



PROPOSED BUDGET FY 2020-21

Special City Council Meeting

June 29, 2020

THIS BUDGET IS A WORK IN PROGRESS

- Response to COVID-19, staff reductions and lack of information on tax revenues stalled the normal budget process
- This Proposed Budget incorporates budget cuts and staff reductions requested by City Council in April 2020
- Neither staff nor City Council have fully reviewed details
- Like the State and many other municipalities, this budget is a place holder until we have better information
- Staff recommends reviewing the budget and refining it in early fall after City Transient Occupancy Tax (TOT) has been collected for March – July and sales tax revenue is available from the State for Fort Bragg collections

CORRECTIONS/ITEMS FOR REVIEW

- Cost Allocation Plan Revisions
 - Facility Maintenance & Repair correction (\$239,500)
 - Corporation Yard Treatment as direct cost
 - Allocation matrix review
 - Overhead allocation to Internal Service Funds
- Sales Tax and Transient Occupancy Tax (TOT) will need to be reviewed and if necessary revised
- Water Treatment Plant CIP overstated by \$100,000
- Insurance costs – update for final REMIF rates

CORRECTIONS/ITEMS FOR REVIEW – *(CONTINUED)*

- Biobot COVID-19 Sewer Testing \$26,500
- Does the Council want to provide Visit Fort Bragg Marketing Minimum Support \$10,000-\$25,000?
- CDBG Grants – budget as awards are received
- EDA Grant – budget if awarded
- Water and Sewer increases, Effective July 1, 2020 – should this be delayed?
- Cost of Living increases – Fort Bragg Employees Organization (SEIU) budgeted at 2.0 % but actual is 2.5%

SUMMARY OF FUNDS – BUDGET APPROPRIATIONS

Fund	FY 2019-20 Amended Budget	2020-21 Proposed Appropriation	% Increase/ (Decrease)
General Fund	\$10 Million	\$8.3 Million	(17%)
Special Revenue	\$2.2 Million	\$4.0 Million	82%
Capital Projects	\$2.9 Million	\$2.2 Million	(24%)
Internal Service Funds	\$963k	\$1.0 Million	4%
Water Fund	\$3.2 Million	\$4.9 Million	53%
Wastewater Fund	\$19.9 Million	\$2.3 Million	(88%)
C.V. Starr Center	\$2.2 Million	\$1.1 Million	(50%)

