



Fiscal Year
2024

Proposed Budget

CITY OF FORT BRAGG



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CITY OF FORT BRAGG

Incorporated August 5, 1889

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May 19th, 2023

Honorable Mayor and Members of the City Council, Residents, and Business Owners:

I am honored to submit the Fiscal Year 2023-24 City Budget to the City Council for review, deliberation, and adoption. My goal is to provide in a few pages a summary of the key issues embodied in the lengthy and complex budget document. As part of the City's Budget process, it is customary for the City Manager to submit a Budget overview describing the major financial trends and issues contained within the document. The annual Budget provides a comprehensive statement of the City's organization, operations, and resources. It expresses City Council and District Board policies and priorities in all areas of the City's operations, and it links near-term priorities with the resources available to achieve them. Over the year, the City's Budget is a financial management tool and a work plan for delivering City services and implementing capital projects. This year the process of preparing this document has been challenging.

Besides looking to the future, we are also forced to look at our past. While the City has weathered the storm of the COVID pandemic and the subsequent economic shutdown, the City has had to engage with our community in a very different way, partly because we still have a very difficult economic environment overall. Our country has never experienced the type of disaster we had beginning in 2020, and it's likely in the future we will continue to experience unprecedented and unforeseen challenges from the effects of climate change, shrinking wildlife habitats that foster diseases jumping between species, and continuing changes in our day to day lives, including high rates of inflation. This isn't a statement of hysteria- it is simply because our community, nation, and world are changing in ways we never anticipated. Fortunately, the City of Fort Bragg has weathered these challenges, but not without a significant impact to our residents and City team. Our main focus over the next five years is to ensure we continue to not only survive but thrive as we meet new challenges. Flexibility, entrepreneurship, and a better understanding of the challenges and changes ahead will be our most important assets.

FORT BRAGG'S GREATEST RESOURCE – OUR EMPLOYEES

City services are provided by people, so our major cost center is salaries and benefits. Since 2020, when the pandemic arrived and drove the subsequent economic shutdown, our employees took a huge impact. At that time, the City projected a \$1.4 million shortfall, mostly attributed to

Transient Occupancy Tax (TOT) and sales tax decreases. Some employees were laid off or quit, and the remaining employees were furloughed for up to three months.

When I was appointed Interim City Manager, I saw an organization splintered and exhausted from a variety of events. Our employee team needed to be stabilized and lifted to work with each other and City residents professionally and in a peaceful environment. I have seen a significant change in the attitude of City employees and the atmosphere at City Hall since making a few key changes. And I am happy to report that our civilian City team is fully staffed now, which hasn't happened since late 2019. The Police Department is down three officers, but we are anticipating sending up to three recruits to the Police Academy during the next fiscal year.

A main focus in the past six months has been automation to create workforce efficiencies rather than adding additional positions. As mentioned earlier, employee compensation is our biggest Budget expense. It is incumbent upon our City team to improve productivity and accuracy through other means than increasing staff. Automation can streamline repetitive paperwork and procedures, eliminate information delays and make the workflow of public offices more efficient. By automating processes, staff is free from doing repetitive tasks and can dedicate themselves to services of greater relevance; on the other hand, the user will be able to do their business quickly and easily. Two new automated procedures will soon be implemented in Human Resources for recruiting and onboarding new employees and in Finance to allow the City to accept online payments for business licenses and building permits, which will eliminate manual paperwork. Moreover, once the new water meters are installed, it will allow the Finance Department to automate the monthly meter reading and shut-off process for customers.

While the City Council has set goals and policies for the coming year that Staff is already implementing, as City Manager, I will continue to focus on creating long-term fiscal stability, including:

- Implement new technologies to improve communications in a smaller, leaner workforce and help our employees enhance their efficiency.
- Privatize services after completing careful analysis of savings and efficiencies.
- Create an aggressive economic development program to attract and retain businesses, streamline regulations, and identify long-term revenue strategies.
- Create partnerships with other cities for services or reports for cost savings.
- Negotiate a new comprehensive labor agreement with the Police Association focusing on keeping competitive salaries while addressing rapidly increasing costs of leave and other benefits.
- Place a ballot measure for the November 2023 election to continue funding our streets through the Special Sales Tax designated for street paving and improvements.
- Identify new sources of revenues, including implementing direct and indirect administrative fees on state and federal grants and City fees.

