                                             | 16,500                     | 16,500                  | 9,968                                        | 6,532                                                                 |
| ARP Covid-19 expenditures                           | -                          | -                       | 6,854                                        | (6,854)                                                               |
| Bad debt expense (recovery)                         | -                          | -                       | (1,500)                                      | 1,500                                                                 |
| Capital outlay                                      | -                          | -                       | 245,568                                      | (245,568)                                                             |
| <b>Total Expenditures</b>                           | <b>518,300</b>             | <b>502,038</b>          | <b>820,890</b>                               | <b>(318,852)</b>                                                      |
| <b>Excess of Revenues Over (Under) Expenditures</b> | <b>122,116</b>             | <b>122,116</b>          | <b>(235,807)</b>                             | <b>(357,923)</b>                                                      |
| <b>OTHER FINANCING SOURCES (USES)</b>               |                            |                         |                                              |                                                                       |
| Operating transfers (out)                           | -                          | -                       | (42,968)                                     | (42,968)                                                              |
| <b>Total Other Financing Sources (Uses)</b>         | <b>-</b>                   | <b>-</b>                | <b>(42,968)</b>                              | <b>(42,968)</b>                                                       |
| <b>Change in Fund Balance</b>                       | <b>\$ 122,116</b>          | <b>\$ 122,116</b>       | <b>\$ (278,775)</b>                          | <b>\$ (400,891)</b>                                                   |

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

**CITY OF MONTAGUE**  
**Budgetary Comparison Schedule**  
**COPS Fund**  
**For The Year Ended June 30, 2023**

|                                                     | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>GAAP<br/>Basis<br/>Actual<br/>Amounts</b> | <b>Favorable<br/>(Unfavorable)<br/>Variance With<br/>Final Budget</b> |
|-----------------------------------------------------|----------------------------|-------------------------|----------------------------------------------|-----------------------------------------------------------------------|
| <b>REVENUES</b>                                     |                            |                         |                                              |                                                                       |
| Intergovernmental revenues                          | \$ 167,400                 | \$ 167,400              | \$ 174,776                                   | \$ 7,376                                                              |
| <b>Total Revenues</b>                               | 167,400                    | 167,400                 | 174,776                                      | 7,376                                                                 |
| <b>EXPENDITURES</b>                                 |                            |                         |                                              |                                                                       |
| Current:                                            |                            |                         |                                              |                                                                       |
| Police protection                                   | 213,200                    | 213,200                 | 213,200                                      | -                                                                     |
| <b>Total Expenditures</b>                           | 213,200                    | 213,200                 | 213,200                                      | -                                                                     |
| <b>Excess of Revenues Over (Under) Expenditures</b> | (45,800)                   | (45,800)                | (38,424)                                     | 7,376                                                                 |
| <b>OTHER FINANCING SOURCES (USES)</b>               |                            |                         |                                              |                                                                       |
| Operating transfers in                              | -                          | -                       | 39,851                                       | 39,851                                                                |
| <b>Total Other Financing Sources (Uses)</b>         | -                          | -                       | 39,851                                       | 39,851                                                                |
| <b>Change in Fund Balance</b>                       | (45,800)                   | (45,800)                | 1,427                                        | 47,227                                                                |

**CITY OF MONTAGUE**  
**Budgetary Comparison Schedule**  
**Fire Fund**  
**For The Year Ended June 30, 2023**

|                                                     | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>GAAP<br/>Basis<br/>Actual<br/>Amounts</b> | <b>Favorable<br/>(Unfavorable)<br/>Variance With<br/>Final Budget</b> |
|-----------------------------------------------------|----------------------------|-------------------------|----------------------------------------------|-----------------------------------------------------------------------|
| <b>REVENUES</b>                                     |                            |                         |                                              |                                                                       |
| Licenses and permits                                | \$ 300                     | \$ 300                  | \$ 258                                       | \$ (42)                                                               |
| Intergovernmental revenues                          | 35,700                     | 35,700                  | 45,211                                       | 9,511                                                                 |
| Charges for services                                | 78,500                     | 78,500                  | 442,900                                      | 364,400                                                               |
| Use of money and property                           | -                          | -                       | 3,023                                        | 3,023                                                                 |
| Net change in fair value of investments             | -                          | -                       | (3,250)                                      | (3,250)                                                               |
| Proceeds from debt                                  | -                          | -                       | 288,417                                      | 288,417                                                               |
| Other                                               | -                          | -                       | 948                                          | 948                                                                   |
| <b>Total Revenues</b>                               | <b>114,500</b>             | <b>114,500</b>          | <b>777,507</b>                               | <b>663,007</b>                                                        |
| <b>EXPENDITURES</b>                                 |                            |                         |                                              |                                                                       |
| Current:                                            |                            |                         |                                              |                                                                       |
| Fire protection                                     | 160,650                    | 170,650                 | 420,918                                      | (250,268)                                                             |
| Capital outlay                                      | -                          | -                       | 81,059                                       | (81,059)                                                              |
| Debt service:                                       |                            |                         |                                              |                                                                       |
| Principal                                           | 34,162                     | 34,162                  | 25,621                                       | 8,541                                                                 |
| Interest                                            | -                          | -                       | 7,662                                        | (7,662)                                                               |
| <b>Total Expenditures</b>                           | <b>194,812</b>             | <b>204,812</b>          | <b>535,260</b>                               | <b>(330,448)</b>                                                      |
| <b>Excess of Revenues Over (Under) Expenditures</b> | <b>(80,312)</b>            | <b>(90,312)</b>         | <b>242,247</b>                               | <b>332,559</b>                                                        |
| <b>OTHER FINANCING SOURCES (USES)</b>               |                            |                         |                                              |                                                                       |
| Proceeds from sale of assets                        | -                          | -                       | -                                            | -                                                                     |
| Operating transfers in (out)                        | -                          | -                       | -                                            | -                                                                     |
| <b>Total Other Financing Sources (Uses)</b>         | <b>-</b>                   | <b>-</b>                | <b>-</b>                                     | <b>-</b>                                                              |
| <b>Change in Fund Balance</b>                       | <b>(80,312)</b>            | <b>(90,312)</b>         | <b>242,247</b>                               | <b>332,559</b>                                                        |

**CITY OF MONTAGUE**  
**Budgetary Comparison Schedule**  
**STIP Fund**  
**For The Year Ended June 30, 2023**

|                               | Original<br>Budget | Final<br>Budget | Actual<br>Amounts | Favorable<br>(Unfavorable)<br>Variance With<br>Final Budget |
|-------------------------------|--------------------|-----------------|-------------------|-------------------------------------------------------------|
| <b>REVENUES</b>               |                    |                 |                   |                                                             |
| Intergovernmental revenues    | \$ -               | \$ -            | \$ 311,540        | \$ 311,540                                                  |
| <b>Total Revenues</b>         | -                  | -               | 311,540           | 311,540                                                     |
| <b>EXPENDITURES</b>           |                    |                 |                   |                                                             |
| Capital outlay                | -                  | -               | 321,385           | (321,385)                                                   |
| <b>Total Expenditures</b>     | -                  | -               | 321,385           | (321,385)                                                   |
| <b>Change in Fund Balance</b> | \$ -               | \$ -            | \$ (9,845)        | \$ (9,845)                                                  |

**City of Montague**  
**Cost-Sharing Multiple-Employer Defined Benefit Pension Plan**  
**June 30, 2023**  
**Last 10 Years**

SCHEDULE OF LOCAL GOVERNMENT'S  
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
MISCELLANEOUS PLAN

| Measurement Year Ending June 30: <sup>1</sup>                                                                  | 2014      | 2015      | 2016      | 2017      | 2018      | 2019      | 2020      | 2021      | 2022      |
|----------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Plan's Proportion of the Net Pension Liability                                                                 | 0.00302%  | 0.00228%  | 0.00292%  | 0.00314%  | 0.00320%  | 0.00345%  | 0.00365%  | 0.00400%  | 0.00424%  |
| Plan's Proportionate Share of the Net Pension Liability                                                        | \$187,692 | \$156,158 | \$252,446 | \$311,875 | \$308,103 | \$353,116 | \$397,318 | \$216,436 | \$489,501 |
| Plan's Covered-Employee Payroll                                                                                | \$225,345 | \$224,324 | \$229,187 | \$271,570 | \$240,382 | \$261,691 | \$248,487 | \$294,897 | \$315,336 |
| Plan's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll        | 83.29%    | 69.61%    | 110.15%   | 114.84%   | 128.17%   | 134.94%   | 159.89%   | 73.39%    | 155.23%   |
| Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability | 85.73%    | 88.59%    | 83.11%    | 81.04%    | 82.05%    | 80.31%    | 77.37%    | 87.98%    | 74.42%    |
| Plan's Proportionate Share of Aggregate Employer Contributions <sup>2</sup>                                    | \$ 30,486 | \$ 41,934 | \$ 46,251 | \$ 50,437 | \$ 53,634 | \$ 59,664 | \$ 60,697 | \$ 62,316 | \$ 73,855 |

<sup>1</sup> GASB 68 requires historical information only for the measurement periods for which GASB 68 is applicable.

<sup>2</sup> The plan's proportionate share of aggregate contributions may not match the actual contributions made by the employer during the measurement period. The plan's proportionate share of aggregate contributions uses the plan's proportion of fiduciary net position multiplied by the total employer contribution amount as its basis, as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period. GASB 68 does not require that we display this data for employers participating in cost-sharing plans, but we show it here because we use it in the calculation of the Plan's pension expense.

**City of Montague**  
**Cost-Sharing Multiple-Employer Defined Benefit Pension Plan**  
**June 30, 2023**  
**Last 10 Years**

SCHEDULE OF LOCAL GOVERNMENT'S  
PLAN CONTRIBUTIONS  
MISCELLANEOUS PLAN

| Measurement Year Ending June 30: <sup>1</sup>                             | 2014       | 2015       | 2016       | 2017       | 2018       | 2019       | 2020       | 2021       | 2022       |
|---------------------------------------------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Actuarially Determined Contribution <sup>2</sup>                          | \$ 15,725  | \$ 14,556  | \$ 16,111  | \$ 18,924  | \$ 25,628  | \$ 32,276  | \$ 36,341  | \$ 46,239  | \$ 53,054  |
| Contributions Made in Relation to the Actuarially Determined Contribution | (15,725)   | (14,556)   | (16,111)   | (18,927)   | (25,629)   | (32,276)   | (36,341)   | (46,239)   | (53,054)   |
| Contribution Deficiency (Excess)                                          | \$ -       | \$ -       | \$ -       | \$ (3)     | \$ (1)     | \$ -       | \$ -       | \$ -       | \$ -       |
| Cover Payroll                                                             | \$ 225,345 | \$ 224,324 | \$ 229,187 | \$ 271,570 | \$ 240,382 | \$ 261,691 | \$ 248,487 | \$ 294,897 | \$ 315,336 |
| Contributions as a Percentage of Covered Payroll                          | 6.98%      | 6.49%      | 7.03%      | 6.97%      | 10.66%     | 12.33%     | 14.62%     | 15.68%     | 16.82%     |

<sup>1</sup> GASB 68 requires historical information only for the measurement periods for which GASB 68 is applicable.

<sup>2</sup> GASB 68 assumes that employers contribute an amount equal to the actuarially determined contribution. However, some employers may choose to make additional contributions towards their side fund or their unfunded liability. Employer contributions for such plans exceed the actuarially determined contribution. CalPERS determined that employer obligations referred to as "side funds" do not conform to the circumstances described in the paragraph 120 of GASB 68, therefore CalPERS does not consider them separately financed specific liabilities.

**Notes to Schedule:**

**Benefit Changes:** There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified period (also known as "Golden Handshakes"). Employers that have done so may need to report this information as a separate liability in their financial statement as CalPERS considers such amounts to be separately financed employer-specific liabilities. These employers should consult with their auditors.

**Changes of Assumptions:** None

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

**CITY OF MONTAGUE**  
**Single-Employer Defined Benefit Post-employment Healthcare Plan**  
**June 30, 2023**  
**Last 10 Years <sup>1</sup>**

**Schedule of Changes in Net OPEB Liability**

|                                                       |                  |
|-------------------------------------------------------|------------------|
| <b>Measurement Year Ending June 30:</b>               | <b>2022</b>      |
| <b>Report Year Ending June 30:</b>                    | <b>2023</b>      |
| <b>Total OPEB Liability (TOL)</b>                     |                  |
| Service cost                                          | \$ 13,931        |
| Interest on TOL and Service Cost                      | 2,592            |
| Changes in benefit terms                              | -                |
| Differences between expected and actual experience    | -                |
| Changes of assumptions or other inputs                | (28,663)         |
| Benefit payments, including implicit subsidy payment  | (1,752)          |
| <b>Net Change in Total OPEB Liability</b>             | <b>(13,892)</b>  |
| <b>Total OPEB Liability - Beginning of Year</b>       | <b>106,942</b>   |
| <b>Total OPEB Liability - End of Year</b>             | <b>\$ 93,050</b> |
| <b>Plan Fiduciary Net Position (FNP)</b>              |                  |
| Contributions - employer                              | \$ 1,752         |
| Contributions - employees                             | -                |
| Benefit payments                                      | (1,752)          |
| Net investment income                                 | -                |
| Trust administrative expenses                         | -                |
| <b>Net Change in Plan Fiduciary Net Position</b>      | <b>-</b>         |
| <b>Fiduciary Net Position - Beginning of Year</b>     | <b>-</b>         |
| <b>Fiduciary Net Position - End of Year</b>           | <b>-</b>         |
| <b>Net OPEB Liability - End of Year</b>               | <b>\$ 93,050</b> |
| Fiduciary Net Position as a % of Total OPEB Liability | 0.00%            |
| Covered payroll - measurement period                  | \$ 356,996       |
| Net OPEB Liability as a % of covered payroll          | 26.06%           |

**Notes to the Schedule**

The City implemented GASB 75 for the fiscal Year Ending June 30, 2023.

<sup>1</sup> Historical information is required only for measurement periods for which GASB 75 is applicable.

**CITY OF MONTAGUE**  
**Single-Employer Defined Benefit Post-employment Healthcare Plan**  
**June 30, 2023**  
**Last 10 Years <sup>1</sup>**

**Schedule of the Plan's Contributions**

| <b>Measurement Year Ending June 30:</b>                               | <b>2022</b> |
|-----------------------------------------------------------------------|-------------|
| Employer's contractual contributions                                  | \$ 1,752    |
| Contributions in relation to the employer's contractual contributions | 1,752       |
| Contribution deficiency (excess)                                      | \$ -        |
| City's covered-employee payroll                                       | \$ 356,996  |
| Contributions as a percentage of covered-employee payroll             | 0.49%       |

**Notes to the Schedule**

The City implemented GASB 75 for the fiscal Year Ending June 30, 2023.

<sup>1</sup> Historical information is required only for measurement periods for which GASB 75 is applicable.

## **SUPPLEMENTARY INFORMATION**

CITY OF MONTAGUE  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2023

|                                                                 | Special Revenue Funds |                           |                                        |                  |                     |                           |                                                |                     |
|-----------------------------------------------------------------|-----------------------|---------------------------|----------------------------------------|------------------|---------------------|---------------------------|------------------------------------------------|---------------------|
|                                                                 | Gas Tax Fund          | Parks and Recreation Fund | Community Development Block Grant Fund | EDBG Fund        | Revolving Loan Fund | Local Transportation Fund | Montague Volunteer Fire Department Association | Total               |
| <b>ASSETS</b>                                                   |                       |                           |                                        |                  |                     |                           |                                                |                     |
| Cash                                                            | \$302,912             | \$ 40                     | \$ 28,655                              | \$ 62,172        | \$ 49,384           | \$ 307,103                | \$ 5,036                                       | \$ 755,302          |
| Receivables (net of allowance for bad debts, where applicable): |                       |                           |                                        |                  |                     |                           |                                                |                     |
| Loans                                                           | -                     | -                         | 335,344                                | 27,771           | 84,297              | -                         | -                                              | 447,412             |
| Intergovernmental                                               | 8,036                 | -                         | -                                      | -                | -                   | 3,835                     | -                                              | 11,871              |
| Due from other funds                                            | -                     | -                         | -                                      | -                | -                   | -                         | -                                              | -                   |
| <b>Total Assets</b>                                             | <b>\$310,948</b>      | <b>\$ 40</b>              | <b>\$ 363,999</b>                      | <b>\$ 89,943</b> | <b>\$ 133,681</b>   | <b>\$ 310,938</b>         | <b>\$ 5,036</b>                                | <b>\$ 1,214,585</b> |
| <b>LIABILITIES and FUND BALANCES</b>                            |                       |                           |                                        |                  |                     |                           |                                                |                     |
| <b>Liabilities</b>                                              |                       |                           |                                        |                  |                     |                           |                                                |                     |
| Accounts payable                                                | \$ 2,835              | \$ 5,531                  | \$ -                                   | \$ -             | \$ -                | \$ -                      | \$ -                                           | \$ 8,366            |
| Accrued liabilities                                             | 418                   | 7,113                     | -                                      | -                | -                   | -                         | -                                              | 7,531               |
| Compensated absences payable                                    | 137                   | -                         | -                                      | -                | -                   | -                         | -                                              | 137                 |
| <b>Total Liabilities</b>                                        | <b>3,390</b>          | <b>12,644</b>             | <b>-</b>                               | <b>-</b>         | <b>-</b>            | <b>-</b>                  | <b>-</b>                                       | <b>16,034</b>       |
| <b>Deferred Inflows of Resources</b>                            |                       |                           |                                        |                  |                     |                           |                                                |                     |
| Deferred revenue - unavailable                                  | -                     | -                         | -                                      | -                | -                   | -                         | -                                              | -                   |
| <b>Fund Balances</b>                                            |                       |                           |                                        |                  |                     |                           |                                                |                     |
| Nonspendable:                                                   |                       |                           |                                        |                  |                     |                           |                                                |                     |
| Noncurrent receivables                                          | -                     | -                         | 335,344                                | 27,771           | 84,297              | -                         | -                                              | 447,412             |
| Restricted for:                                                 |                       |                           |                                        |                  |                     |                           |                                                |                     |
| Streets and roads                                               | 307,558               | -                         | -                                      | -                | -                   | 310,938                   | -                                              | 618,496             |
| Community development                                           | -                     | -                         | 28,655                                 | 62,172           | 49,384              | -                         | -                                              | 140,211             |
| Parks and recreation                                            | -                     | -                         | -                                      | -                | -                   | -                         | -                                              | -                   |
| Total restricted                                                | <b>307,558</b>        | <b>-</b>                  | <b>28,655</b>                          | <b>62,172</b>    | <b>49,384</b>       | <b>310,938</b>            | <b>-</b>                                       | <b>758,707</b>      |
| Assigned for:                                                   |                       |                           |                                        |                  |                     |                           |                                                |                     |
| Fire protection                                                 | -                     | -                         | -                                      | -                | -                   | -                         | 5,036                                          | 5,036               |
| Unassigned (deficit)                                            | -                     | (12,604)                  | -                                      | -                | -                   | -                         | -                                              | (12,604)            |
| <b>Total Fund Balances (Deficit)</b>                            | <b>307,558</b>        | <b>(12,604)</b>           | <b>363,999</b>                         | <b>89,943</b>    | <b>133,681</b>      | <b>310,938</b>            | <b>5,036</b>                                   | <b>1,198,551</b>    |
| <b>Total Liabilities and Fund Balances</b>                      | <b>\$310,948</b>      | <b>\$ 40</b>              | <b>\$ 363,999</b>                      | <b>\$ 89,943</b> | <b>\$ 133,681</b>   | <b>\$ 310,938</b>         | <b>\$ 5,036</b>                                | <b>\$ 1,214,585</b> |