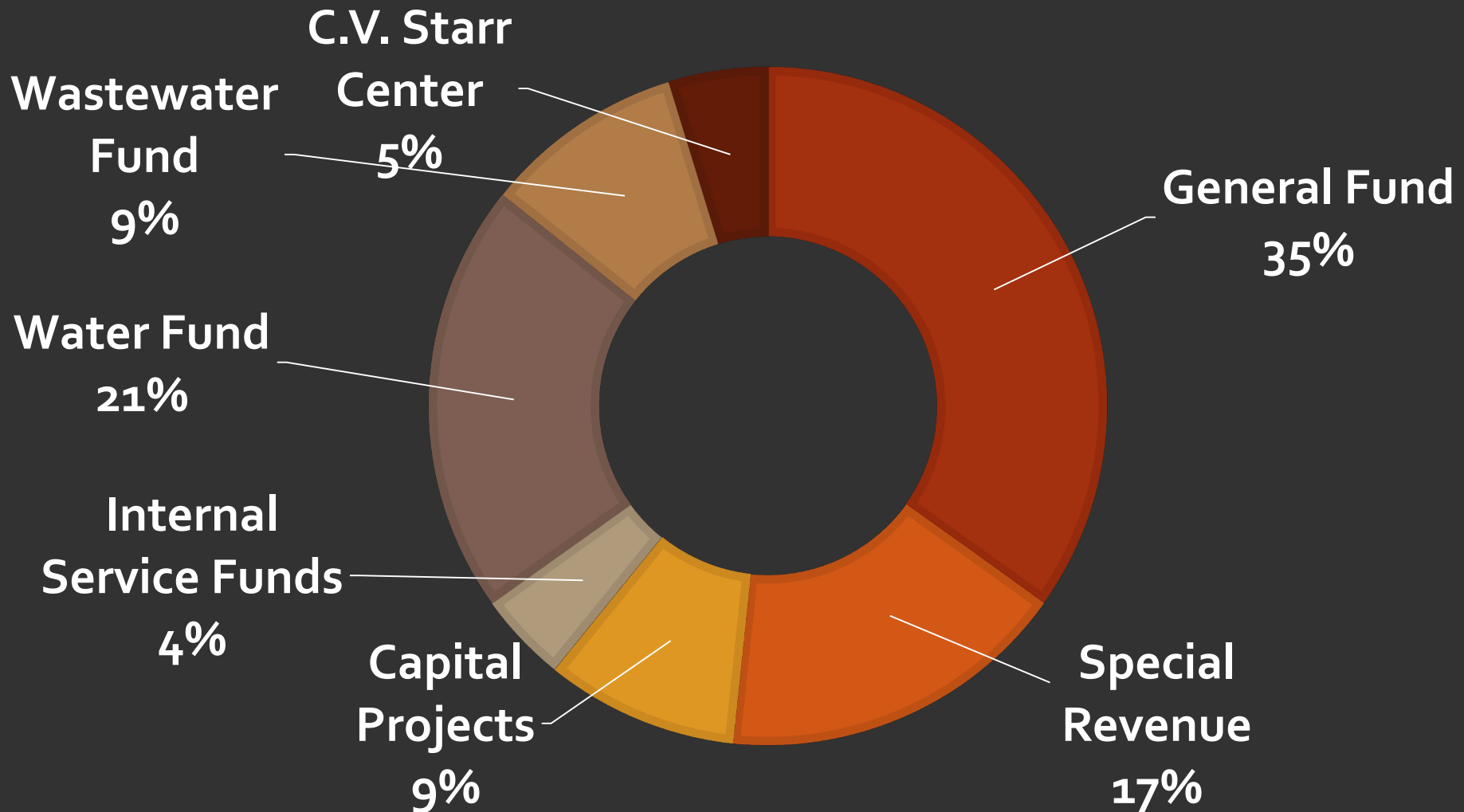
SUMMARY OF FUNDS – ESTIMATED TO BUDGET

Fund	2019-20 Estimated Expenditures	2020-21 Proposed Appropriation	% Increase/ (Decrease)
General Fund	\$9.5 Million	\$8.3 Million	(13%)
Special Revenue	\$1.4 Million	\$4.0 Million	186%
Capital Projects	\$1.9 Million	\$2.2 Million	16%
Internal Service Funds	\$1.4 Million	\$1.0 Million	(29%)
Water Fund	\$2.1 Million	\$4.9 Million	133%
Wastewater Fund	\$10.3 Million	\$2.3 Million	(78%)
C.V. Starr Center	\$1.5 Million	\$1.1 Million	(27%)

FUND BALANCE COMPARISON

Fund	FY 2018-19 Actual	FY 2019-20 Estimated	FY 2020-21 Projected
General Fund	\$3.1 Million	\$1.9 Million	\$1.6 Million
Special Revenue	\$1.7 Million	\$1.3 Million	\$1.8 Million
Internal Service Funds	\$800K	\$600k	\$800k
Water Fund	\$5.0 Million	\$5.9 Million	\$3.8 Million
Wastewater Fund	\$2.4 Million	\$2.0 Million	\$2.5 Million
C.V. Starr Center	\$700k	\$700k	\$800k