Change is difficult and challenging, yet the one thing constant today in the public and private corporate world is change. Our organization will continue to adapt, evolve and change. In the popular vernacular, this is referred to as continual improvement. The City staff is committed to continually improving and refining the services to the Fort Bragg community. The Fiscal Year (FY) 2023-24 Budget reflects a continuation of this trend.

BUDGET OVERVIEW

In building the Budget, we have considered the historically high gross receipts tax revenues received in the last two fiscal years, particularly in Transient Occupancy, property, and sales tax, which has recorded declines in FY 2023. At the same time, we are mindful of macroeconomic warning signs suggesting a cautious approach to this year's Budget, with fiscal restraint and a conservative approach to expenditures and revenue projections.

The investments made through this Budget reflect the Fort Bragg City Council goals of workforce housing, infrastructure, jobs/industry, a better quality of life for our residents, and the commitment to the City we aspire to be in the years to come.

The proposed Budget funds the operational departments which provide core services to our community, including Police, Water, Sewer, Public Works, Community Development, Fire, and supporting administrative services such as Information Technology, City Clerk, Finance and Human Resources. While maintaining core operational services, the proposed Budget invests \$29.8 million into Water and Wastewater Infrastructure, streets rehabilitation, broadband, and City parks.

**ALL FUNDS
SUMMARY OF EXPENDITURES BY CATEGORY
FY 2020/21 THROUGH FY 2023/24**

	FY 2020/21 FYE AUDITED	FY 2021/22 FYE AUDITED	FY 2022/23 AMENDED BUDGET	FY 2022/23 FYE PROJECTED	FY 2023/24 PROPOSED BUDGET	% INCR/ -DECR
ALL FUNDS						
Salaries & Wages	\$ 4,127,459	\$ 5,408,108	\$ 6,504,015	\$ 6,037,963	\$ 6,844,377	13.4%
Benefits	3,086,657	3,296,614	3,382,178	3,150,420	3,637,901	15.5%
Materials & Services	9,637,732	8,937,663	16,429,892	9,020,096	8,273,691	-8.3%
Capital	319,301	1,505,223	17,025,550	6,327,776	23,121,446	265.4%
Debt Service	286,121	380,966	1,420,083	1,445,764	1,081,393	-25.2%
Depreciation	780,562	790,001	-	-	-	0.0%
Subtotal	18,237,831	20,318,575	44,761,718	25,982,018	42,958,807	65.3%
Indirect Expenses	1,921,879	\$ 3,157,855	1,901,507	1,891,986	2,258,945	19.4%
Fiduciary Funds	228,240	\$ 225,062	386,475	384,627	377,757	-1.8%
Subtotal	20,387,951	23,701,492	47,049,700	28,258,631	45,595,509	61.4%
Transfers Out	9,944,137	11,408,039	13,994,508	6,920,799	23,702,812	242.5%
TOTAL ALL FUNDS	\$ 30,332,088	\$ 35,109,531	\$ 61,044,207	\$ 35,179,431	\$ 69,298,321	97.0%

Staffing levels impact the delivery of services to the public, but they also drive costs. The FY 2023/24 personnel budget is projected to increase by 16% to \$6.8 million. The Budget includes a Community Development Director position, two new senior lifeguards for the CV Starr Center, Cost of Living adjustments (COLA) for all labor groups, and merit increases. In FY 2022, the General Fund realized salary savings from unfilled positions or from positions that were filled during the fiscal year. The true annual costs of these positions will be realized in the new fiscal year.