CITY OF MONTAGUE  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Non-Major Governmental Funds  
For The Year Ended June 30, 2023

|                                                     | Special Revenue Funds |                           |                                        |                 |                     |                           |                                                | Total               |
|-----------------------------------------------------|-----------------------|---------------------------|----------------------------------------|-----------------|---------------------|---------------------------|------------------------------------------------|---------------------|
|                                                     | Gas Tax Fund          | Parks and Recreation Fund | Community Development Block Grant Fund | EDBG Fund       | Revolving Loan Fund | Local Transportation Fund | Montague Volunteer Fire Department Association |                     |
| <b>REVENUES</b>                                     |                       |                           |                                        |                 |                     |                           |                                                |                     |
| Intergovernmental revenues                          | \$ 65,339             | \$ -                      | \$ -                                   | \$ -            | \$ -                | \$ 106,939                | \$ -                                           | \$ 172,278          |
| Charges for service                                 | -                     | 36,495                    | -                                      | -               | -                   | -                         | -                                              | 36,495              |
| Use of money and property                           | 5                     | -                         | 133                                    | 960             | 112                 | 2,526                     | -                                              | 3,736               |
| Net change in fair value of investments             | (3)                   | -                         | -                                      | -               | -                   | (1,606)                   | -                                              | (1,609)             |
| Fundraising revenues, net of expenses               | -                     | -                         | -                                      | -               | -                   | -                         | 35,768                                         | 35,768              |
| Other                                               | -                     | 9,463                     | -                                      | -               | -                   | -                         | -                                              | 9,463               |
| <b>Total Revenues</b>                               | <b>65,341</b>         | <b>45,958</b>             | <b>133</b>                             | <b>960</b>      | <b>112</b>          | <b>107,859</b>            | <b>35,768</b>                                  | <b>256,131</b>      |
| <b>EXPENDITURES</b>                                 |                       |                           |                                        |                 |                     |                           |                                                |                     |
| Current:                                            |                       |                           |                                        |                 |                     |                           |                                                |                     |
| Fire protection                                     | -                     | -                         | -                                      | -               | -                   | -                         | 25,140                                         | 25,140              |
| Public works - streets & roads                      | 40,572                | -                         | -                                      | -               | -                   | -                         | -                                              | 40,572              |
| Public transportation                               | -                     | -                         | -                                      | -               | -                   | 31,027                    | -                                              | 31,027              |
| Community development                               | -                     | -                         | 2,523                                  | -               | -                   | -                         | -                                              | 2,523               |
| Parks and recreation                                | -                     | 53,180                    | -                                      | -               | -                   | -                         | -                                              | 53,180              |
| Bad debt expense (recovery)                         | -                     | -                         | (3,091)                                | -               | (3,100)             | -                         | -                                              | (6,191)             |
| Capital outlay                                      | -                     | -                         | -                                      | -               | -                   | -                         | 5,361                                          | 5,361               |
| <b>Total Expenditures</b>                           | <b>40,572</b>         | <b>53,180</b>             | <b>(568)</b>                           | <b>-</b>        | <b>(3,100)</b>      | <b>31,027</b>             | <b>30,501</b>                                  | <b>151,612</b>      |
| <b>Excess of revenues over (under) expenditures</b> | <b>24,769</b>         | <b>(7,222)</b>            | <b>701</b>                             | <b>960</b>      | <b>3,212</b>        | <b>76,832</b>             | <b>5,267</b>                                   | <b>104,519</b>      |
| <b>OTHER FINANCING SOURCES (USES)</b>               |                       |                           |                                        |                 |                     |                           |                                                |                     |
| Operating transfers in                              | -                     | 3,117                     | -                                      | -               | -                   | -                         | -                                              | 3,117               |
| Operating transfers out                             | -                     | -                         | -                                      | -               | -                   | -                         | -                                              | -                   |
| <b>Total Other Financing Sources (Uses)</b>         | <b>-</b>              | <b>3,117</b>              | <b>-</b>                               | <b>-</b>        | <b>-</b>            | <b>-</b>                  | <b>-</b>                                       | <b>3,117</b>        |
| <b>Changes in Fund Balances</b>                     | <b>24,769</b>         | <b>(4,105)</b>            | <b>701</b>                             | <b>960</b>      | <b>3,212</b>        | <b>76,832</b>             | <b>5,267</b>                                   | <b>107,636</b>      |
| <b>FUND BALANCE</b>                                 |                       |                           |                                        |                 |                     |                           |                                                |                     |
| Beginning of Year, as Previously Reported           | 282,789               | (8,499)                   | 363,298                                | 88,983          | 130,469             | 234,106                   | -                                              | 1,091,146           |
| Prior period adjustment                             | -                     | -                         | -                                      | -               | -                   | -                         | (231)                                          | (231)               |
| <b>Beginning of Year, as Restated</b>               | <b>282,789</b>        | <b>(8,499)</b>            | <b>363,298</b>                         | <b>88,983</b>   | <b>130,469</b>      | <b>234,106</b>            | <b>(231)</b>                                   | <b>1,090,915</b>    |
| <b>End of Year</b>                                  | <b>\$307,558</b>      | <b>\$ (12,604)</b>        | <b>\$ 363,999</b>                      | <b>\$89,943</b> | <b>\$ 133,681</b>   | <b>\$ 310,938</b>         | <b>\$ 5,036</b>                                | <b>\$ 1,198,551</b> |

## **OTHER REPORTS AND SCHEDULES**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the City Council  
City of Montague, California

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Montague, California as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Montague, California's basic financial statements, and have issued my report thereon dated January 14, 2026.

**Report on Internal Control over Financial Reporting**

In planning and performing my audit of the financial statements, I considered City of Montague, California's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Montague, California's internal control. Accordingly, I do not express an opinion on the effectiveness of the City of Montague, California's internal control.

My 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 and questioned costs, I identified certain deficiencies in internal control that I consider to be material weaknesses and 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, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. I consider the deficiencies described in the accompanying schedule of findings and questioned costs as items **2023-001 and 2023-002** to be a material weakness.

*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. I consider the deficiencies described in the accompanying schedule of findings and questioned costs as item **2023-003**, to be significant deficiencies.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether City of Montague, California's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and questioned costs as item **2023-004**.

To the City Council  
City of Montague, California

**City of Montague, California's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Montague, California's response to the findings identified in my audit and described in the accompanying schedule of findings and questioned costs. City of Montague, California's response was not subject to the other auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on the response.

**Purpose of This Report**

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

A handwritten signature in dark ink, appearing to read "Charles W. Pilon, CPA". The signature is stylized and includes a large "C" and "P".

Charles W. Pilon, CPA  
Anderson, California

January 14, 2026

**CITY OF MONTAGUE**  
**SCHEDULE OF FINDINGS and QUESTIONED COSTS**  
**For the Year Ended June 30, 2023**

**CURRENT YEAR FINDINGS**

**Finding 2023-001 Material Weakness – Lack of Effective Financial Close and Reporting**

*Condition:* Material audit adjustments were required to correct material misstatements in the financial statements. These were required in order for the financial statements to be prepared in accordance and/or conformity with generally accepted accounting principles (GAAP). In addition, the City relied on the external auditor to ensure its financial statements are in accordance with GAAP and to ensure that all necessary disclosures are included in the notes to the financial statements.

*Criteria:* In accordance with Statement on Auditing Standards No. 122c, external auditors cannot be part of an entity's internal controls over the preparation of the financial statements and are prohibited from auditing their own work, which could impair independence. All City financial documents should be final and reconciled before the audit begins. All adjustments necessary for the financial statements to be prepared in accordance and/or conformity with GAAP should be identified and posted by the City prior to the commencement of the audit.

*Cause:* The City did not identify and post numerous material closing entries for the year under audit due to ineffective internal controls over the financial close process.

*Effect:* Financial statements, which are not in conformity with GAAP and contained material misstatements, could have been prepared and distributed. The total net effect on the change in net position was \$440,147. **There are no questioned costs related to this finding.**

*Context:* This is a repeat finding from the prior audit of the year ended June 30, 2022.

*Recommendation:* I recommend that management take steps to ensure that all adjustments necessary to prepare financial statements in accordance with GAAP be identified and posted prior to the start of the audit. A significant part of this recommendation would involve ensuring the proper year-end accruals are recorded and that all capital outlay expenditures in governmental funds are correctly recorded.

*Views of Responsible Officials and Planned Corrective Action:* The City agrees with the finding. The City Clerk, Ruanna Smith, will work closely with the City's outside accountant to identify all year-end accruals and post them correctly, as well as ensuring all capital asset purchases subject to capitalization are recorded correctly. This will be implemented for the fiscal year ending June 30, 2026 audit due to the timing of this finding and the time expected to hire an outside accountant.

**Finding 2023-002 Material Weakness – Bank Reconciliations**

*Condition:* During the audit, it was noted that the City's bank reconciliations of cash in bank and investment accounts were not done on a timely basis during the fiscal year.

*Criteria:* The City is required to maintain and implement a system of internal controls that allows for the prevention, detection and correction of material misstatement in a timely manner. Bank reconciliations need to be done in a timely manner, and reconciling items need to be corrected, in order to prevent undetected and uncorrected material misstatements to the financial statements produced during the fiscal year and at year-end.

*Cause:* Bank reconciliation procedures were not followed as coordinated with the contracted accountant. City staff did not ensure that someone prepared the reconciliations when the contracted accountant did not do it.

*Effect:* Cash accounts were not accurate, material errors in the financial statements existed and had to be corrected by the audit, and lack of controls over cash may allow misappropriation (i.e. theft). **There are no questioned costs related to this finding.**

*Context:* This is a new finding.

**CITY OF MONTAGUE**  
**SCHEDULE OF FINDINGS and QUESTIONED COSTS**  
**For the Year Ended June 30, 2023**

**Finding 2023-002 (Continued)**

*Recommendation:* All bank reconciliations should be completed within 30 days of receiving the bank statement. All reconciling items need to be noted on the bank reconciliation and properly recorded in the accounting system.

*Views of Responsible Officials and Planned Corrective Action:* The City agrees with this finding. To prepare for the FY24-25 audit, the City hired a different contracted accountant that has been directed to prioritize bank reconciliations and to complete this work in a timely fashion. Due to the timing of the end of this audit, this will be fully implemented during the fiscal year ended June 30, 2026.

**Finding 2023-003 Significant Deficiencies – Lack of Support and Authorization for Transactions**

*Condition:* During the audit of disbursements, some receipts were missing for purchases on the City credit card. During the audit of payroll the following items were found: 1) hours listed on the employee timesheet were altered and no authorization from the employee and supervisor was evident on the timesheet; 2) although the payroll tax returns for the four quarters of the fiscal year were filed on time by an outside accountant, the City did not have copies of the returns available for the audit to examine; and 3) it was noted during the review of timesheets that several instances where overtime hours were claimed had no evidence of approval from a supervisor.

*Criteria:* In accordance with A87 Cost Principles under GAAP, as well as the City's own policies, the City should obtain and retain all support for transactions and proper authorizations should be noted on all transactions where authorization is required.

*Cause:* The City had a tremendous amount of turnover of personnel in the finance department did not identify and post numerous material closing entries for the year under audit due to ineffective internal controls over the financial close process.

*Effect:* There were no direct effects on the financial statements but did have an effect on the audit procedures causing alternative procedures to be performed in order to obtain appropriate audit evidence.  
**There are no questioned costs related to this finding.**

*Context:* This is a new finding.

*Recommendation:* I recommend that management take steps to ensure that all support for transactions are obtained and kept for the required retention period according to local laws and regulations and the policies of the City. I also recommend that required approvals be documented on all support for transactions.

*Views of Responsible Officials and Planned Corrective Action:* The City agrees with the finding. The City Clerk, Ruanna Smith, as well as the City Administrator, Dave Dunn, will ensure that the above recommendations are implemented immediately.

**Finding 2023-004 Noncompliance – Annual and Quarterly Payroll Reporting**

*Condition:* During the audit, it was noted that non-compliance related to payroll tax returns for both Federal (Form 941, W2's and W3) and State (DE9) reporting were incorrect for all four quarters of the fiscal year resulting in an underreporting of social security and medicare wages and consequently the payment of taxes.

*Criteria:* The City is required to comply with the Federal and State laws and regulations regarding the calculation and reporting of wages and the associated payroll taxes.

*Cause:* This situation was due to the incorrect setup of the wages that are subject to social security and medicare taxes in the payroll system.

*Effect:* Errors occurred in the calculation of payroll, leading to errors in the reporting of payroll to the Federal and State tax authorities, which resulted in a failure to pay the proper amount of taxes. Therefore, the City was in noncompliance. From the research done during the audit, it appears that this situation has been happening since the 2019 calendar year.

**CITY OF MONTAGUE  
SCHEDULE OF FINDINGS and QUESTIONED COSTS  
For the Year Ended June 30, 2023**

**Finding 2023-004 (Continued)**

*Context:* This is a new finding. **There are no questioned costs related to this finding.**

*Recommendation:* I recommended during the audit that the setup be immediately changed to correct the error for all future payrolls. I also recommend that the City investigate the extent of this issue and file corrected forms and pay under-reported taxes as required as soon as possible.

*Views of Responsible Officials and Planned Corrective Action:* The City agrees with the finding. Payroll setup was immediately changed, and correct payroll returns were filed starting with the calendar quarter ending March 31, 2025. The City is in the process of researching the issues to past payroll returns and will file corrections before the end of calendar year 2026.

**PRIOR YEAR FINDINGS – FINANCIAL STATEMENT AUDIT**

**Finding 2022-001 Material Weakness – Lack of Effective Financial Close and Reporting**

*Condition:* Material audit adjustments were required to correct material misstatements in the financial statements. These were required in order for the financial statements to be prepared in accordance and/or conformity with generally accepted accounting principles (GAAP). In addition, the City relied on the external auditor to ensure its financial statements are in accordance with GAAP and to ensure that all necessary disclosures are included in the notes to the financial statements.

*Recommendation:* I recommended that management take steps to ensure that all adjustments necessary to prepare financial statements in accordance with GAAP be identified and posted prior to the start of the audit.

*Status:* The City has not implemented the recommendations.

**Finding 2022-002 Noncompliance – Use of Transportation Development Act (TDA) Funds**

*Condition:* During the fiscal year ending June 30, 2022, the City used TDA funds to loan to another City fund for purposes of cash flow that was not related to expenditures for streets and roads.

*Recommendation:* I recommended that careful attention be given to all funds restricted by external sources, such as funds received under the TDA regulations, ensuring they are spent only on allowable costs. I also recommended that the funds be returned to the proper fund immediately.

*Status:* The City fully implemented the recommendations.



RECEIVED  
JAN 20 2026  
CITY OF MONTAGUE

### City Council Agenda Worksheet

To: City Clerk  
City of Montague  
230 S. 13<sup>th</sup> Street  
PO Box 428  
Montague, CA 96064

Meeting Date 2/5/26

Time: 6:30 PM  
Place: City Council Chambers  
230 S. 13<sup>th</sup> Street

From: Kris Taylor

Address: 140 S. 11<sup>th</sup> Street - Montague Ca 96064

Phone Number: 530.598.0075

Subject:

"Calendar of Events" Parade

Summary:

Parade will consist of artistic floats that highlight the  
various events that will take place during 2026.  
Parade route will be from City Hall, up 13<sup>th</sup> St. Scobie St,  
9<sup>th</sup> Street to Cortrightz, west on Hwy 3 and back to  
City Hall.  
Proposed date is Saturday, May 2, 2026. @ 11am.

Please note: City Council meets on the first Thursday of each month at 6:30 PM in the Council Chambers – 230 S. 13<sup>th</sup> Street.

THIS AGENDA WORKSHEET, ALONG WITH ANY OTHER SUPPORTING DOCUMENTATION IS TO BE GIVEN TO THE CITY CLERK NO LATER THAN 12:00 NOON ON THE THURSDAY PRECEDING THE MEETING DATE.