SUMMARY OF FUNDS - APPROPRIATIONS



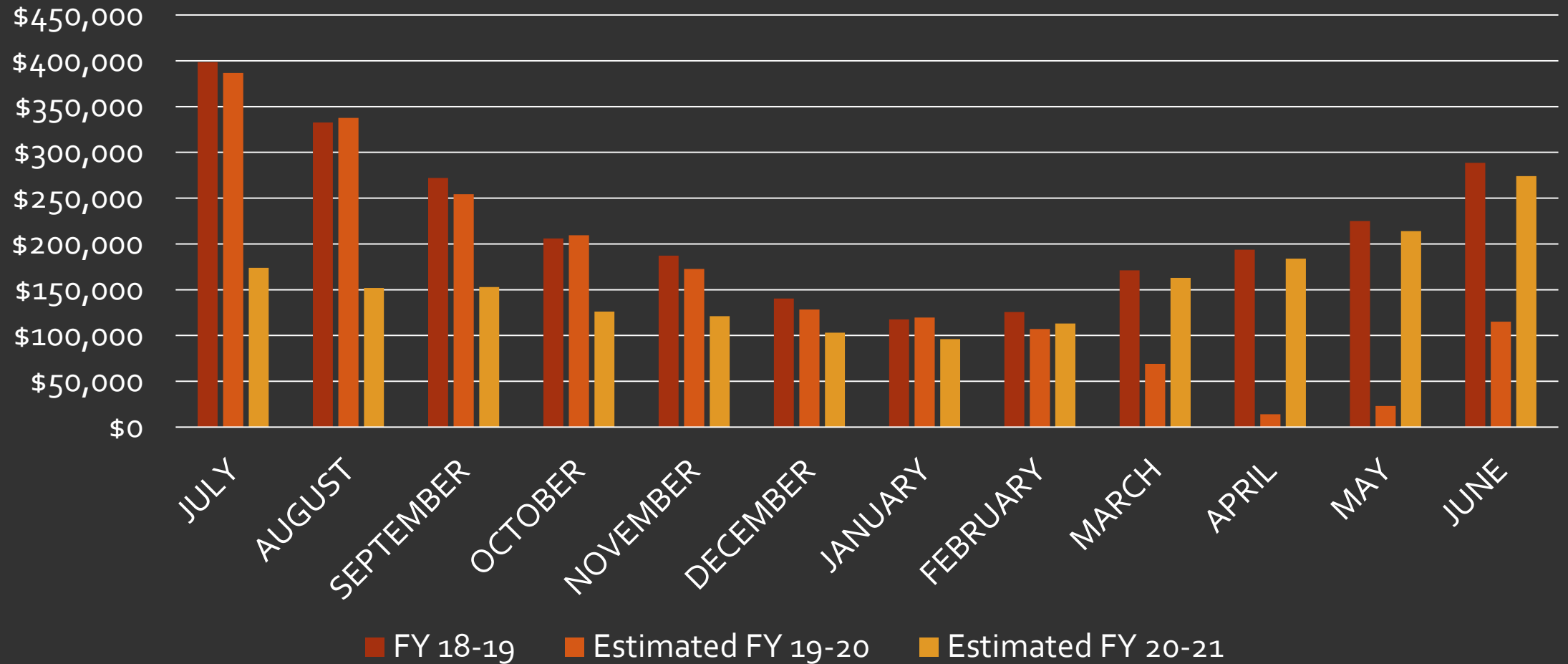
SUMMARY OF FUNDS – BUDGETED REVENUES

Fund	FY 2019-20 Amended Budget	2020-21 Proposed Budget	% Increase/ (Decrease)
General Fund	\$9.9 Million	\$7.9 Million	(20%)
Special Revenue	\$8.9 Million	\$6.9 Million	(22%)
Capital Projects	\$ 0	\$0	N/A
Internal Service Funds	\$ 1.1 Million	\$.9 Million	(18%)
Water Fund	\$3.4 Million	\$2.9 Million	(15%)
Wastewater Fund	\$10.8 Million	\$2.7 Million	(75%)
C.V. Starr Center	\$2.0 Million	\$1.2 Million	(40%)