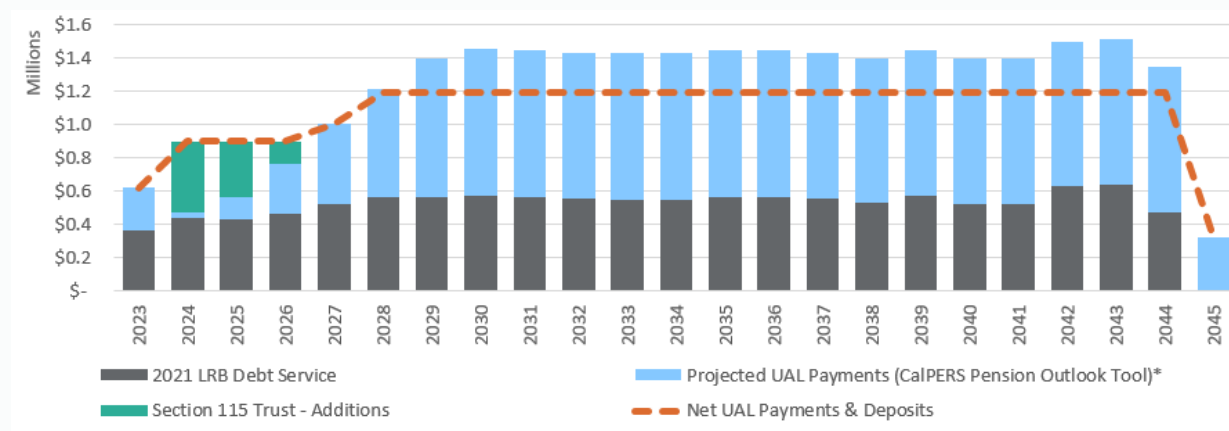
Even with the additional positions, areas of staffing constraints remain. One of the challenges the City faces is finding ways to address its ongoing revenue situation before assuming additional and ongoing staffing costs.

Benefit costs are also expected to increase by 19% due to benefit cost increases.

The City's total expenditures Budget is \$45.6 million (excluding transfers), with departments expected to be fully staffed in 2024. Debt service is projected to reduce by 25% as the Water Enterprise paid off the 2007 Department of Water Resource Loan in FY 2023.

While the City's fiscal situation is stable and much improved from years past by addressing the long-term challenge with CalPERS' unfunded liability, building up our reserves, and recording solid year-over-year growth in the City's major General Fund revenues still require a fiscally prudent approach over the next year. Inflationary pressures have increased the City's cost of doing business and implementing capital improvements. While expenditures continue to rise, revenues are leveling off and are projected to remain relatively flat in FY 23/24 and possibly FY 24/25. With expenditure growth outpacing revenue growth, the City is at risk of future structural deficits in some of its major funds if not carefully tracked and managed. Fortunately, prudent reserve policies leave the City in a positive position to weather this short-term uncertainty.

Another significant area of concern is related to the City's pension costs which are projected to increase in FY 26/27 and beyond. CalPERS' investment returns have not met their benchmark rates (discount rate). Over 20 years, the overall fund performance has averaged just 5.5%.



This will result in the City being required to make higher minimum payments towards the City's unfunded liability in addition to normal costs. To address these rising costs, in 2021, the City adopted the City's pension policy, restructuring the \$7.5 million unfunded liability at a lower interest rate and establishing a Section 115 Trust in FY 2022 to absorb future fluctuations in the CalPERS discount rate, adding to the unfunded liability. The City Council approved a \$1.6 million contribution to the Trust from the prior fiscal year's realized surplus. This proposed Budget also invests an additional \$200k towards the Trust to lower our overall pension liabilities over time and be better prepared to weather potential CalPERS cost increases.

During the Mid-Year Budget Review in March 2023, the City Council directed Staff on the following Budget Priorities for FY 2023/24. The revised goals are set forth below:

PRIORITY	GOAL	ACHIEVED
1	Adopt a balanced budget	✓
2	Provide additional contributions to Section 115	✓
3	Maintain current level of service (no staff layoffs, no program cuts)	✓
4	Maintain Operating Reserves and Litigation Reserves (20%)	✓
5	Provide funding for Recession/Emergency Reserves (5% to 10%)	✓
6	Provide Cost of Living Adjustment to Staff	✓

Consistent with Goal No. 1, *Adopt a balanced budget*, the proposed General Fund Budget is balanced with a projected surplus of nearly \$84k. Also consistent with these goals, the proposed Budget continues to allocate \$200,000 towards the Section 115 trust with Public Agency Retirement System (PARS) established in FY 2022. The Trust has a \$1.6 million investment in a moderate conservation strategy, yielding a 7-10% return on investments. The funds will act as a cushion and can be withdrawn in the future to absorb fluctuations in CALPERS employer contributions costs and accrued liabilities stemming from a failure to meet the discount rate with their investments.