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CITY OF MONTAGUE

### City Council Agenda Worksheet

To: City Clerk  
City of Montague  
230 S. 13<sup>th</sup> Street  
PO Box 428  
Montague, CA 96064

Meeting Date 2/5/26  
Time: 6:30 PM  
Place: City Council Chambers  
230 S. 13<sup>th</sup> Street

From: Kris Taylor  
Address: 140 S. 11<sup>th</sup> St. Montague Ca. 96064  
Phone Number: 530 548 0075

Subject:

Fiber Festival  
Oct 2-4, 2026 Multiple Locations

Summary:

Fiber Festival will be a three-day event featuring a "sheep to shear" style event. This will include sheering demonstrations, spinning, vendors/artisans, fashion show + dinner, music, classes, and tutorials.

This will include 11<sup>th</sup> street from King St to Webb St., Rodeo grounds, Community Ctr, Railroad park, Field in front of Community Hall for Vendors and adjacent field for parking.

★ (See attached forms for detailed breakdown) ★ Upon request  
Please note: City Council meets on the first Thursday of each month at 6:30 PM in the Council Chambers – 230 S. 13<sup>th</sup> Street.

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## City Council Agenda Worksheet

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City of Montague  
230 S. 13<sup>th</sup> Street  
PO Box 428  
Montague, CA 96064

Meeting Date 2/5/26

Time: 6:30 PM  
Place: City Council Chambers  
230 S. 13<sup>th</sup> Street

From: Kris Taylor

Address: 140 S. 11<sup>th</sup> St. Montague Co. 96064

Phone Number: 530 598 0075

Subject:

Montague Beautification Project / Rebranding:  
New Flower Planters along 11<sup>th</sup> street.

Summary:

New planters will be train themed: (subtle).

They will take 2 feet less than current planters footprint.

CalTrans has been contacted and all encroachment:

requirements are being met including budgeting + Montague  
Cap M project budget/plan.

\*(Please see attached plan and detailed breakdown  
of project.) \* available upon request

Please note: City Council meets on the first Thursday of each month at 6:30 PM in the Council Chambers – 230 S. 13<sup>th</sup> Street.

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### City Council Agenda Worksheet

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City of Montague  
230 S. 13<sup>th</sup> Street  
PO Box 428  
Montague, CA 96064

Meeting Date 2/5/26

Time: 6:30 PM  
Place: City Council Chambers  
230 S. 13<sup>th</sup> Street

From: Kris Taylor

Address: 140 S. 11<sup>th</sup> Street Montague Ca. 96064

Phone Number: 530.598.0075

Subject:

"Jammin' On the Dock"

July 6 - Aug 31 (Mondays) @ Railroad Park

Summary:

Various musicians will perform on Mondays beginning

@ 6pm - 8pm.

Food vendor(s) will be present each time/event.

Patrons will bring their own seating.

A stage will be erected each event. or if able

Please note: City Council meets on the first Thursday of each month at 6:30 PM in the Council Chambers – 230 S. 13<sup>th</sup> Street.

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RECEIVED  
JAN 20 2026  
CITY OF MONTAGUE

## City Council Agenda Worksheet

To: City Clerk  
City of Montague  
230 S. 13<sup>th</sup> Street  
PO Box 428  
Montague, CA 96064

Meeting Date \_\_\_\_\_  
Time: 6:30 PM  
Place: City Council Chambers  
230 S. 13<sup>th</sup> Street

From: Krist Taylor

Address: 140 S. 11<sup>th</sup> STREET MONTAGUE CA 96064

Phone Number: 530.590.0075

Subject:

Montague Beautification Project: Petunia Baskets.

Summary:

Spring & Summer Months:  
25 Hanging Petunia Baskets will hang from Pac Power/CalTrans  
Poles. This will span from Hwy 3 (11<sup>th</sup> Street to Webb St.)  
and encompass the business district from U-Haul -  
Courtwrights. CalTrans and Pacific Power have been coordinating.  
These will be seasonal and ongoing annually.

\* (Please see added form for dimensions, planting, watering, etc details)  
available upon request.

Please note: City Council meets on the first Thursday of each month at 6:30 PM in the Council Chambers – 230 S. 13<sup>th</sup> Street.

THIS AGENDA WORKSHEET, ALONG WITH ANY OTHER SUPPORTING DOCUMENTATION IS TO BE GIVEN TO THE CITY CLERK NO LATER THAN 12:00 NOON ON THE THURSDAY PRECEDING THE MEETING DATE.

***Montague Volunteer Fire Department***  
***~SINCE 1935~***

**Application for Membership**

Thank you for your interest in volunteering with the City of Montague Fire Department. This is a noble profession with a long tradition of service; one that offers camaraderie and the satisfaction of helping others. We hold volunteers to a high standard--as a matter of public trust. Your success depends on completion of our application, background checks, and acceptance. We offer free training and valuable job experience working alongside career and volunteer personnel--in exchange for a time commitment.

Montague Fire Department is a fully volunteer department. We are equipped to serve the City of Montague and the Montague Fire Protection District with fire, rescue and medical operations. We provide mutual aid and automatic aid to our surrounding departments in the county such as Grenada, Yreka City, South Yreka, Mayten, Hornbrook, and Cal Fire Siskiyou Unit.

Make sure to read thoroughly through the application and fill it out completely, if you fail to fill out the application it will delay your application process. If at any time you have any questions about the application please feel free to contact the Chief. This is the first step in becoming a volunteer fire fighter with the Montague Fire Department. Once you fill out the application you will need to return it to the fire department at 121 S 10<sup>th</sup> St. Once we have received the application, we will look it over and call you to schedule an interview. You are required to have an interview with at least 3 officers of the department. After the interview your application will be processed to the membership at the next business meeting. The membership will then look over your application and be given a report about your interview. The membership will then vote on your application. If approved you will be contacted and will be required to be at the next regular city council meeting where the city has to approve your application as well.

Once approved by the City Council you are now a probationary firefighter. You will be assigned a pager and a locker along with all your personnel protective equipment. Your probation period is 6 months and during that time you will be assigned an officer and required to complete certain things during that 6 months. You will need to take and pass a medical physical along with a physical agility test, complete your ICS 100,200,700 online, also complete a CPR for the professional rescuer. You will need to sign up for a Title 22 class, First Responder class, or an EMT class within that 6-month time frame as well. Need to complete S130 and S190 class. If you have any questions please feel free to contact the Chief or any other officers on the department and we will assist you with any needs or questions you have.

We appreciate the opportunity to offer you a chance of a lifetime to be a member of our dedicated volunteers. We take great pride and dedication in what we do. We are one of the busiest departments in Siskiyou County and run over 400 calls a year. It takes a special person and some time away from home to do this job and we just want to make sure people understand what they are getting into when joining a volunteer fire department. The State of California requires us to have over 165hrs of Structure Fire Training and 65hrs of Wildland Training along with other hours of training we have to perform each year. We look forward to making you part of our team.

## Application for Membership

First Name: Brandon Last Name: Schroeder M.I. R  
Home Address: 320 S 9th St  
Mailing Address: 320 S 9th St  
Email Address: LibertylumberjackLLC@gmail.com  
Date of Birth: 4/14/85 Home Phone # ( ) \_\_\_\_\_ Cell Phone # ( ) \_\_\_\_\_  
CA DL# B8755363 DL Class: A ☒ B ☐ C ☐  
Any Imposed Restrictions on your DL? ☐ YES ☒ NO  
If checked yes, explain here: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Do you have automobile insurance? ☒ YES ☐ NO  
Policy # \_\_\_\_\_  
Insurance Carrier: State Farm

### EDUCATION:

|                                                                                               |   |   |   |                   |   |   |   |                  |   |   |   |                                          |  |  |  |  |  |  |  |  |  |  |  |
|-----------------------------------------------------------------------------------------------|---|---|---|-------------------|---|---|---|------------------|---|---|---|------------------------------------------|--|--|--|--|--|--|--|--|--|--|--|
| Check the number of years completed                                                           |   |   |   |                   |   |   |   |                  |   |   |   | Describe courses of major concentration: |  |  |  |  |  |  |  |  |  |  |  |
| High School                                                                                   |   |   |   | Undergrad College |   |   |   | Graduate College |   |   |   | Mechanical Engineering                   |  |  |  |  |  |  |  |  |  |  |  |
| 1                                                                                             | 2 | 3 | 4 | 1                 | 2 | 3 | 4 | 1                | 2 | 3 | 4 |                                          |  |  |  |  |  |  |  |  |  |  |  |
| List any professional, technical or other training relative to the type of employment sought: |   |   |   |                   |   |   |   |                  |   |   |   |                                          |  |  |  |  |  |  |  |  |  |  |  |
| Cal Fire<br>Special Forces engineer Sergeant                                                  |   |   |   |                   |   |   |   |                  |   |   |   |                                          |  |  |  |  |  |  |  |  |  |  |  |

All individuals considered for employment are evaluated without the regard to race, color, religion, gender, national origin, age, marital or veteran status, the presence of a non-job related disability or any other legally protected status.

## EXPERIENCE

Please provide copies and attach to application. If a copy machine is needed contact the Fire Chief.

Do you have any prior certifications?

- ☒ Firefighter 1
- ☒ Volunteer Firefighter
- ☐ EMT-II or Paramedic
- ☐ EMT-I
- ☒ First Responder
- ☐ Title-22 First Aid
- ☐ CPR/AED for the Professional Rescuer
- ☒ Basic CPR
- ☐ IS 100/200/700
- ☒ S-130/S-190
- ☒ HAZ-MAT FRO

Please list any additional Certifications or experience:

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Can you respond to an emergency incident during the Day? Sometimes Night? Yes

If accepted as a member of the Montague Fire Department, will you promise to abide by the rules of the fire department and obey the orders of your superior officers to the best of your ability?

Yes

Please explain why you would like to become a member of the Montague Fire Department?

Community to serve with a group of good  
people serving their community

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## Requirements for Membership:

1. Respond to Fire, Rescue, and EMS calls.
2. Keep good attendance record for trainings and regular business meetings.
3. Abide by the By-Laws set by the membership.
4. Be responsible for the PPE assigned to you.
5. Keep a valid CA driver's license.
6. Maintain a current automobile insurance policy.
7. Maintain, at minimum, a current Title-22 certification with CPR/AED certification.
8. Take a annual physical and Spiro test with a Licensed physician
9. Pass a yearly physical agility test
10. Must pass your 6 Month Probation Period. At the end of that time you will meet with your officer and Chief to go over your Probation Period to make sure you have completed your assigned task. If your assigned tasks have not been completed your probation period may be extended.

I certify that all statements given on this form are true. I consent to the release of any information required to verify this information as true. I understand that any false statement or substantial omission of fact may be cause for not considering me for hire or may be cause for discharge. I agree that I will obey all laws, rules and regulations, and follow the operational guidelines as prescribed by the Montague Fire Department.

I, the applicant, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or promise of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter. By signing, you have agreed to the terms and conditions of this application.

  
\_\_\_\_\_  
Signature

Jan 22, 2026  
Date

**Return this application for membership in person to the Montague Fire Department Station located at:**

**121 S. 10<sup>TH</sup> Street,  
Montague, Ca 96064**

**Upon receipt of this application, the applicant for membership is entitled to an oral interview with a board composed of at least three (3) officer of the Montague Volunteer Fire Department**

RECEIVED BY: \_\_\_\_\_ FF# \_\_\_\_\_

Character References: Please list at least two (2).

Name: \_\_\_\_\_  
Phone # \_\_\_\_\_  
Occupation: \_\_\_\_\_  
Years Known: \_\_\_\_\_

Name: \_\_\_\_\_  
Phone # \_\_\_\_\_  
Occupation: \_\_\_\_\_  
Years Known: \_\_\_\_\_

Name: \_\_\_\_\_  
Phone # \_\_\_\_\_  
Occupation: \_\_\_\_\_  
Years Known: \_\_\_\_\_

Answer YES or NO

To your knowledge, do you have any physical or mental defects that would prevent you from performing normal firefighting duties? no

List any allergies? None

Have you been convicted of an offense, served time in jail, or received a court summons due to a traffic violation over \$100? \_\_\_\_\_

If yes on either question, explain here:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Emergency Contact info: Please list at least two (2).**

Name: Ross Schneider  
Phone # 530-598-0916  
Alt Phone # \_\_\_\_\_  
Relation: Father

Name: \_\_\_\_\_  
Phone # \_\_\_\_\_  
Alt Phone # \_\_\_\_\_  
Relations: \_\_\_\_\_

## BACKGROUND QUESTIONARE

1. Have you ever resigned from employment in lieu of termination or as a result of any allegations of conduct whether found or not? No
2. Have you ever had any problems with your supervisors? No
3. Have you ever had any conflicts or problems with the public? No
4. Have you ever taken anything from your employer without authorization? No
5. Have you ever been convicted of a felony? No

If yes on any question, explain here:

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### EMPLOYMENT EXPERIENCE:

|                                                                        |                |                    |
|------------------------------------------------------------------------|----------------|--------------------|
| Present or most recent position                                        | Dates Employed | Reason for leaving |
| Own tree service company                                               | 2020 Present   | Still there        |
| Describe your primary duties                                           |                |                    |
| Hazard tree removal/ Felling, climbing, manning crew marketing         |                |                    |
| Prior position                                                         | Dates Employed | Reason for leaving |
| US Army                                                                | 2011-2025      | Retirement         |
| Describe your primary duties                                           |                |                    |
| Advise company commander on all engineering task managed property back |                |                    |
| Prior position                                                         | Dates Employed | Reason for leaving |
| Cal Fire                                                               | 2008-2009      | College            |
| Describe your primary duties                                           |                |                    |
| Fire fighter                                                           |                |                    |
| Prior position                                                         | Dates Employed | Reason for leaving |
|                                                                        |                |                    |
| Describe your primary duties                                           |                |                    |
|                                                                        |                |                    |

Further employment experience may be attached and/or added to back.

## MONTAGUE FIRE DEPARTMENT

### PRE-EMPLOYMENT INQUIRY AUTHORIZATION RELEASE

In connection with my employment, I understand that background inquiries may be requested by you or on your behalf that will seek information as to my character, work habits, including oral assessments of my job performance, experiences and abilities, along with reasons for termination of past employment. Further, I understand and agree that you may request information from various federal, state, and other agencies, including public and private sources which maintain records concerning my past activities relating to my driving record, criminal record, civil matters, previous employment, educational background, professional licensing and other experiences.

I acknowledge that a fax or copy of this release shall be as valid as the original. This authorization is valid for any consumer report requested at any time during the tenure of my employment. This release is valid for all federal, state, county and local agencies and authorities. I understand that I have the right to make a written request within a reasonable period of time for complete and accurate disclosure of information concerning the nature and scope of the investigation.

Yes:  No: Jan 22 2026  
Signature & Date Signature & Date

## Montague Volunteer Fire Department's Oath of Office

I \_\_\_\_\_ do solemnly swear or affirm that I will support and defend the Constitution of the United States of America and the Constitution of the State of California; I will support and abide by the ordinances of the City of Montague; the By-Laws of the Montague Volunteer Fire Department; that I will respect and obey all lawful orders of my superior officers; that I will never permit any cause or reason personal to myself to prejudice me in the discharge of my duties as a member of the Montague Volunteer Fire Department; that I will conduct myself at all times in such a manner as not to bring disgrace upon the department or any of its members; that I will protect and preserve the property and equipment of the Montague Volunteer Fire Department while I faithfully carry out my duties as a member or firefighter for the City of Montague. I acknowledge that any willful violation of this oath in any part can be just cause of my dismissal from the fire department.

**RESOLUTION NO. 26-01**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTAGUE  
APPOINTING A REPRESENTATIVE TO THE BOARD OF DIRECTORS OF  
SCORE (Small Cities Organized Risk Effort)**

WHEREAS, Article VIII of the Joint Powers Agreement creating SCORE requires the governing body of each member entity appoint one representative and an alternate to the Board of Directors, and

WHEREAS, by previous Resolutions the City appointed representatives and alternates by the City of Montague.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Montague that David Dunn, City Administrator is hereby appointed to serve as the City's representative on the Board of Directors of SCORE.

BE IT FURTHER RESOLVED Ruanna Smith, City Clerk is hereby appointed as the Alternate to the City's representative on the Board of Directors of SCORE.

BE IT FURTHER RESOLVED that all former Resolutions making appointments to the Board of Directors are hereby repealed.

The foregoing Resolution of the City Council of the City of Montague passed and adopted at a meeting held on the 5th day of February 2026 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

CITY OF MONTAGUE:

---

Ruanna Smith, CITY CLERK

---

Takeshi Murakami, MAYOR

## City Administrator/Public Works

2/5/2026

January has been a very hectic month, I hope the rest of the year is not as crazy. We have had a few sewer plugs and some issues at the sewer plant. We had a circuit breaker burn up at the water plant. And the new one we installed is not working. These issues have taken up a lot of our time to try and get them fixed.

We are starting fill all the pot holes in town. We are starting vehicle maintenance.

We are moving forward with the sewer grant. We are taking well samples and sewer influent to test what is in our sewer water.