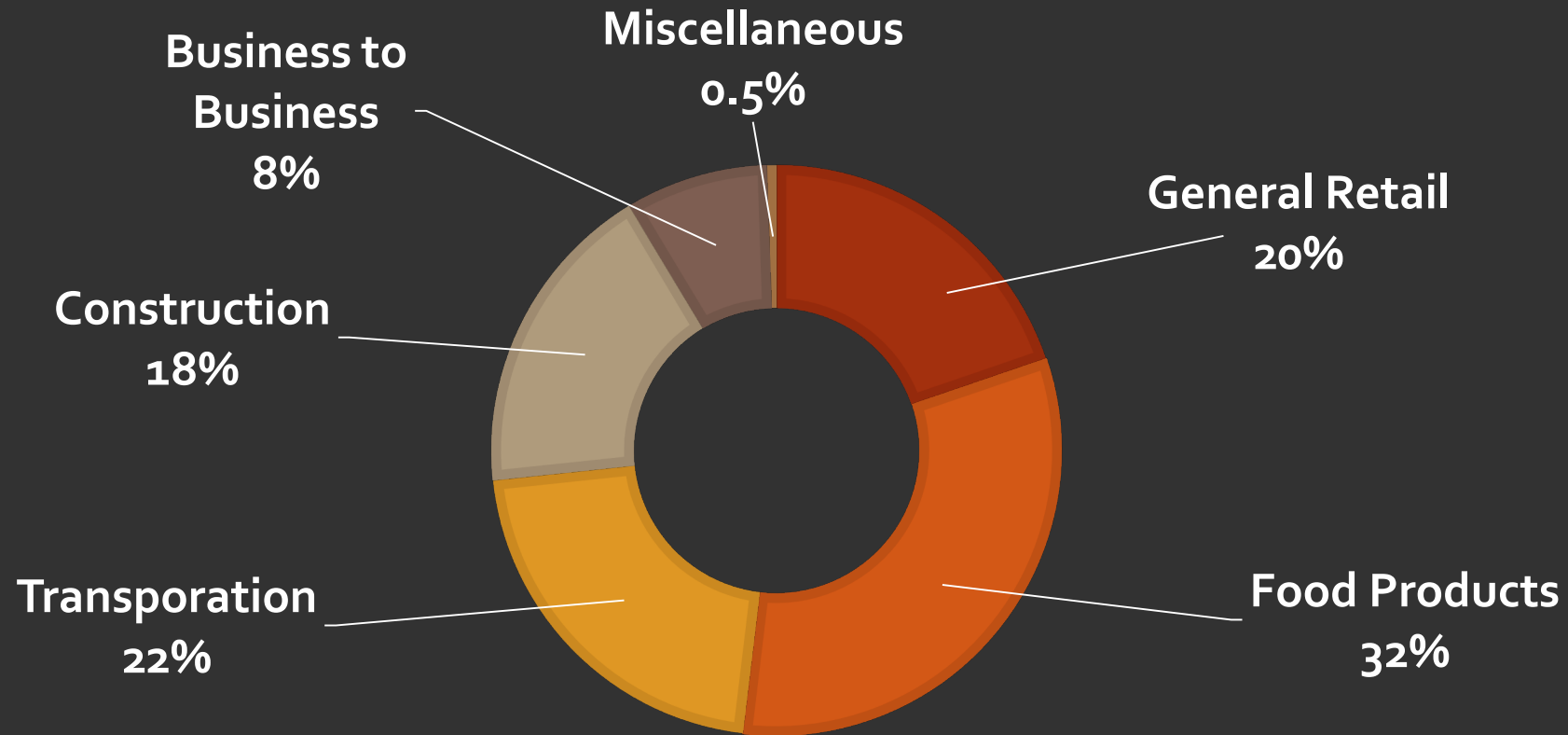
GENERAL FUND – EXPENDITURE COMPARISON

General Fund Expenditures by Category	FY 2019-20 Amended Budget	FY 2019-20 Projected Actual	FY 2020-21 Proposed Budget	FY 2019-20 Budget vs. FY 2020-21 Budget	% Variance
Salaries & Wages	\$3,880,039	\$3,773,616	\$3,030,979	(\$849,060)	-21.9%
Benefits	2,694,762	2,555,045	2,456,365	(238,397)	-8.8%
Material & Services	2,174,973	2,036,416	1,989,278	(185,695)	-8.5%
Other Expenditures	228,113	102,324	16,625	(211,488)	-92.7%
Debt Service	185,533	147,569	-	(185,533)	-100.0%
Allocation to Internal Service Funds	889,721	889,721	789,223	(100,498)	-11.3%
Total General Fund Expenditures	\$10,053,141	\$9,504,691	\$8,282,470	(\$1,770,671)	-17.6%