# January 2026

## Animal Control

|                              |     |
|------------------------------|-----|
| Dogs at Large                |     |
| Calls                        | 05  |
| Seen                         | 11  |
| Caught                       | 01  |
| Return To Owner              | 01  |
| Impounded                    | 0   |
| Tickets                      | 01  |
| Lost Dog                     | 01  |
| Kenneled                     | 0   |
| Rescue                       | 0   |
| Notices Given                |     |
| New Residents                | 02  |
| Licensing                    | 04  |
| Dog at large                 | 05  |
| Abandonment                  | 0   |
| Not Licensed                 | 03  |
| Welfare Check                |     |
| Goats                        | 0   |
| Dogs                         | 02  |
| Cats                         | 0   |
| Rehomed cats                 | 0   |
| Euthanasia                   | 0   |
| Deer/ Wild Animals           |     |
| Dead pick up                 | 0   |
| Dispatched                   | 0   |
| Office                       | 05  |
| Home                         | 08  |
| Street                       | 10  |
| Tickets                      | 01  |
| Complaints                   | 05  |
| Siskiyou Humane Society 2025 | 0   |
| 2025-2026 licensing          | 341 |

## Firefighting

|                                   |        |
|-----------------------------------|--------|
| Fire                              |        |
| Medical                           | 05     |
| Tickets                           | 0      |
| Burn Permits / Inspection reports | 38/ 02 |

## Code Enforcement

|                         |    |
|-------------------------|----|
| Contacts                |    |
| Home                    | 05 |
| Office                  | 08 |
| Street                  | 06 |
| Complaints              | 04 |
| Notices Given           |    |
| Nuisance/fence          | 0  |
| Fire Hazard             | 01 |
| Water Violations        | 0  |
| Business License        | 04 |
| Red Tags                | 04 |
| Vehicles                | 01 |
| Parking                 | 0  |
| Vehicles Towed          | 0  |
| Trailers                | 01 |
| Lawn Reminders          | 0  |
| Illegal Camping         | 0  |
| Homeless                | 0  |
| Water citations         | 0  |
| Trash                   | 01 |
| Camping Permits         | 01 |
| Business License issued | 03 |
| Renewal forms sent out  | 02 |
| Salvage Slips Written   | 04 |
| Abatements Ongoing      | 04 |
| Public Hearing          | 0  |
| Planning Applications   | 04 |
| Fence                   | 01 |
| Building(s)             | 0  |
| Roof/ Reroof            | 01 |
| Solar Panels            | 01 |
| Camping                 | 01 |
| Notice                  | 03 |
| Citation                | 02 |
| Tickets                 | 02 |

# **MARCH 21<sup>ST</sup>**

# **SPAY & NEUTER**

# **DINNER**

# **FUNDRAISER**

## **WHY??**

This dinner is going to support the First Spay & Neuter event for Montague. The goal is to trap, spay and neuter 150 cats here in Montague to prevent more stray cats/kittens. All proceeds will be put towards this event so we can accomplish our goal.

Bring a friend & or neighbor and let's come together to make new memories together as a community!

We hope to see you there!



## **Dinner**

**Top Sirloin, Garlic  
Bread, Green  
Salad, Baked  
Beans**

**25\$ A Ticket**

**~Basket Raffle**

**~Dessert Auction**

**~Rotary Club will  
be selling alcohol**

**Tickets available  
for purchase at  
Montague City  
Hall**

**230 S. 13<sup>th</sup> Street**

## **WHERE AT??**

**MONTAGUE  
COMMUNITY HALL**  
200 South 11th Street

Montague, CA 96064

(530)459-5136

Drive-thru: 4-5pm

Seated Dinner: 5:30pm



Montague Animal Control  
230 South 13<sup>th</sup> Street, 96064  
Po Box 428 Montague, CA  
Phone: (530)459-5136

Dear Business Owner's,

I am writing on behalf of the City of Montague Animal Control to invite your business to support our upcoming Spay & Neuter Dinner Fundraiser, scheduled for March 21st at Montague Community Hall 200 South 11<sup>th</sup> street. The event will feature a drive-thru starting at 4:00pm-5:10pm & the sit-down dinner will start at 5:30pm, alcohol will be sold by the Rotary Club, exciting raffles, and dessert auction. Dinners menu will be Top Sirloin, Garlic Bread, Green Salad and Baked Beans. Tickets are \$25.00 and will be sold at Montague City Hall 230 South 13<sup>th</sup> Street.

We would be honored if you would consider donating a raffle basket or dessert for our event. We would deeply appreciate any item or gift certificate you could contribute. If you cannot donate, please consider purchasing tickets to enjoy the dinner & some company to support our Animal Control in making this event happen!

Montague Animal Control is trying to raise enough money to be able to cover vet cost for all the stray cats in Montague. Our goal for this fundraiser is to reach \$20,000 which would cover 150 cats which will go directly towards the vet bill. Your contribution will have a significant impact, helping us achieve our fundraising goal while also promoting your business to local residents. We believe that by working together we can accomplish this goal in raising money to help the stray cats of Montague.

Thank you for your time and consideration.

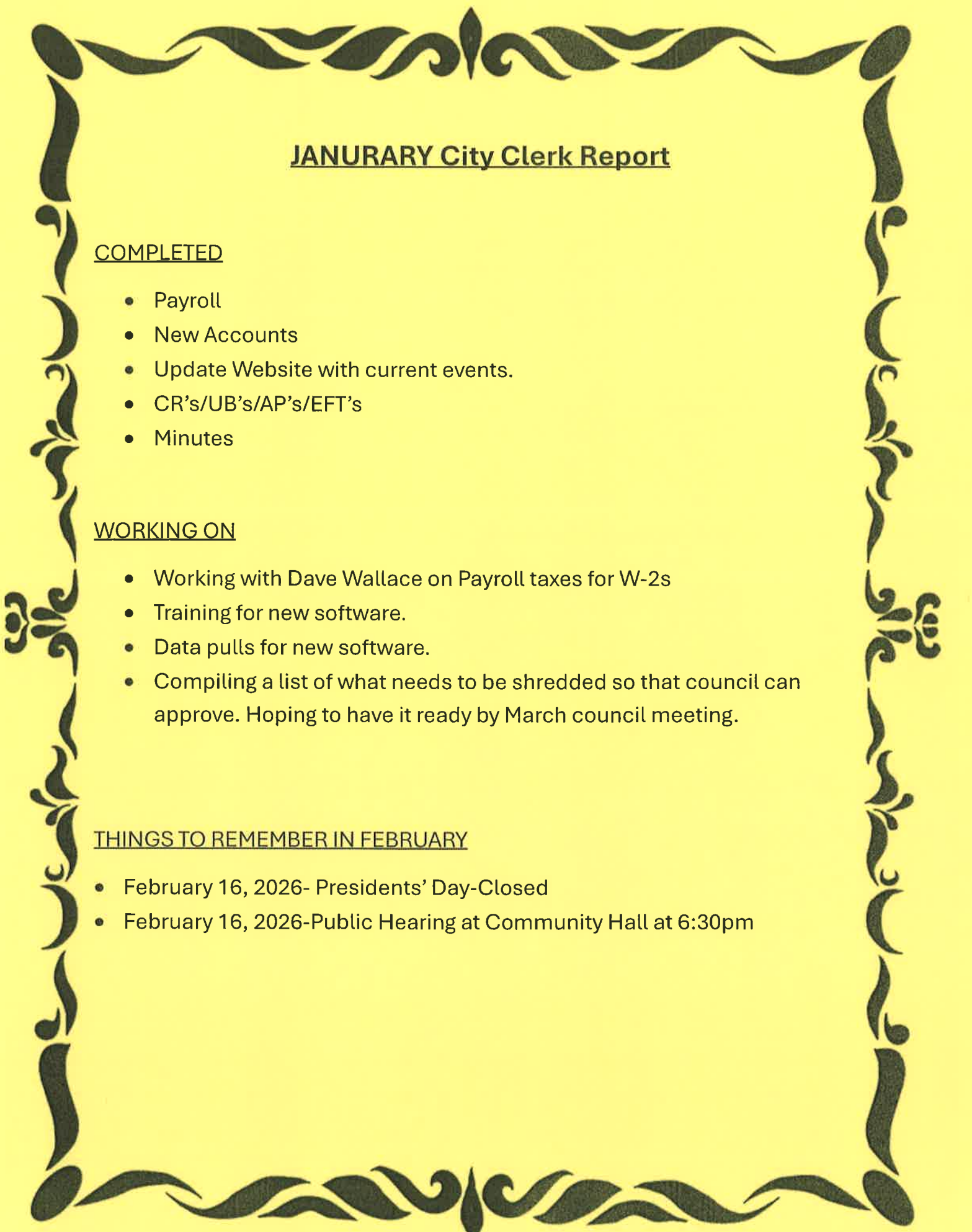
Please feel free to contact me directly at (530)459-5136 or  
[ACO.CEO@cityofmontagueca.gov](mailto:ACO.CEO@cityofmontagueca.gov)

If you have any questions regarding this dinner or about our event.

Bring a friend or neighbor and let's make new memories together as a community! Hope to see you there!

Sincerely,  
Amanda Hopkins  
Montague Animal Control





## JANURARY City Clerk Report

### COMPLETED

- Payroll
- New Accounts
- Update Website with current events.
- CR's/UB's/AP's/EFT's
- Minutes

### WORKING ON

- Working with Dave Wallace on Payroll taxes for W-2s
- Training for new software.
- Data pulls for new software.
- Compiling a list of what needs to be shredded so that council can approve. Hoping to have it ready by March council meeting.

### THINGS TO REMEMBER IN FEBRUARY

- February 16, 2026- Presidents' Day-Closed
- February 16, 2026-Public Hearing at Community Hall at 6:30pm

## REVENUE/EXPENDITURE REPORT

Page: 1

1/26/2026

2:25 pm

City of Montague

For the Period: 7/1/2025 to 1/31/2026

|                                        | Original Bud. | Amended Bud. | YTD Actual | CURR MTH   | Encumb. YTD | UnencBal   | % Bud  |
|----------------------------------------|---------------|--------------|------------|------------|-------------|------------|--------|
| <b>Fund: 101 - GENERAL FUND</b>        |               |              |            |            |             |            |        |
| Revenues                               |               |              |            |            |             |            |        |
| Dept: 100 GENERAL                      |               |              |            |            |             |            |        |
| 360.010 PROPERTY TAX                   | 178,705.00    | 178,705.00   | 134,809.90 | 126,709.48 | 0.00        | 43,895.10  | 75.4   |
| 360.011 PROPERTY TAXES PRIOR           | 6,695.00      | 6,695.00     | 2,752.66   | 0.00       | 0.00        | 3,942.34   | 41.1   |
| 360.012 INT, PENALTIES, DELQ TAX       | 6,695.00      | 6,695.00     | 826.51     | 0.00       | 0.00        | 5,868.49   | 12.3   |
| 360.013 VLF Net                        | 0.00          | 0.00         | 2,139.23   | 0.00       | 0.00        | -2,139.23  | 0.0    |
| 360.100 HOMEOWNERS                     | 2,266.00      | 2,266.00     | 0.00       | 0.00       | 0.00        | 2,266.00   | 0.0    |
| 360.150 DOC TRANSFER TAX               | 5,665.00      | 5,665.00     | 13,284.30  | 627.00     | 0.00        | -7,619.30  | 234.5  |
| 360.200 VEHICLE CODE FEES & FINES      | 309.00        | 309.00       | 156.26     | 66.22      | 0.00        | 152.74     | 50.6   |
| 360.300 BOOKING FEES                   | 206.00        | 206.00       | 42.84      | -14.72     | 0.00        | 163.16     | 20.8   |
| 364.010 SALES AND USE TAX-BOE          | 105,575.00    | 105,575.00   | 24,267.86  | 0.00       | 0.00        | 81,307.14  | 23.0   |
| 394.000 FRANCHISE PPL                  | 12,875.00     | 12,875.00    | 0.00       | 0.00       | 0.00        | 12,875.00  | 0.0    |
| 395.000 FRANCHISE YREKA TRANSFER       | 4,841.00      | 4,841.00     | 5,554.21   | 5,340.67   | 0.00        | -713.21    | 114.7  |
| 396.000 FRANCHISE CABLE                | 2,575.00      | 2,575.00     | 596.26     | 0.00       | 0.00        | 1,978.74   | 23.2   |
| 416.000 PERMITS                        | 3,605.00      | 3,605.00     | 2,249.00   | 95.00      | 0.00        | 1,356.00   | 62.4   |
| 417.000 BUSINESS LICENSE               | 2,884.00      | 2,884.00     | 4,723.00   | 182.00     | 0.00        | -1,839.00  | 163.8  |
| 417.001 BUSINESS LICENSE FEES          | 319.00        | 319.00       | 236.00     | 12.00      | 0.00        | 83.00      | 74.0   |
| 432.000 RENT & LEASES                  | 319.00        | 319.00       | 0.00       | 0.00       | 0.00        | 319.00     | 0.0    |
| 436.000 INTEREST INVESTMENT EARNINGS   | 319.00        | 319.00       | 0.00       | 0.00       | 0.00        | 319.00     | 0.0    |
| 441.000 CONGESTION RELIEF              | 3,193.00      | 3,193.00     | 0.00       | 0.00       | 0.00        | 3,193.00   | 0.0    |
| 502.000 PARKS & REC INCOME             | 31,554.00     | 31,554.00    | 1,945.19   | 0.00       | 0.00        | 29,608.81  | 6.2    |
| 635.000 EVENT INSURANCE                | 3,760.00      | 3,760.00     | 1,132.00   | 81.00      | 0.00        | 2,628.00   | 30.1   |
| 640.400 COMMUNITY HALL - RENT          | 3,760.00      | 3,760.00     | 5,560.00   | 120.00     | 0.00        | -1,800.00  | 147.9  |
| 643.000 RECYCLE - Yreka Transfer       | 1,339.00      | 1,339.00     | -225.14    | 0.00       | 0.00        | 1,564.14   | -16.8  |
| 643.100 CAL RECYCLE GRANT - Restricted | 5,150.00      | 5,150.00     | -400.69    | 0.00       | 0.00        | 5,550.69   | -7.8   |
| GENERAL                                | 382,609.00    | 382,609.00   | 199,649.39 | 133,218.65 | 0.00        | 182,959.61 | 52.2   |
| Dept: 780 LIBRARY                      |               |              |            |            |             |            |        |
| 545.000 DONATIONS                      | 0.00          | 0.00         | 1.74       | 0.00       | 0.00        | -1.74      | 0.0    |
| LIBRARY                                | 0.00          | 0.00         | 1.74       | 0.00       | 0.00        | -1.74      | 0.0    |
| Revenues                               | 382,609.00    | 382,609.00   | 199,651.13 | 133,218.65 | 0.00        | 182,957.87 | 52.2   |
| Expenditures                           |               |              |            |            |             |            |        |
| Dept: 201 GRANT MONIES                 |               |              |            |            |             |            |        |
| 746.002 CONTRACT LABOR PLANNER         | 0.00          | 3,840.00     | -35,670.83 | 0.00       | 0.00        | 39,510.83  | -928.9 |
| GRANT MONIES                           | 0.00          | 3,840.00     | -35,670.83 | 0.00       | 0.00        | 39,510.83  | -928.9 |
| Dept: 700 CITY COUNCIL/TREASURER       |               |              |            |            |             |            |        |
| 702.000 SALARIES                       | 12,875.00     | 12,875.00    | 5,148.68   | 565.75     | 0.00        | 7,726.32   | 40.0   |
| 722.000 TRAVEL                         | 309.00        | 309.00       | 200.00     | 0.00       | 0.00        | 109.00     | 64.7   |
| 800.000 ADVERTISING & PRINTING         | 206.00        | 206.00       | 0.00       | 0.00       | 0.00        | 206.00     | 0.0    |
| CITY COUNCIL/TREASURER                 | 13,390.00     | 13,390.00    | 5,348.68   | 565.75     | 0.00        | 8,041.32   | 39.9   |
| Dept: 701 CITY CLERK/ADMINISTRATOR     |               |              |            |            |             |            |        |
| 702.000 SALARIES                       | 77,250.00     | 77,250.00    | 13,991.61  | 798.61     | 0.00        | 63,258.39  | 18.1   |
| 714.000 PERS-Retirement                | 1,545.00      | 1,545.00     | 885.07     | 62.39      | 0.00        | 659.93     | 57.3   |
| 716.000 HEALTH INSURANCE               | 4,120.00      | 7,000.00     | 2,106.08   | 302.29     | 0.00        | 4,893.92   | 30.1   |
| 718.000 INSURANCE WC                   | 2,678.00      | 2,678.00     | 625.23     | 0.00       | 0.00        | 2,052.77   | 23.3   |
| 722.000 TRAVEL                         | 258.00        | 258.00       | 0.00       | 0.00       | 0.00        | 258.00     | 0.0    |
| 728.000 EDUCATION & TRAINING           | 1,030.00      | 1,030.00     | 0.00       | 0.00       | 0.00        | 1,030.00   | 0.0    |
| 754.000 PROFESSIONAL                   | 4,635.00      | 4,635.00     | 3,000.00   | 0.00       | 0.00        | 1,635.00   | 64.7   |
| 772.000 REPAIR & MAINT. EQUIPMENT      | 258.00        | 258.00       | 0.00       | 0.00       | 0.00        | 258.00     | 0.0    |
| 800.000 ADVERTISING & PRINTING         | 206.00        | 206.00       | 0.00       | 0.00       | 0.00        | 206.00     | 0.0    |
| 806.000 EQUIPMENT- OFFICE              | 7,426.00      | 7,426.00     | 2,604.63   | 0.00       | 0.00        | 4,821.37   | 35.1   |
| 814.000 POSTAGE                        | 5,000.00      | 5,000.00     | 209.96     | 0.00       | 0.00        | 4,790.04   | 4.2    |
| 820.000 UTILITIES                      | 0.00          | 0.00         | 7,263.53   | 487.05     | 0.00        | -7,263.53  | 0.0    |
| 820.100 HEATING FUEL                   | 6,695.00      | 2,000.00     | 578.73     | 0.00       | 0.00        | 1,421.27   | 28.9   |
| 826.000 TELEPHONE / INTERNET / WIRELES | 7,004.00      | 7,004.00     | 3,898.23   | 0.00       | 0.00        | 3,105.77   | 55.7   |
| 848.000 COMPUTER / SOFTWARE / SUPPORT  | 15,450.00     | 15,450.00    | 11,389.77  | 325.37     | 0.00        | 4,060.23   | 73.7   |
| 852.000 OFFICE SUPPLIES                | 8,500.00      | 8,500.00     | 414.30     | 0.00       | 0.00        | 8,085.70   | 4.9    |
| 863.000 DUES & SUBSCRIPTIONS           | 2,575.00      | 2,575.00     | 3,471.14   | 0.00       | 0.00        | -896.14    | 134.8  |

## REVENUE/EXPENDITURE REPORT

Page: 2

1/26/2026

2:25 pm

City of Montague

For the Period: 7/1/2025 to 1/31/2026

|                                    | Original Bud. | Amended Bud. | YTD Actual | CURR MTH | Encumb. YTD | UnencBal  | % Bud |
|------------------------------------|---------------|--------------|------------|----------|-------------|-----------|-------|
| <b>Fund: 101 - GENERAL FUND</b>    |               |              |            |          |             |           |       |
| <b>Expenditures</b>                |               |              |            |          |             |           |       |
| Dept: 701 CITY CLERK/ADMINISTRATOR |               |              |            |          |             |           |       |
| 867.000 BANK CHARGES               | 300.00        | 300.00       | 0.00       | 0.00     | 0.00        | 300.00    | 0.0   |
| CITY CLERK/ADMINISTRATOR           | 144,930.00    | 143,115.00   | 50,438.28  | 1,975.71 | 0.00        | 92,676.72 | 35.2  |
| Dept: 702 AUDIT DEPT               |               |              |            |          |             |           |       |
| 746.003 CONTRACT LABOR / AUDITOR   | 41,200.00     | 41,200.00    | 7,581.25   | 4,418.75 | 0.00        | 33,618.75 | 18.4  |
| AUDIT DEPT                         | 41,200.00     | 41,200.00    | 7,581.25   | 4,418.75 | 0.00        | 33,618.75 | 18.4  |
| Dept: 703 CITY ATTORNEY            |               |              |            |          |             |           |       |
| 746.001 CONTRACT LABOR ATTORNEY    | 54,000.00     | 54,000.00    | 37,116.19  | 0.00     | 0.00        | 16,883.81 | 68.7  |
| CITY ATTORNEY                      | 54,000.00     | 54,000.00    | 37,116.19  | 0.00     | 0.00        | 16,883.81 | 68.7  |
| Dept: 705 INSURANCE                |               |              |            |          |             |           |       |
| 733.000 INSURANCE CRIME            | 1,288.00      | 1,288.00     | 1,277.00   | 0.00     | 0.00        | 11.00     | 99.1  |
| 734.000 INSURANCE LIABILITY        | 50,000.00     | 50,000.00    | 0.00       | 0.00     | 0.00        | 50,000.00 | 0.0   |
| 743.000 PROPERTY INSURANCE         | 39,140.00     | 39,140.00    | 0.00       | 0.00     | 0.00        | 39,140.00 | 0.0   |
| INSURANCE                          | 90,428.00     | 90,428.00    | 1,277.00   | 0.00     | 0.00        | 89,151.00 | 1.4   |
| Dept: 709 CDBG/EDBG CITY PORTION   |               |              |            |          |             |           |       |
| 702.000 SALARIES                   | 0.00          | 6,000.00     | 6,000.00   | 0.00     | 0.00        | 0.00      | 100.0 |
| 716.000 HEALTH INSURANCE           | 0.00          | 2,000.00     | 2,000.00   | 0.00     | 0.00        | 0.00      | 100.0 |
| CDBG/EDBG CITY PORTION             | 0.00          | 8,000.00     | 8,000.00   | 0.00     | 0.00        | 0.00      | 100.0 |
| Dept: 710 BUILDINGS & GROUNDS      |               |              |            |          |             |           |       |
| 702.000 SALARIES                   | 41,200.00     | 41,200.00    | 22,709.31  | 1,497.20 | 0.00        | 18,490.69 | 55.1  |
| 714.000 PERS-Retirement            | 6,695.00      | 6,695.00     | 4,573.52   | 105.92   | 0.00        | 2,121.48  | 68.3  |
| 716.000 HEALTH INSURANCE           | 11,000.00     | 12,000.00    | 15,575.04  | 781.14   | 0.00        | -3,575.04 | 129.8 |
| 718.000 INSURANCE WC               | 4,635.00      | 4,635.00     | 1,042.04   | 0.00     | 0.00        | 3,592.96  | 22.5  |
| 755.000 FUEL                       | 2,060.00      | 2,060.00     | 946.33     | 0.00     | 0.00        | 1,113.67  | 45.9  |
| 770.000 REPAIR AND MAINT BLDGS     | 1,030.00      | 1,030.00     | 256.89     | 0.00     | 0.00        | 773.11    | 24.9  |
| 772.000 REPAIR & MAINT. EQUIPMENT  | 2,060.00      | 2,060.00     | 862.34     | 0.00     | 0.00        | 1,197.66  | 41.9  |
| 774.000 MAINT GROUNDS              | 5,150.00      | 5,150.00     | 4,190.34   | 0.00     | 0.00        | 959.66    | 81.4  |
| 780.000 MAINT VEHICLES             | 3,000.00      | 3,000.00     | 1,788.82   | -1.65    | 0.00        | 1,211.18  | 59.6  |
| 820.000 UTILITIES                  | 5,305.00      | 5,305.00     | 1,997.39   | 0.00     | 0.00        | 3,307.61  | 37.7  |
| 847.000 SECURITY CAMERAS           | 1,236.00      | 1,236.00     | 0.00       | 0.00     | 0.00        | 1,236.00  | 0.0   |
| 855.000 FIRE EXTINGUISHERS         | 0.00          | 0.00         | 693.25     | 0.00     | 0.00        | -693.25   | 0.0   |
| 857.000 JANITORIAL                 | 2,060.00      | 2,060.00     | 818.68     | 0.00     | 0.00        | 1,241.32  | 39.7  |
| 858.000 SHOP SUPPLIES              | 309.00        | 309.00       | 165.89     | 0.00     | 0.00        | 143.11    | 53.7  |
| BUILDINGS & GROUNDS                | 85,740.00     | 86,740.00    | 55,619.84  | 2,382.61 | 0.00        | 31,120.16 | 64.1  |
| Dept: 711 PARKS & RECREATION       |               |              |            |          |             |           |       |
| 803.000 FOOD PURCHASES             | 1,000.00      | 1,000.00     | 0.00       | 0.00     | 0.00        | 1,000.00  | 0.0   |
| 807.000 CITY SPONSORED EVENTS      | 1,288.00      | 1,288.00     | 430.00     | 270.00   | 0.00        | 858.00    | 33.4  |
| 820.000 UTILITIES                  | 7,725.00      | 7,725.00     | 3,318.78   | 21.68    | 0.00        | 4,406.22  | 43.0  |
| 822.000 RENTALS & LEASES           | 1,030.00      | 1,030.00     | 328.71     | 0.00     | 0.00        | 701.29    | 31.9  |
| PARKS & RECREATION                 | 11,043.00     | 11,043.00    | 4,077.49   | 291.68   | 0.00        | 6,965.51  | 36.9  |
| Dept: 720 PLANNING COMMISSION      |               |              |            |          |             |           |       |
| 746.002 CONTRACT LABOR PLANNER     | 2,575.00      | 2,575.00     | 1,448.75   | 0.00     | 0.00        | 1,126.25  | 56.3  |
| 746.004 CONTRACT LABOR / ENGINEER  | 6,695.00      | 6,695.00     | 3,774.00   | 0.00     | 0.00        | 2,921.00  | 56.4  |
| PLANNING COMMISSION                | 9,270.00      | 9,270.00     | 5,222.75   | 0.00     | 0.00        | 4,047.25  | 56.3  |
| Dept: 775 COMMUNITY HALL           |               |              |            |          |             |           |       |
| 745.000 EVENT INSURANCE - ALLIANT  | 1,545.00      | 1,545.00     | 231.00     | 0.00     | 0.00        | 1,314.00  | 15.0  |
| 770.000 REPAIR AND MAINT BLDGS     | 1,545.00      | 1,545.00     | 30.21      | 0.00     | 0.00        | 1,514.79  | 2.0   |
| 820.000 UTILITIES                  | 7,725.00      | 7,725.00     | 2,999.38   | 1,386.26 | 0.00        | 4,725.62  | 38.8  |
| 847.000 SECURITY CAMERAS           | 1,030.00      | 1,030.00     | 529.74     | 0.00     | 0.00        | 500.26    | 51.4  |
| COMMUNITY HALL                     | 11,845.00     | 11,845.00    | 3,790.33   | 1,386.26 | 0.00        | 8,054.67  | 32.0  |
| Dept: 780 LIBRARY                  |               |              |            |          |             |           |       |
| 702.000 SALARIES                   | 8,240.00      | 8,240.00     | 11,454.10  | 792.05   | 0.00        | -3,214.10 | 139.0 |

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|                                 | Original Bud. | Amended Bud. | YTD Actual | CURR MTH   | Encumb. YTD | UnencBal    | % Bud |
|---------------------------------|---------------|--------------|------------|------------|-------------|-------------|-------|
| <b>Fund: 101 - GENERAL FUND</b> |               |              |            |            |             |             |       |
| Expenditures                    |               |              |            |            |             |             |       |
| Dept: 780 LIBRARY               |               |              |            |            |             |             |       |
| 820.100 HEATING FUEL            | 1,648.00      | 1,648.00     | 521.28     | 0.00       | 0.00        | 1,126.72    | 31.6  |
| 832.400 FINGERPRINTING          | 515.00        | 515.00       | 0.00       | 0.00       | 0.00        | 515.00      | 0.0   |
| LIBRARY                         | 10,403.00     | 10,403.00    | 11,975.38  | 792.05     | 0.00        | -1,572.38   | 115.1 |
| Expenditures                    | 472,249.00    | 483,274.00   | 154,776.36 | 11,812.81  | 0.00        | 328,497.64  | 32.0  |
| Net Effect for GENERAL FUND     | -89,640.00    | -100,665.00  | 44,874.77  | 121,405.84 | 0.00        | -145,539.77 | -44.6 |
| Change in Fund Balance:         |               |              | 72,059.62  |            |             |             |       |

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|---------------------------------------|---------------|--------------|------------|----------|-------------|-----------|-------|
| <b>Fund: 102 - COMMUNITY HALL</b>     |               |              |            |          |             |           |       |
| Expenditures                          |               |              |            |          |             |           |       |
| Dept: 775 COMMUNITY HALL              |               |              |            |          |             |           |       |
| 820.000 UTILITIES                     | 0.00          | 0.00         | 2,049.13   | 0.00     | 0.00        | -2,049.13 | 0.0   |
| 857.000 JANITORIAL                    | 0.00          | 0.00         | 65.66      | 0.00     | 0.00        | -65.66    | 0.0   |
| COMMUNITY HALL                        | 0.00          | 0.00         | 2,114.79   | 0.00     | 0.00        | -2,114.79 | 0.0   |
| Expenditures                          | 0.00          | 0.00         | 2,114.79   | 0.00     | 0.00        | -2,114.79 | 0.0   |
| Net Effect for COMMUNITY HALL         | 0.00          | 0.00         | -2,114.79  | 0.00     | 0.00        | 2,114.79  | 0.0   |
| Change in Fund Balance:               |               |              | -2,114.79  |          |             |           |       |

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City of Montague

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|---------------------------------------|---------------|--------------|------------|----------|-------------|----------|-------|
| <b>Fund: 103 - ANIMAL CONTROL</b>     |               |              |            |          |             |          |       |
| Expenditures                          |               |              |            |          |             |          |       |
| Dept: 745 ANIMAL CONTROL              |               |              |            |          |             |          |       |
| 746.100 KENNEL SUPPLIES               | 0.00          | 0.00         | 16.30      | 0.00     | 0.00        | -16.30   | 0.0   |
| ANIMAL CONTROL                        | 0.00          | 0.00         | 16.30      | 0.00     | 0.00        | -16.30   | 0.0   |
| Expenditures                          | 0.00          | 0.00         | 16.30      | 0.00     | 0.00        | -16.30   | 0.0   |
| Net Effect for ANIMAL CONTROL         | 0.00          | 0.00         | -16.30     | 0.00     | 0.00        | 16.30    | 0.0   |
| Change in Fund Balance:               |               |              | -16.30     |          |             |          |       |

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City of Montague

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|                                        | Original Bud. | Amended Bud. | YTD Actual | CURR MTH  | Encumb. YTD | UnencBal   | % Bud |
|----------------------------------------|---------------|--------------|------------|-----------|-------------|------------|-------|
| <b>Fund: 105 - CE/AC OFFICER</b>       |               |              |            |           |             |            |       |
| Revenues                               |               |              |            |           |             |            |       |
| Dept: 020 SPAY & NEUTER DINNER         |               |              |            |           |             |            |       |
| 411.000 SPAY & NEUTER FEES RESTRICTED  | 0.00          | 0.00         | 50.00      | 0.00      | 0.00        | -50.00     | 0.0   |
| SPAY & NEUTER DINNER                   | 0.00          | 0.00         | 50.00      | 0.00      | 0.00        | -50.00     | 0.0   |
| Dept: 100 GENERAL                      |               |              |            |           |             |            |       |
| 408.000 IMPOUND & PICK UP FEES ANIMAL  | 309.00        | 309.00       | 290.00     | 0.00      | 0.00        | 19.00      | 93.9  |
| 409.000 CITATIONS/PENALTIES            | 103.00        | 103.00       | 300.00     | 0.00      | 0.00        | -197.00    | 291.3 |
| 410.000 ANIMAL LICENSES                | 5,150.00      | 5,150.00     | 2,212.50   | 122.50    | 0.00        | 2,937.50   | 43.0  |
| 412.000 KENNEL BOARDING FEES           | 108.00        | 108.00       | 0.00       | 0.00      | 0.00        | 108.00     | 0.0   |
| GENERAL                                | 5,670.00      | 5,670.00     | 2,802.50   | 122.50    | 0.00        | 2,867.50   | 49.4  |
| Revenues                               | 5,670.00      | 5,670.00     | 2,852.50   | 122.50    | 0.00        | 2,817.50   | 50.3  |
| Expenditures                           |               |              |            |           |             |            |       |
| Dept: 105 CE/AC OFFICER                |               |              |            |           |             |            |       |
| 702.000 SALARIES                       | 38,000.00     | 39,500.00    | 23,995.80  | 1,680.05  | 0.00        | 15,504.20  | 60.7  |
| 714.000 PERS-Retirement                | 3,090.00      | 3,090.00     | 0.00       | 0.00      | 0.00        | 3,090.00   | 0.0   |
| 716.000 HEALTH INSURANCE               | 12,360.00     | 12,360.00    | -55.09     | 5.65      | 0.00        | 12,415.09  | -0.4  |
| 718.000 INSURANCE WC                   | 6,180.00      | 6,180.00     | 1,563.06   | 0.00      | 0.00        | 4,616.94   | 25.3  |
| 722.000 TRAVEL                         | 247.00        | 247.00       | 0.00       | 0.00      | 0.00        | 247.00     | 0.0   |
| 724.000 CLOTHING ALLOWANCE             | 103.00        | 103.00       | 57.95      | 0.00      | 0.00        | 45.05      | 56.3  |
| 728.000 EDUCATION & TRAINING           | 773.00        | 773.00       | 0.00       | 0.00      | 0.00        | 773.00     | 0.0   |
| 746.000 CONTRACT LABOR                 | 103.00        | 103.00       | 160.00     | 0.00      | 0.00        | -57.00     | 155.3 |
| 746.100 KENNEL SUPPLIES                | 515.00        | 515.00       | 0.00       | 0.00      | 0.00        | 515.00     | 0.0   |
| 755.000 FUEL                           | 900.00        | 1,721.00     | 632.18     | 0.00      | 0.00        | 1,088.82   | 36.7  |
| 765.000 ABATEMENT                      | 2,060.00      | 2,060.00     | 0.00       | 0.00      | 0.00        | 2,060.00   | 0.0   |
| 766.000 ABATEMENT WEEDS                | 515.00        | 515.00       | 0.00       | 0.00      | 0.00        | 515.00     | 0.0   |
| 780.000 MAINT VEHICLES                 | 1,545.00      | 1,545.00     | 243.23     | 0.00      | 0.00        | 1,301.77   | 15.7  |
| 800.000 ADVERTISING & PRINTING         | 258.00        | 258.00       | 0.00       | 0.00      | 0.00        | 258.00     | 0.0   |
| 814.000 POSTAGE                        | 258.00        | 258.00       | 0.00       | 0.00      | 0.00        | 258.00     | 0.0   |
| 826.000 TELEPHONE / INTERNET / WIRELES | 1,700.00      | 1,700.00     | 582.70     | 0.00      | 0.00        | 1,117.30   | 34.3  |
| 848.000 COMPUTER / SOFTWARE / SUPPORT  | 3,090.00      | 3,090.00     | 877.50     | 146.25    | 0.00        | 2,212.50   | 28.4  |
| 851.000 SPECIAL DEPT SUPPLIES          | 515.00        | 515.00       | 163.87     | 0.00      | 0.00        | 351.13     | 31.8  |
| 852.000 OFFICE SUPPLIES                | 0.00          | 0.00         | 76.00      | 76.00     | 0.00        | -76.00     | 0.0   |
| 863.000 DUES & SUBSCRIPTIONS           | 309.00        | 309.00       | 0.00       | 0.00      | 0.00        | 309.00     | 0.0   |
| CE/AC OFFICER                          | 72,521.00     | 74,842.00    | 28,297.20  | 1,907.95  | 0.00        | 46,544.80  | 37.8  |
| Expenditures                           | 72,521.00     | 74,842.00    | 28,297.20  | 1,907.95  | 0.00        | 46,544.80  | 37.8  |
| Net Effect for CE/AC OFFICER           | -66,851.00    | -69,172.00   | -25,444.70 | -1,785.45 | 0.00        | -43,727.30 | 36.8  |
| Change in Fund Balance:                |               |              | -25,444.70 |           |             |            |       |