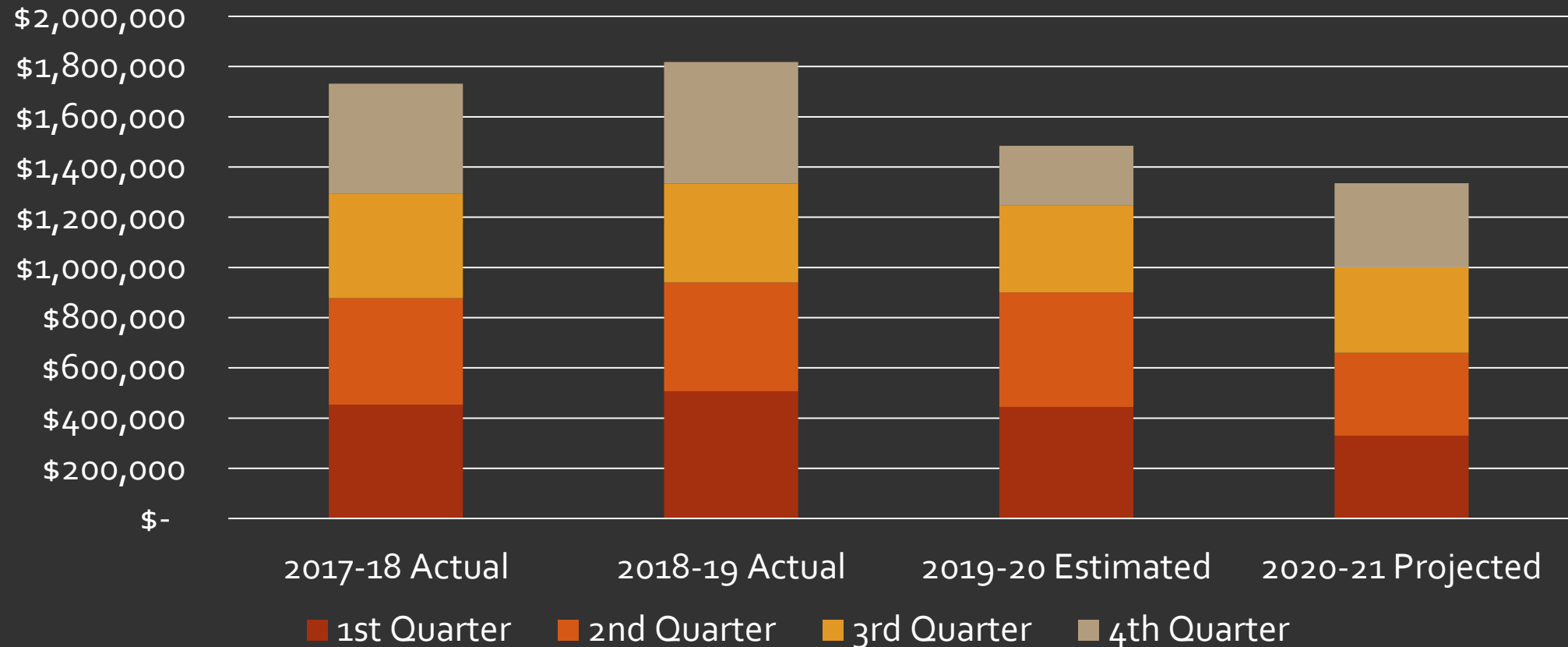
ESTIMATED IMPACT TO TRANSIENT OCCUPANCY TAX



BRADLEY BURNS 1% SALES TAX CATEGORIES



ESTIMATED BRADLEY BURNS 1% SALES TAX



RECOMMENDED BUDGET DIRECTION

1. Adopt place holder budget
2. Review and refine the Cost Allocation Plan
3. Prepare Budget Adjustments to clean up and refine current figures
4. Delay Water and Sewer increases until 1-1-2021
5. Present changes, if desired to Finance and Admin Committee for recommendation to Council for adjustment?
6. Schedule budget workshop(s) once we have a better idea of the current impact and possible future impact of the emergency