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City of Montague

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|                                      | Original Bud. | Amended Bud. | YTD Actual | CURR MTH | Encumb. YTD | UnencBal   | % Bud  |
|--------------------------------------|---------------|--------------|------------|----------|-------------|------------|--------|
| <b>Fund: 109 - SHERIFF CONTRACT</b>  |               |              |            |          |             |            |        |
| Revenues                             |               |              |            |          |             |            |        |
| Dept: 100 GENERAL                    |               |              |            |          |             |            |        |
| 360.350 PUBLIC SAFETY - MOE PROP 172 | 7,828.00      | 7,828.00     | 605.55     | 0.00     | 0.00        | 7,222.45   | 7.7    |
| 360.400 COPS                         | 200,438.00    | 201,537.00   | 186,158.96 | 0.00     | 0.00        | 15,378.04  | 92.4   |
| 650.000 TRANSFER IN                  | 44,908.00     | 44,908.00    | 0.00       | 0.00     | 0.00        | 44,908.00  | 0.0    |
| GENERAL                              | 253,174.00    | 254,273.00   | 186,764.51 | 0.00     | 0.00        | 67,508.49  | 73.5   |
| Revenues                             | 253,174.00    | 254,273.00   | 186,764.51 | 0.00     | 0.00        | 67,508.49  | 73.5   |
| Expenditures                         |               |              |            |          |             |            |        |
| Dept: 740 LAW ENFORCEMENT            |               |              |            |          |             |            |        |
| 747.000 POLICE PROTECTION            | 222,480.00    | 222,480.00   | 266,442.40 | 0.00     | 0.00        | -43,962.40 | 119.8  |
| LAW ENFORCEMENT                      | 222,480.00    | 222,480.00   | 266,442.40 | 0.00     | 0.00        | -43,962.40 | 119.8  |
| Expenditures                         | 222,480.00    | 222,480.00   | 266,442.40 | 0.00     | 0.00        | -43,962.40 | 119.8  |
| Net Effect for SHERIFF CONTRACT      | 30,694.00     | 31,793.00    | -79,677.89 | 0.00     | 0.00        | 111,470.89 | -250.6 |
| Change in Fund Balance:              |               |              | -79,677.89 |          |             |            |        |

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|--------------------------------------------------|---------------|--------------|-------------|----------|-------------|-------------|---------|
| <b>Fund: 201 - SPEC. GAS TAX ST. IMPROVEMENT</b> |               |              |             |          |             |             |         |
| Revenues                                         |               |              |             |          |             |             |         |
| Dept: 100 GENERAL                                |               |              |             |          |             |             |         |
| 443.000 2103 OPERATIONS GAS TAX                  | 11,246.00     | 11,246.00    | 16,030.57   | 709.55   | 0.00        | -4,784.57   | 142.5   |
| 446.000 2106 CONSTRUCTION GAS TAX                | 11,670.00     | 11,670.00    | 6,361.51    | 823.80   | 0.00        | 5,308.49    | 54.5    |
| 448.000 2107.5 ENG GAS TAX                       | 1,591.00      | 1,591.00     | 1,000.00    | 0.00     | 0.00        | 591.00      | 62.9    |
| 460.000 2105 GAS TAX FUNDS                       | 8,487.00      | 8,487.00     | 4,432.28    | 576.23   | 0.00        | 4,054.72    | 52.2    |
| 462.000 2107 MAINTENANCE GAS TAX                 | 10,609.00     | 10,609.00    | 5,981.47    | 805.47   | 0.00        | 4,627.53    | 56.4    |
| 463.000 SB1 LOCAL ST & RD IMPROV PROJ            | 29,705.00     | 29,705.00    | 8,271.48    | 0.00     | 0.00        | 21,433.52   | 27.8    |
| GENERAL                                          | 73,308.00     | 73,308.00    | 42,077.31   | 2,915.05 | 0.00        | 31,230.69   | 57.4    |
| Revenues                                         | 73,308.00     | 73,308.00    | 42,077.31   | 2,915.05 | 0.00        | 31,230.69   | 57.4    |
| Expenditures                                     |               |              |             |          |             |             |         |
| Dept: 205 GENERAL GT2105                         |               |              |             |          |             |             |         |
| 702.000 SALARIES                                 | 6,365.00      | 6,365.00     | 3,493.29    | 220.68   | 0.00        | 2,871.71    | 54.9    |
| 714.000 PERS-Retirement                          | 2,652.00      | 2,652.00     | 1,894.19    | 15.02    | 0.00        | 757.81      | 71.4    |
| 716.000 HEALTH INSURANCE                         | 2,652.00      | 2,652.00     | 1,121.41    | 141.16   | 0.00        | 1,530.59    | 42.3    |
| 718.000 INSURANCE WC                             | 2,652.00      | 2,652.00     | 521.02      | 0.00     | 0.00        | 2,130.98    | 19.6    |
| GENERAL GT2105                                   | 14,321.00     | 14,321.00    | 7,029.91    | 376.86   | 0.00        | 7,291.09    | 49.1    |
| Dept: 206 GENERAL GAS TAX 2106                   |               |              |             |          |             |             |         |
| 702.000 SALARIES                                 | 6,365.00      | 6,365.00     | 3,493.29    | 220.68   | 0.00        | 2,871.71    | 54.9    |
| 714.000 PERS-Retirement                          | 2,652.00      | 2,652.00     | 1,894.19    | 15.02    | 0.00        | 757.81      | 71.4    |
| 716.000 HEALTH INSURANCE                         | 2,652.00      | 2,652.00     | 1,121.41    | 141.16   | 0.00        | 1,530.59    | 42.3    |
| 718.000 INSURANCE WC                             | 2,652.00      | 2,652.00     | 479.34      | 0.00     | 0.00        | 2,172.66    | 18.1    |
| GENERAL GAS TAX 2106                             | 14,321.00     | 14,321.00    | 6,988.23    | 376.86   | 0.00        | 7,332.77    | 48.8    |
| Dept: 207 GENERAL GAS TAX 2107                   |               |              |             |          |             |             |         |
| 755.000 FUEL                                     | 2,122.00      | 2,122.00     | 946.33      | 0.00     | 0.00        | 1,175.67    | 44.6    |
| 772.000 REPAIR & MAINT. EQUIPMENT                | 8,522.00      | 8,522.00     | 0.00        | 0.00     | 0.00        | 8,522.00    | 0.0     |
| 776.000 MAINTENANCE SIGNS                        | 9,053.00      | 9,053.00     | 379.14      | 0.00     | 0.00        | 8,673.86    | 4.2     |
| 786.000 CONSTRUCTION C&E                         | 12,235.00     | 12,235.00    | -387,018.71 | 0.00     | 0.00        | 399,253.71  | -3163.2 |
| 820.000 UTILITIES                                | 12,731.00     | 12,731.00    | 8,936.12    | 0.00     | 0.00        | 3,794.88    | 70.2    |
| GENERAL GAS TAX 2107                             | 44,663.00     | 44,663.00    | -376,757.12 | 0.00     | 0.00        | 421,420.12  | -843.6  |
| Expenditures                                     | 73,305.00     | 73,305.00    | -362,738.98 | 753.72   | 0.00        | 436,043.98  | -494.8  |
| Net Effect for SPEC. GAS TAX ST. IMPROVEMENT     | 3.00          | 3.00         | 404,816.29  | 2,161.33 | 0.00        | -404,813.29 | 3,876.3 |
| Change in Fund Balance:                          |               |              | 404,816.29  |          |             |             |         |

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|                                        | Original Bud. | Amended Bud. | YTD Actual | CURR MTH | Encumb. YTD | UnencBal   | % Bud |
|----------------------------------------|---------------|--------------|------------|----------|-------------|------------|-------|
| <b>Fund: 250 - POOL</b>                |               |              |            |          |             |            |       |
| Revenues                               |               |              |            |          |             |            |       |
| Dept: 030 FREEDOM FESTIVAL             |               |              |            |          |             |            |       |
| 545.000 DONATIONS                      | 0.00          | 0.00         | 14,310.00  | 0.00     | 0.00        | -14,310.00 | 0.0   |
| FREEDOM FESTIVAL                       | 0.00          | 0.00         | 14,310.00  | 0.00     | 0.00        | -14,310.00 | 0.0   |
| Dept: 100 GENERAL                      |               |              |            |          |             |            |       |
| 545.000 DONATIONS                      | 3,090.00      | 3,090.00     | 1,900.00   | 0.00     | 0.00        | 1,190.00   | 61.5  |
| 552.000 POOL LESSONS                   | 4,120.00      | 4,120.00     | 230.00     | 0.00     | 0.00        | 3,890.00   | 5.6   |
| 553.000 POOL DINNER                    | 13,390.00     | 13,390.00    | 466.00     | 0.00     | 0.00        | 12,924.00  | 3.5   |
| 556.000 FOOD SALES                     | 6,180.00      | 6,180.00     | 0.00       | 0.00     | 0.00        | 6,180.00   | 0.0   |
| 558.000 POOL PARTIES                   | 1,545.00      | 1,545.00     | 250.00     | 0.00     | 0.00        | 1,295.00   | 16.2  |
| 560.000 POOL ADMISSIONS                | 6,695.00      | 6,695.00     | 6,213.95   | 0.00     | 0.00        | 481.05     | 92.8  |
| 560.100 FITNESS PROGRAM                | 2,060.00      | 2,060.00     | 314.00     | 0.00     | 0.00        | 1,746.00   | 15.2  |
| 644.000 MISCELLANEOUS REVENUE          | 7,725.00      | 7,725.00     | 0.00       | 0.00     | 0.00        | 7,725.00   | 0.0   |
| GENERAL                                | 44,805.00     | 44,805.00    | 9,373.95   | 0.00     | 0.00        | 35,431.05  | 20.9  |
| Revenues                               | 44,805.00     | 44,805.00    | 23,683.95  | 0.00     | 0.00        | 21,121.05  | 52.9  |
| Expenditures                           |               |              |            |          |             |            |       |
| Dept: 025 PARKS & RECREATION           |               |              |            |          |             |            |       |
| 560.200 FITNESS EQUIPMENT              | 412.00        | 412.00       | 0.00       | 0.00     | 0.00        | 412.00     | 0.0   |
| 702.000 SALARIES                       | 37,080.00     | 39,000.00    | 23,505.22  | 0.00     | 0.00        | 15,494.78  | 60.3  |
| 718.000 INSURANCE WC                   | 2,266.00      | 2,266.00     | 521.02     | 0.00     | 0.00        | 1,744.98   | 23.0  |
| 728.000 EDUCATION & TRAINING           | 258.00        | 258.00       | 0.00       | 0.00     | 0.00        | 258.00     | 0.0   |
| 754.000 PROFESSIONAL                   | 103.00        | 103.00       | 0.00       | 0.00     | 0.00        | 103.00     | 0.0   |
| 770.000 REPAIR AND MAINT BLDGS         | 258.00        | 258.00       | 0.00       | 0.00     | 0.00        | 258.00     | 0.0   |
| 771.000 CHEMICALS - TREATMENT          | 6,180.00      | 6,180.00     | 298.84     | 0.00     | 0.00        | 5,881.16   | 4.8   |
| 772.000 REPAIR & MAINT. EQUIPMENT      | 258.00        | 258.00       | 2,193.26   | 0.00     | 0.00        | -1,935.26  | 850.1 |
| 800.000 ADVERTISING & PRINTING         | 103.00        | 103.00       | 0.00       | 0.00     | 0.00        | 103.00     | 0.0   |
| 802.000 POOL DINNER                    | 927.00        | 927.00       | -177.75    | 0.00     | 0.00        | 1,104.75   | -19.2 |
| 803.000 FOOD PURCHASES                 | 2,266.00      | 2,266.00     | 1,070.05   | 0.00     | 0.00        | 1,195.95   | 47.2  |
| 812.000 EQUIP SAFETY                   | 103.00        | 103.00       | 0.00       | 0.00     | 0.00        | 103.00     | 0.0   |
| 814.000 POSTAGE                        | 103.00        | 103.00       | 0.00       | 0.00     | 0.00        | 103.00     | 0.0   |
| 820.000 UTILITIES                      | 6,180.00      | 6,180.00     | 5,687.19   | 324.70   | 0.00        | 492.81     | 92.0  |
| 826.000 TELEPHONE / INTERNET / WIRELES | 258.00        | 258.00       | 0.00       | 0.00     | 0.00        | 258.00     | 0.0   |
| 847.000 SECURITY CAMERAS               | 1,030.00      | 1,030.00     | 0.00       | 0.00     | 0.00        | 1,030.00   | 0.0   |
| 851.000 SPECIAL DEPT SUPPLIES          | 103.00        | 103.00       | 0.00       | 0.00     | 0.00        | 103.00     | 0.0   |
| 864.000 LICENSE & PERMITS              | 618.00        | 618.00       | 600.00     | 0.00     | 0.00        | 18.00      | 97.1  |
| PARKS & RECREATION                     | 58,506.00     | 60,426.00    | 33,697.83  | 324.70   | 0.00        | 26,728.17  | 55.8  |
| Dept: 030 FREEDOM FESTIVAL             |               |              |            |          |             |            |       |
| 851.000 SPECIAL DEPT SUPPLIES          | 0.00          | 0.00         | 33,497.90  | 0.00     | 0.00        | -33,497.90 | 0.0   |
| FREEDOM FESTIVAL                       | 0.00          | 0.00         | 33,497.90  | 0.00     | 0.00        | -33,497.90 | 0.0   |
| Expenditures                           | 58,506.00     | 60,426.00    | 67,195.73  | 324.70   | 0.00        | -6,769.73  | 111.2 |
| Net Effect for POOL                    | -13,701.00    | -15,621.00   | -43,511.78 | -324.70  | 0.00        | 27,890.78  | 278.5 |
| Change in Fund Balance:                |               |              | -43,511.78 |          |             |            |       |

## REVENUE/EXPENDITURE REPORT

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City of Montague

For the Period: 7/1/2025 to 1/31/2026

|                                | Original Bud. | Amended Bud. | YTD Actual | CURR MTH | Encumb. YTD | UnencBal   | % Bud  |
|--------------------------------|---------------|--------------|------------|----------|-------------|------------|--------|
| <b>Fund: 260 - CDBG</b>        |               |              |            |          |             |            |        |
| Revenues                       |               |              |            |          |             |            |        |
| Dept: 000                      |               |              |            |          |             |            |        |
| 025.111 CASSON, MELESSA CDBG   | 0.00          | 0.00         | -29,235.03 | 0.00     | 0.00        | 29,235.03  | 0.0    |
| Dept: 000                      | 0.00          | 0.00         | -29,235.03 | 0.00     | 0.00        | 29,235.03  | 0.0    |
| Dept: 100 GENERAL              |               |              |            |          |             |            |        |
| 437.000 INTEREST INCOME - CDBG | 3,090.00      | 3,090.00     | 0.00       | 0.00     | 0.00        | 3,090.00   | 0.0    |
| GENERAL                        | 3,090.00      | 3,090.00     | 0.00       | 0.00     | 0.00        | 3,090.00   | 0.0    |
| Revenues                       | 3,090.00      | 3,090.00     | -29,235.03 | 0.00     | 0.00        | 32,325.03  | -946.1 |
| Expenditures                   |               |              |            |          |             |            |        |
| Dept: 060 GENERAL CDBG         |               |              |            |          |             |            |        |
| 860.000 ACTIVITY               | 3,090.00      | 3,090.00     | 15,414.46  | 0.00     | 0.00        | -12,324.46 | 498.8  |
| GENERAL CDBG                   | 3,090.00      | 3,090.00     | 15,414.46  | 0.00     | 0.00        | -12,324.46 | 498.8  |
| Expenditures                   | 3,090.00      | 3,090.00     | 15,414.46  | 0.00     | 0.00        | -12,324.46 | 498.8  |
| Net Effect for CDBG            | 0.00          | 0.00         | -44,649.49 | 0.00     | 0.00        | 44,649.49  | 0.0    |
| Change in Fund Balance:        |               |              | -44,649.49 |          |             |            |        |

# REVENUE/EXPENDITURE REPORT

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City of Montague

For the Period: 7/1/2025 to 1/31/2026

|                                      | Original Bud. | Amended Bud. | YTD Actual | CURR MTH | Encumb. YTD | UnencBal  | % Bud   |
|--------------------------------------|---------------|--------------|------------|----------|-------------|-----------|---------|
| <b>Fund: 270 - LTC</b>               |               |              |            |          |             |           |         |
| Revenues                             |               |              |            |          |             |           |         |
| Dept: 100 GENERAL                    |               |              |            |          |             |           |         |
| 436.000 INTEREST INVESTMENT EARNINGS | 1,804.00      | 1,804.00     | 0.00       | 0.00     | 0.00        | 1,804.00  | 0.0     |
| 478.000 LOCAL TRANSPORTATION REV     | 15,914.00     | 15,914.00    | 3,712.23   | 0.00     | 0.00        | 12,201.77 | 23.3    |
| GENERAL                              | 17,718.00     | 17,718.00    | 3,712.23   | 0.00     | 0.00        | 14,005.77 | 21.0    |
| Revenues                             | 17,718.00     | 17,718.00    | 3,712.23   | 0.00     | 0.00        | 14,005.77 | 21.0    |
| Expenditures                         |               |              |            |          |             |           |         |
| Dept: 075 LOCAL TRANSPORTATION DEPT  |               |              |            |          |             |           |         |
| 892.400 STREET REPAIRS               | 17,717.00     | 17,717.00    | 0.00       | 0.00     | 0.00        | 17,717.00 | 0.0     |
| LOCAL TRANSPORTATION DEPT            | 17,717.00     | 17,717.00    | 0.00       | 0.00     | 0.00        | 17,717.00 | 0.0     |
| Expenditures                         | 17,717.00     | 17,717.00    | 0.00       | 0.00     | 0.00        | 17,717.00 | 0.0     |
| Net Effect for LTC                   | 1.00          | 1.00         | 3,712.23   | 0.00     | 0.00        | -3,711.23 | 1,223.0 |
| Change in Fund Balance:              |               |              | 3,712.23   |          |             |           |         |

## REVENUE/EXPENDITURE REPORT

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City of Montague

For the Period: 7/1/2025 to 1/31/2026

|                                        | Original Bud. | Amended Bud. | YTD Actual | CURR MTH  | Encumb. YTD | UnencBal   | % Bud |
|----------------------------------------|---------------|--------------|------------|-----------|-------------|------------|-------|
| <b>Fund: 280 - FIRE DEPARTMENT</b>     |               |              |            |           |             |            |       |
| Revenues                               |               |              |            |           |             |            |       |
| Dept: 100 GENERAL                      |               |              |            |           |             |            |       |
| 360.350 PUBLIC SAFETY - MOE PROP 172   | 1,751.00      | 1,751.00     | 139.28     | 0.00      | 0.00        | 1,611.72   | 8.0   |
| 439.000 FIRE DISTRICT REVENUE          | 36,071.00     | 36,071.00    | 0.00       | 0.00      | 0.00        | 36,071.00  | 0.0   |
| 506.000 BURN PERMITS                   | 309.00        | 309.00       | 144.00     | 20.00     | 0.00        | 165.00     | 46.6  |
| 514.001 PAID STATE FIRES               | 360,500.00    | 360,500.00   | 68,683.90  | 0.00      | 0.00        | 291,816.10 | 19.1  |
| 534.000 FIRE SUPPRESSION FEE           | 56,650.00     | 56,650.00    | 23,602.00  | 12,840.46 | 0.00        | 33,048.00  | 41.7  |
| 545.000 DONATIONS                      | 2,678.00      | 2,678.00     | 0.00       | 0.00      | 0.00        | 2,678.00   | 0.0   |
| 644.000 MISCELLANEOUS REVENUE          | 30,204.00     | 30,204.00    | 0.00       | 0.00      | 0.00        | 30,204.00  | 0.0   |
| GENERAL                                | 488,163.00    | 488,163.00   | 92,569.18  | 12,860.46 | 0.00        | 395,593.82 | 19.0  |
| Revenues                               | 488,163.00    | 488,163.00   | 92,569.18  | 12,860.46 | 0.00        | 395,593.82 | 19.0  |
| Expenditures                           |               |              |            |           |             |            |       |
| Dept: 085 FIRE DEPT                    |               |              |            |           |             |            |       |
| 702.000 SALARIES                       | 9,888.00      | 9,888.00     | 0.00       | 0.00      | 0.00        | 9,888.00   | 0.0   |
| 702.003 PAID STATE FIRE SALARIES       | 229,206.00    | 229,206.00   | 28,169.69  | 905.20    | 0.00        | 201,036.31 | 12.3  |
| 718.000 INSURANCE WC                   | 34,373.00     | 34,373.00    | 7,861.04   | 0.00      | 0.00        | 26,511.96  | 22.9  |
| 728.100 TRAINING                       | 1,061.00      | 1,061.00     | 1,948.00   | 0.00      | 0.00        | -887.00    | 183.6 |
| 734.000 INSURANCE LIABILITY            | 6,365.00      | 6,365.00     | 0.00       | 0.00      | 0.00        | 6,365.00   | 0.0   |
| 743.000 PROPERTY INSURANCE             | 44,000.00     | 44,000.00    | 0.00       | 0.00      | 0.00        | 44,000.00  | 0.0   |
| 755.000 FUEL                           | 12,731.00     | 12,731.00    | 2,984.70   | 0.00      | 0.00        | 9,746.30   | 23.4  |
| 770.000 REPAIR AND MAINT BLDGS         | 4,120.00      | 4,120.00     | 61.30      | 0.00      | 0.00        | 4,058.70   | 1.5   |
| 772.000 REPAIR & MAINT. EQUIPMENT      | 37,595.00     | 37,595.00    | 2,192.37   | 0.00      | 0.00        | 35,402.63  | 5.8   |
| 772.100 MEDICAL SUPPLIES               | 3,605.00      | 3,605.00     | 120.00     | 0.00      | 0.00        | 3,485.00   | 3.3   |
| 812.000 EQUIP SAFETY                   | 73,130.00     | 73,130.00    | 16,317.31  | 0.00      | 0.00        | 56,812.69  | 22.3  |
| 820.000 UTILITIES                      | 6,695.00      | 6,695.00     | 3,262.87   | 550.75    | 0.00        | 3,432.13   | 48.7  |
| 820.100 HEATING FUEL                   | 5,305.00      | 5,305.00     | 1,339.13   | 0.00      | 0.00        | 3,965.87   | 25.2  |
| 826.000 TELEPHONE / INTERNET / WIRELES | 3,090.00      | 3,090.00     | 1,621.92   | 0.00      | 0.00        | 1,468.08   | 52.5  |
| 827.000 MEDICAL - SAFETY EXAMS         | 1,061.00      | 1,061.00     | 0.00       | 0.00      | 0.00        | 1,061.00   | 0.0   |
| 847.000 SECURITY CAMERAS               | 1,030.00      | 1,030.00     | 407.58     | 0.00      | 0.00        | 622.42     | 39.6  |
| 848.000 COMPUTER / SOFTWARE / SUPPORT  | 5,665.00      | 5,665.00     | 0.00       | 0.00      | 0.00        | 5,665.00   | 0.0   |
| 863.000 DUES & SUBSCRIPTIONS           | 302.00        | 302.00       | 297.70     | 11.15     | 0.00        | 4.30       | 98.6  |
| 880.000 LOAN PAYMENT                   | 31,000.00     | 31,000.00    | 30,181.21  | 0.00      | 0.00        | 818.79     | 97.4  |
| 900.000 MISCELLANEOUS EXPENSE          | 1,273.00      | 1,273.00     | 0.00       | 0.00      | 0.00        | 1,273.00   | 0.0   |
| FIRE DEPT                              | 511,495.00    | 511,495.00   | 96,764.82  | 1,467.10  | 0.00        | 414,730.18 | 18.9  |
| Dept: 202 FIRE DISTRICT                |               |              |            |           |             |            |       |
| 881.100 MFPD LOAN PAYMENT              | 31,086.00     | 31,086.00    | 0.00       | 0.00      | 0.00        | 31,086.00  | 0.0   |
| FIRE DISTRICT                          | 31,086.00     | 31,086.00    | 0.00       | 0.00      | 0.00        | 31,086.00  | 0.0   |
| Expenditures                           | 542,581.00    | 542,581.00   | 96,764.82  | 1,467.10  | 0.00        | 445,816.18 | 17.8  |
| Net Effect for FIRE DEPARTMENT         | -54,418.00    | -54,418.00   | -4,195.64  | 11,393.36 | 0.00        | -50,222.36 | 7.7   |
| Change in Fund Balance:                |               |              | -4,195.64  |           |             |            |       |

## REVENUE/EXPENDITURE REPORT

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City of Montague

For the Period: 7/1/2025 to 1/31/2026

|                                        | Original Bud.     | Amended Bud.      | YTD Actual        | CURR MTH         | Encumb. YTD | UnencBal          | % Bud        |
|----------------------------------------|-------------------|-------------------|-------------------|------------------|-------------|-------------------|--------------|
| <b>Fund: 303 - SEWER</b>               |                   |                   |                   |                  |             |                   |              |
| Revenues                               |                   |                   |                   |                  |             |                   |              |
| Dept: 100 GENERAL                      |                   |                   |                   |                  |             |                   |              |
| 550.000 SEWER BONDS                    | 0.00              | 0.00              | -0.01             | 0.00             | 0.00        | 0.01              | 0.0          |
| 646.000 SEWER REVENUE OMA              | 0.00              | 169,744.00        | 142,993.13        | 20,487.61        | 0.00        | 26,750.87         | 84.2         |
| 647.000 SEWER PENALTIES                | 4,774.00          | 4,774.00          | 6,191.78          | 794.83           | 0.00        | -1,417.78         | 129.7        |
| 649.000 SEWER REVENUE CAP RECOVERY     | 0.00              | 95,481.00         | 77,029.97         | 11,036.62        | 0.00        | 18,451.03         | 80.7         |
| <b>GENERAL</b>                         | <b>4,774.00</b>   | <b>269,999.00</b> | <b>226,214.87</b> | <b>32,319.06</b> | <b>0.00</b> | <b>43,784.13</b>  | <b>83.8</b>  |
| Revenues                               | 4,774.00          | 269,999.00        | 226,214.87        | 32,319.06        | 0.00        | 43,784.13         | 83.8         |
| Expenditures                           |                   |                   |                   |                  |             |                   |              |
| Dept: 305 SEWER PLANT                  |                   |                   |                   |                  |             |                   |              |
| 702.000 SALARIES                       | 30,900.00         | 33,900.00         | 47,581.28         | 1,190.74         | 0.00        | -13,681.28        | 140.4        |
| 714.000 PERS-Retirement                | 5,100.00          | 5,100.00          | 3,504.45          | 96.04            | 0.00        | 1,595.55          | 68.7         |
| 716.000 HEALTH INSURANCE               | 8,487.00          | 8,487.00          | 3,902.84          | 578.73           | 0.00        | 4,584.16          | 46.0         |
| 718.000 INSURANCE WC                   | 5,305.00          | 5,305.00          | 979.52            | 0.00             | 0.00        | 4,325.48          | 18.5         |
| 722.000 TRAVEL                         | 212.00            | 212.00            | 0.00              | 0.00             | 0.00        | 212.00            | 0.0          |
| 724.000 CLOTHING ALLOWANCE             | 212.00            | 212.00            | 0.00              | 0.00             | 0.00        | 212.00            | 0.0          |
| 728.000 EDUCATION & TRAINING           | 212.00            | 212.00            | 0.00              | 0.00             | 0.00        | 212.00            | 0.0          |
| 734.000 INSURANCE LIABILITY            | 0.00              | 4,177.00          | 0.00              | 0.00             | 0.00        | 4,177.00          | 0.0          |
| 743.000 PROPERTY INSURANCE             | 0.00              | 5,812.00          | 0.00              | 0.00             | 0.00        | 5,812.00          | 0.0          |
| 755.000 FUEL                           | 530.00            | 530.00            | 0.00              | 0.00             | 0.00        | 530.00            | 0.0          |
| 770.000 REPAIR AND MAINT BLDGS         | 318.00            | 318.00            | 0.00              | 0.00             | 0.00        | 318.00            | 0.0          |
| 771.000 CHEMICALS - TREATMENT          | 8,487.00          | 8,487.00          | 0.00              | 0.00             | 0.00        | 8,487.00          | 0.0          |
| 772.000 REPAIR & MAINT. EQUIPMENT      | 15,701.00         | 15,701.00         | 1,753.67          | 0.00             | 0.00        | 13,947.33         | 11.2         |
| 780.000 MAINT VEHICLES                 | 2,000.00          | 2,000.00          | 339.31            | 0.00             | 0.00        | 1,660.69          | 17.0         |
| 814.000 POSTAGE                        | 2,122.00          | 2,122.00          | 0.00              | 0.00             | 0.00        | 2,122.00          | 0.0          |
| 820.000 UTILITIES                      | 24,401.00         | 24,401.00         | 15,430.19         | 3,320.06         | 0.00        | 8,970.81          | 63.2         |
| 826.000 TELEPHONE / INTERNET / WIRELES | 637.00            | 637.00            | 405.66            | 0.00             | 0.00        | 231.34            | 63.7         |
| 849.000 LAB SAMPLES                    | 2,060.00          | 2,060.00          | 903.00            | 0.00             | 0.00        | 1,157.00          | 43.8         |
| 863.000 DUES & SUBSCRIPTIONS           | 106.00            | 106.00            | 0.00              | 0.00             | 0.00        | 106.00            | 0.0          |
| 864.000 LICENSE & PERMITS              | 23,340.00         | 23,340.00         | 0.00              | 0.00             | 0.00        | 23,340.00         | 0.0          |
| 892.000 CAPITAL OUTLAY- Restricted     | 0.00              | 0.00              | 137,564.56        | 0.00             | 0.00        | -137,564.56       | 0.0          |
| <b>SEWER PLANT</b>                     | <b>130,130.00</b> | <b>143,119.00</b> | <b>212,364.48</b> | <b>5,185.57</b>  | <b>0.00</b> | <b>-69,245.48</b> | <b>148.4</b> |
| Dept: 310 SEWER MAINTENANCE            |                   |                   |                   |                  |             |                   |              |
| 702.000 SALARIES                       | 74,160.00         | 77,800.00         | 102,680.94        | 2,636.41         | 0.00        | -24,880.94        | 132.0        |
| 714.000 PERS-Retirement                | 10,609.00         | 10,609.00         | 4,989.12          | 197.81           | 0.00        | 5,619.88          | 47.0         |
| 716.000 HEALTH INSURANCE               | 25,750.00         | 25,750.00         | 9,152.55          | 1,186.86         | 0.00        | 16,597.45         | 35.5         |
| 718.000 INSURANCE WC                   | 7,426.00          | 7,426.00          | 1,563.06          | 0.00             | 0.00        | 5,862.94          | 21.0         |
| 724.000 CLOTHING ALLOWANCE             | 309.00            | 309.00            | 0.00              | 0.00             | 0.00        | 309.00            | 0.0          |
| 728.000 EDUCATION & TRAINING           | 515.00            | 515.00            | 0.00              | 0.00             | 0.00        | 515.00            | 0.0          |
| 755.000 FUEL                           | 2,122.00          | 2,122.00          | 946.29            | 0.00             | 0.00        | 1,175.71          | 44.6         |
| 770.000 REPAIR AND MAINT BLDGS         | 515.00            | 515.00            | 0.00              | 0.00             | 0.00        | 515.00            | 0.0          |
| 772.000 REPAIR & MAINT. EQUIPMENT      | 2,334.00          | 2,334.00          | 2,596.22          | 0.00             | 0.00        | -262.22           | 111.2        |
| 780.000 MAINT VEHICLES                 | 2,000.00          | 2,000.00          | 293.18            | 0.00             | 0.00        | 1,706.82          | 14.7         |
| 800.000 ADVERTISING & PRINTING         | 106.00            | 106.00            | 0.00              | 0.00             | 0.00        | 106.00            | 0.0          |
| 812.000 EQUIP SAFETY                   | 318.00            | 318.00            | 0.00              | 0.00             | 0.00        | 318.00            | 0.0          |
| 820.000 UTILITIES                      | 3,090.00          | 3,090.00          | 653.09            | 148.94           | 0.00        | 2,436.91          | 21.1         |
| 820.100 HEATING FUEL                   | 3,090.00          | 3,090.00          | 324.67            | 0.00             | 0.00        | 2,765.33          | 10.5         |
| 826.000 TELEPHONE / INTERNET / WIRELES | 2,652.00          | 2,652.00          | 1,063.43          | 0.00             | 0.00        | 1,588.57          | 40.1         |
| 827.000 MEDICAL - SAFETY EXAMS         | 309.00            | 309.00            | 0.00              | 0.00             | 0.00        | 309.00            | 0.0          |
| 847.000 SECURITY CAMERAS               | 1,571.00          | 1,571.00          | 354.32            | 0.00             | 0.00        | 1,216.68          | 22.6         |
| 848.000 COMPUTER / SOFTWARE / SUPPORT  | 3,090.00          | 3,090.00          | 877.50            | 146.25           | 0.00        | 2,212.50          | 28.4         |
| 858.000 SHOP SUPPLIES                  | 1,591.00          | 1,591.00          | 1,215.58          | 0.00             | 0.00        | 375.42            | 76.4         |
| 863.000 DUES & SUBSCRIPTIONS           | 206.00            | 206.00            | 150.00            | 0.00             | 0.00        | 56.00             | 72.8         |
| 864.000 LICENSE & PERMITS              | 309.00            | 309.00            | 0.00              | 0.00             | 0.00        | 309.00            | 0.0          |
| <b>SEWER MAINTENANCE</b>               | <b>142,072.00</b> | <b>145,712.00</b> | <b>126,859.95</b> | <b>4,316.27</b>  | <b>0.00</b> | <b>18,852.05</b>  | <b>87.1</b>  |
| Expenditures                           | 272,202.00        | 288,831.00        | 339,224.43        | 9,501.84         | 0.00        | -50,393.43        | 117.4        |

REVENUE/EXPENDITURE REPORT

City of Montague

| For the Period: 7/1/2025 to 1/31/2026 | Original Bud. | Amended Bud. | YTD Actual  | CURR MTH  | Encumb. YTD | UnencBal  | % Bud |
|---------------------------------------|---------------|--------------|-------------|-----------|-------------|-----------|-------|
| Net Effect for SEWER                  | -267,428.00   | -18,832.00   | -113,009.56 | 22,817.22 | 0.00        | 94,177.56 | 600.1 |
| Change in Fund Balance:               |               |              | -28,805.39  |           |             |           |       |

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City of Montague

For the Period: 7/1/2025 to 1/31/2026

|                                        | Original Bud.     | Amended Bud.      | YTD Actual        | CURR MTH         | Encumb. YTD | UnencBal          | % Bud       |
|----------------------------------------|-------------------|-------------------|-------------------|------------------|-------------|-------------------|-------------|
| <b>Fund: 404 - WATER</b>               |                   |                   |                   |                  |             |                   |             |
| Revenues                               |                   |                   |                   |                  |             |                   |             |
| Dept: 100 GENERAL                      |                   |                   |                   |                  |             |                   |             |
| 436.000 INTEREST INVESTMENT EARNINGS   | 278,100.00        | 60,000.00         | 0.00              | 0.00             | 0.00        | 60,000.00         | 0.0         |
| 526.000 MCWD FEES                      | 18,566.00         | 18,566.00         | 10,350.19         | 1,485.36         | 0.00        | 8,215.81          | 55.7        |
| 527.000 MCWD - PENALTIES               | 212.00            | 212.00            | 254.39            | 34.79            | 0.00        | -42.39            | 120.0       |
| 528.000 RETURN CHECK CHARGES           | 0.00              | 0.00              | 505.91            | 65.13            | 0.00        | -505.91           | 0.0         |
| 542.000 WATER CONNECTION FEES          | 849.00            | 849.00            | 3,820.57          | 581.92           | 0.00        | -2,971.57         | 450.0       |
| 544.000 WATER PENALTIES                | 5,835.00          | 5,835.00          | 7,558.63          | 722.64           | 0.00        | -1,723.63         | 129.5       |
| 564.000 WATER MAINTENANCE              | 29,870.00         | 29,870.00         | 18,403.22         | 2,640.89         | 0.00        | 11,466.78         | 61.6        |
| 617.000 BACKFLOW INSPECTION            | 0.00              | 0.00              | 802.10            | -1.87            | 0.00        | -802.10           | 0.0         |
| 618.000 WATER REVENUE OMA              | 196,267.00        | 196,267.00        | 159,909.36        | 15,630.94        | 0.00        | 36,357.64         | 81.5        |
| 619.000 WATER REVENUE CAPITAL RECOVERY | 183,536.00        | 183,536.00        | 162,024.87        | 15,870.32        | 0.00        | 21,511.13         | 88.3        |
| 648.001 WATER MAINTENANCE PENALTIES    | 424.00            | 424.00            | 3,555.91          | 448.46           | 0.00        | -3,131.91         | 838.7       |
| <b>GENERAL</b>                         | <b>713,659.00</b> | <b>495,559.00</b> | <b>367,185.15</b> | <b>37,478.58</b> | <b>0.00</b> | <b>128,373.85</b> | <b>74.1</b> |
| Revenues                               |                   |                   |                   |                  |             |                   |             |
|                                        | 713,659.00        | 495,559.00        | 367,185.15        | 37,478.58        | 0.00        | 128,373.85        | 74.1        |
| Expenditures                           |                   |                   |                   |                  |             |                   |             |
| Dept: 405 WATER PLANT                  |                   |                   |                   |                  |             |                   |             |
| 702.000 SALARIES                       | 68,341.00         | 73,000.00         | 48,889.00         | 2,653.95         | 0.00        | 24,111.00         | 67.0        |
| 714.000 PERS-Retirement                | 11,618.00         | 11,618.00         | 5,695.93          | 197.36           | 0.00        | 5,922.07          | 49.0        |
| 716.000 HEALTH INSURANCE               | 15,000.00         | 15,000.00         | 8,859.89          | 1,277.58         | 0.00        | 6,140.11          | 59.1        |
| 718.000 INSURANCE WC                   | 0.00              | 0.00              | 1,042.04          | 0.00             | 0.00        | -1,042.04         | 0.0         |
| 722.000 TRAVEL                         | 1,591.00          | 1,591.00          | 0.00              | 0.00             | 0.00        | 1,591.00          | 0.0         |
| 724.000 CLOTHING ALLOWANCE             | 212.00            | 212.00            | 0.00              | 0.00             | 0.00        | 212.00            | 0.0         |
| 728.000 EDUCATION & TRAINING           | 318.00            | 318.00            | 0.00              | 0.00             | 0.00        | 318.00            | 0.0         |
| 770.000 REPAIR AND MAINT BLDGS         | 1,061.00          | 1,061.00          | 0.00              | 0.00             | 0.00        | 1,061.00          | 0.0         |
| 771.000 CHEMICALS - TREATMENT          | 21,748.00         | 21,748.00         | 1,039.03          | 0.00             | 0.00        | 20,708.97         | 4.8         |
| 772.000 REPAIR & MAINT. EQUIPMENT      | 11,882.00         | 11,882.00         | 914.21            | 0.00             | 0.00        | 10,967.79         | 7.7         |
| 780.000 MAINT VEHICLES                 | 2,000.00          | 2,000.00          | 339.33            | 0.00             | 0.00        | 1,660.67          | 17.0        |
| 812.000 EQUIP SAFETY                   | 318.00            | 318.00            | 0.00              | 0.00             | 0.00        | 318.00            | 0.0         |
| 814.000 POSTAGE                        | 2,122.00          | 2,122.00          | 0.00              | 0.00             | 0.00        | 2,122.00          | 0.0         |
| 820.000 UTILITIES                      | 37,132.00         | 37,132.00         | 22,662.45         | 4,485.64         | 0.00        | 14,469.55         | 61.0        |
| 824.000 WATER MWCD                     | 28,644.00         | 28,644.00         | 13,391.75         | 0.00             | 0.00        | 15,252.25         | 46.8        |
| 826.000 TELEPHONE / INTERNET / WIRELES | 2,652.00          | 2,652.00          | 1,069.85          | 0.00             | 0.00        | 1,582.15          | 40.3        |
| 827.000 MEDICAL - SAFETY EXAMS         | 318.00            | 318.00            | 60.00             | 0.00             | 0.00        | 258.00            | 18.9        |
| 848.000 COMPUTER / SOFTWARE / SUPPORT  | 3,713.00          | 3,713.00          | 0.00              | 0.00             | 0.00        | 3,713.00          | 0.0         |
| 849.000 LAB SAMPLES                    | 6,896.00          | 6,896.00          | 3,324.60          | 0.00             | 0.00        | 3,571.40          | 48.2        |
| 852.000 OFFICE SUPPLIES                | 0.00              | 0.00              | 10.70             | 0.00             | 0.00        | -10.70            | 0.0         |
| 863.000 DUES & SUBSCRIPTIONS           | 2,122.00          | 2,122.00          | 1,280.68          | 539.00           | 0.00        | 841.32            | 60.4        |
| 864.000 LICENSE & PERMITS              | 3,713.00          | 3,713.00          | 3,226.23          | 0.00             | 0.00        | 486.77            | 86.9        |
| 880.000 LOAN PAYMENT                   | 30,766.00         | 30,766.00         | -134,340.13       | 0.00             | 0.00        | 165,106.13        | -436.7      |
| 892.023 WATER/SEWER RATE STUDY         | 5,000.00          | 5,000.00          | 5,313.50          | 0.00             | 0.00        | -313.50           | 106.3       |
| 892.024 ACH POLYMER                    | 27,810.00         | 27,810.00         | 0.00              | 0.00             | 0.00        | 27,810.00         | 0.0         |
| 892.025 CAPITAL-OUTLAY PAUL            | 44,000.00         | 44,000.00         | 0.00              | 0.00             | 0.00        | 44,000.00         | 0.0         |
| <b>WATER PLANT</b>                     | <b>328,977.00</b> | <b>333,636.00</b> | <b>-17,220.94</b> | <b>9,153.53</b>  | <b>0.00</b> | <b>350,856.94</b> | <b>-5.2</b> |
| Dept: 410 WATER MAINTENANCE            |                   |                   |                   |                  |             |                   |             |
| 617.001 BACKFLOW INSPECTION            | 1,061.00          | 1,061.00          | 0.00              | 0.00             | 0.00        | 1,061.00          | 0.0         |
| 702.000 SALARIES                       | 150,000.00        | 150,000.00        | 70,366.19         | 4,763.21         | 0.00        | 79,633.81         | 46.9        |
| 714.000 PERS-Retirement                | 33,221.00         | 33,221.00         | 8,117.67          | 331.33           | 0.00        | 25,103.33         | 24.4        |
| 716.000 HEALTH INSURANCE               | 45,320.00         | 45,320.00         | 17,705.03         | 2,275.62         | 0.00        | 27,614.97         | 39.1        |
| 718.000 INSURANCE WC                   | 13,084.00         | 13,084.00         | 2,084.09          | 0.00             | 0.00        | 10,999.91         | 15.9        |
| 724.000 CLOTHING ALLOWANCE             | 212.00            | 212.00            | 0.00              | 0.00             | 0.00        | 212.00            | 0.0         |
| 728.000 EDUCATION & TRAINING           | 530.00            | 530.00            | 0.00              | 0.00             | 0.00        | 530.00            | 0.0         |
| 755.000 FUEL                           | 2,122.00          | 2,122.00          | 946.29            | 0.00             | 0.00        | 1,175.71          | 44.6        |
| 770.000 REPAIR AND MAINT BLDGS         | 1,061.00          | 1,061.00          | 53.00             | 0.00             | 0.00        | 1,008.00          | 5.0         |
| 772.000 REPAIR & MAINT. EQUIPMENT      | 1,061.00          | 1,061.00          | 23.47             | 0.00             | 0.00        | 1,037.53          | 2.2         |
| 780.000 MAINT VEHICLES                 | 3,000.00          | 3,000.00          | 284.53            | 0.00             | 0.00        | 2,715.47          | 9.5         |
| 812.000 EQUIP SAFETY                   | 319.00            | 319.00            | 0.00              | 0.00             | 0.00        | 319.00            | 0.0         |
| 820.000 UTILITIES                      | 4,244.00          | 4,244.00          | 653.09            | 148.94           | 0.00        | 3,590.91          | 15.4        |
| 820.100 HEATING FUEL                   | 2,122.00          | 2,122.00          | 324.66            | 0.00             | 0.00        | 1,797.34          | 15.3        |

## REVENUE/EXPENDITURE REPORT

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2:25 pm

City of Montague

For the Period: 7/1/2025 to 1/31/2026

|                                        | Original Bud.     | Amended Bud.       | YTD Actual        | CURR MTH         | Encumb. YTD | UnencBal           | % Bud         |
|----------------------------------------|-------------------|--------------------|-------------------|------------------|-------------|--------------------|---------------|
| <b>Fund: 404 - WATER</b>               |                   |                    |                   |                  |             |                    |               |
| Expenditures                           |                   |                    |                   |                  |             |                    |               |
| Dept: 410 WATER MAINTENANCE            |                   |                    |                   |                  |             |                    |               |
| 826.000 TELEPHONE / INTERNET / WIRELES | 1,687.00          | 1,687.00           | 1,063.43          | 0.00             | 0.00        | 623.57             | 63.0          |
| 827.000 MEDICAL - SAFETY EXAMS         | 318.00            | 318.00             | 0.00              | 0.00             | 0.00        | 318.00             | 0.0           |
| 847.000 SECURITY CAMERAS               | 1,061.00          | 1,061.00           | 354.34            | 0.00             | 0.00        | 706.66             | 33.4          |
| 848.000 COMPUTER / SOFTWARE / SUPPORT  | 3,090.00          | 3,090.00           | 877.50            | 146.25           | 0.00        | 2,212.50           | 28.4          |
| 858.000 SHOP SUPPLIES                  | 1,061.00          | 1,061.00           | 283.12            | 0.00             | 0.00        | 777.88             | 26.7          |
| 863.000 DUES & SUBSCRIPTIONS           | 530.00            | 530.00             | 541.00            | 0.00             | 0.00        | -11.00             | 102.1         |
| 864.000 LICENSE & PERMITS              | 318.00            | 318.00             | 274.00            | 0.00             | 0.00        | 44.00              | 86.2          |
| <b>WATER MAINTENANCE</b>               | <b>265,422.00</b> | <b>265,422.00</b>  | <b>103,951.41</b> | <b>7,665.35</b>  | <b>0.00</b> | <b>161,470.59</b>  | <b>39.2</b>   |
| <b>Expenditures</b>                    | <b>594,399.00</b> | <b>599,058.00</b>  | <b>86,730.47</b>  | <b>16,818.88</b> | <b>0.00</b> | <b>512,327.53</b>  | <b>14.5</b>   |
| <b>Net Effect for WATER</b>            | <b>119,260.00</b> | <b>-103,499.00</b> | <b>280,454.68</b> | <b>20,659.70</b> | <b>0.00</b> | <b>-383,953.68</b> | <b>-271.0</b> |
| Change in Fund Balance:                |                   |                    | 280,454.68        |                  |             |                    |               |

## REVENUE/EXPENDITURE REPORT

Page: 17  
1/26/2026  
2:25 pm

City of Montague

For the Period: 7/1/2025 to 1/31/2026

|                                      | Original Bud. | Amended Bud. | YTD Actual | CURR MTH   | Encumb. YTD | UnencBal    | % Bud |
|--------------------------------------|---------------|--------------|------------|------------|-------------|-------------|-------|
| <b>Fund: 505 - AIRPORT</b>           |               |              |            |            |             |             |       |
| Revenues                             |               |              |            |            |             |             |       |
| Dept: 200 CITY PORTION               |               |              |            |            |             |             |       |
| 432.000 RENT & LEASES                | 5,305.00      | 5,305.00     | 2,873.94   | 498.18     | 0.00        | 2,431.06    | 54.2  |
| 434.000 TIE DOWN FEES & HANGAR       | 3,183.00      | 3,183.00     | 1,500.00   | 0.00       | 0.00        | 1,683.00    | 47.1  |
| 522.000 FUEL FLOWAGE FEE             | 0.00          | 0.00         | 176.26     | 0.00       | 0.00        | -176.26     | 0.0   |
| CITY PORTION                         | 8,488.00      | 8,488.00     | 4,550.20   | 498.18     | 0.00        | 3,937.80    | 53.6  |
| Dept: 505 AIRPORT PROJ               |               |              |            |            |             |             |       |
| 436.000 INTEREST INVESTMENT EARNINGS | 1,030.00      | 1,030.00     | 0.00       | 0.00       | 0.00        | 1,030.00    | 0.0   |
| 450.000 STATE ASST                   | 10,300.00     | 10,000.00    | 0.00       | 0.00       | 0.00        | 10,000.00   | 0.0   |
| 638.000 YREKA ASSISTANCE             | 5,150.00      | 5,150.00     | 0.00       | 0.00       | 0.00        | 5,150.00    | 0.0   |
| AIRPORT PROJ                         | 16,480.00     | 16,180.00    | 0.00       | 0.00       | 0.00        | 16,180.00   | 0.0   |
| Revenues                             | 24,968.00     | 24,668.00    | 4,550.20   | 498.18     | 0.00        | 20,117.80   | 18.4  |
| Expenditures                         |               |              |            |            |             |             |       |
| Dept: 200 CITY PORTION               |               |              |            |            |             |             |       |
| 702.000 SALARIES                     | 7,323.00      | 7,323.00     | 3,394.18   | 205.78     | 0.00        | 3,928.82    | 46.3  |
| 714.000 PERS-Retirement              | 318.00        | 318.00       | 229.54     | 14.02      | 0.00        | 88.46       | 72.2  |
| 716.000 HEALTH INSURANCE             | 5,305.00      | 5,305.00     | 1,250.32   | 132.15     | 0.00        | 4,054.68    | 23.6  |
| 766.000 ABATEMENT WEEDS              | 1,591.00      | 1,591.00     | 0.00       | 0.00       | 0.00        | 1,591.00    | 0.0   |
| 770.000 REPAIR AND MAINT BLDGS       | 424.00        | 424.00       | 0.00       | 0.00       | 0.00        | 424.00      | 0.0   |
| 772.000 REPAIR & MAINT. EQUIPMENT    | 2,122.00      | 2,122.00     | 525.03     | 0.00       | 0.00        | 1,596.97    | 24.7  |
| 774.000 MAINT GROUNDS                | 318.00        | 318.00       | 0.00       | 0.00       | 0.00        | 318.00      | 0.0   |
| CITY PORTION                         | 17,401.00     | 17,401.00    | 5,399.07   | 351.95     | 0.00        | 12,001.93   | 31.0  |
| Dept: 505 AIRPORT PROJ               |               |              |            |            |             |             |       |
| 734.000 INSURANCE LIABILITY          | 2,472.00      | 2,472.00     | 0.00       | 0.00       | 0.00        | 2,472.00    | 0.0   |
| 771.001 CHEMICALS - ABATEMENT        | 319.00        | 319.00       | 0.00       | 0.00       | 0.00        | 319.00      | 0.0   |
| 772.000 REPAIR & MAINT. EQUIPMENT    | 530.00        | 530.00       | 509.17     | 0.00       | 0.00        | 20.83       | 96.1  |
| 820.000 UTILITIES                    | 4,244.00      | 4,244.00     | 0.00       | 0.00       | 0.00        | 4,244.00    | 0.0   |
| AIRPORT PROJ                         | 7,565.00      | 7,565.00     | 509.17     | 0.00       | 0.00        | 7,055.83    | 6.7   |
| Expenditures                         | 24,966.00     | 24,966.00    | 5,908.24   | 351.95     | 0.00        | 19,057.76   | 23.7  |
| Net Effect for AIRPORT               | 2.00          | -298.00      | -1,358.04  | 146.23     | 0.00        | 1,060.04    | 455.7 |
| Change in Fund Balance:              |               |              | -1,358.04  |            |             |             |       |
| Grand Total Net Effect:              | -342,078.00   | -330,708.00  | 419,879.78 | 176,473.53 | 0.00        | -750,587.78 |       |

## January 2026 Manager Report

- Our first monthly presentation was to be yesterday on the topic of CASA
  - Had to be cancelled due to presenter emergency
  - Next month is Five Wishes
  - Asking JEDI to present about SBDC in March
- January 20<sup>th</sup> is the first day of our Active Parenting with Teens class through First 5
  - The time will be 5:30 – 7:30
  - It will run 8 sessions
  - I would love input on the parenting class to follow this one
- Candy sales in the clerk's office have been successful
- This month's genre sale are Western and Veterinary.
  - Books are \$0.25
- We are going to restart 'Reading to a Rescue Pup' on Mondays
- We will be getting Valentine See's Candy
- We are starting now on the Summer Reading Program

Submitted by,

Suzie Clark  
Library Manager