The City Council also set a goal to fund budget reserves to 25% of the City Budget. The FY 2023/24 Proposed Budget sets aside Emergency Reserves for the General Fund, Water, Wastewater, and CV Starr Enterprise. These reserves include an Operating Reserve, 15% of operating expenditures, and a 10% Recession Reserve set at 10% of operating costs.

The General Fund has \$3.5 million in reserves to help mitigate the adverse fiscal effects. It is critical that during a period of better economic activity, the City continues to prioritize building its reserves to have the resources to weather the next inevitable dip in economic activity or other local fiscal emergencies. Our reserves are 25% of the City budget, which is the recommended practice by the Government Finance Officers Association (GFOA).

	PROPOSED FY 2023/24
Total General Fund Balance	\$ 3,520,937
Less Nonspendable (Inventory, etc.)	11,986
Less Committed Reserves (Set by Council Resolution)	
Operating Reserve	1,731,119
Recession Reserve	1,154,079
Litigation Reserve	200,000
Unassigned Balance	\$ 423,753

No planned staff reductions or program cuts are included in the proposed Budget. The Budget includes a Cost of Living Adjustment (COLA) of 3% for the Police Association and 2% for the SEIU employees, effective July 1, 2023. I requested that the Budget include a 2% COLA for Mid-

Management and Executive groups, effective July 1, 2023. The FY 2023/24 Budget includes all the COLA increases.

In part, the FY 2023/24 proposed General Fund Budget is projected to result in a small surplus because of the City's grants. Staff time reimbursable by various grants is budgeted at \$716,000 compared to \$534,000 in FY 2022/23. Much of the reimbursable time is from Community Development Block Grants (CDBG), which include: the Code Enforcement Program, Business Loans, Fire Station Rehabilitation Design Work, and general administration. Other grant/funding reimbursements include Local Agency Technical Assistance (LATA), SB2 planning grants, Coastal Commission Grant- Blue Economy, and the Opioid Resistance Grant. A total of six full-time positions are ninety to a hundred percent grant funded- these include two Code Enforcement Officers, two Social Service Liaisons (SSLs), with one SSL position supported by the Opioid Resistance Grant through April 2024, one Special Projects Manager and one Grants Coordinator position.

These are all critical positions to the organization, and we are continually exploring long-term funding to continue these important programs. To ensure our employees have competitive compensation packages, the City conducted two salary and compensation studies—one for the Fort Bragg Police Association, as required by Ordinance 672 and one for civilian employees. In both cases, the findings were that both sworn and civilian employees are currently at or above comparable salaries in other jurisdictions. Only two positions, the City Clerk and the Public Works Operations Manager, were significantly below the average. We will bring those positions to Council in June for possible salary adjustments. I am also working with local jurisdictions to partner on future compensation studies to reduce costs and ensure our employees continue to have competitive salaries and compensation.

GRANTS AND OTHER STATE AND FEDERAL FUNDING

A substantial revenue source for Fort Bragg is grant funding from state, federal, and private agencies. As a rural community, Fort Bragg is eligible for a variety of grant funds that wealthier urban cities cannot receive. In the last few years, the City has been awarded approximately \$25,086,473 in grant funding. Recent grants include:

- Community Development Block Grants (CDBG): Currently funds programs including Code Enforcement, Business Loans, and Fire Station Rehabilitation.
- U.S. Department of Agriculture (USDA): Wastewater Treatment Plant, Heavy Equipment and Police Vehicles, City-Wide Water Meter Replacement Program
- California Coastal Commission: Noyo Harbor Blue Economy

The City has an allocation of Coronavirus State and Local Fiscal Recovery Funds of \$1,744,162. This is from the \$350 billion the American Rescue Plan Act of 2021 established to provide emergency funding for eligible state, local, territorial, and tribal governments. As a non-entitlement government with a population under 50k, the City receives the funds from the California Department of Finance. The City Council has committed funds towards broadband which is included in the Capital Improvement Budget.

California Department of Finance. The City Council has committed funds towards Broadband which is included in the Capital Improvement Budget.

In the coming fiscal year, the Finance Department will evaluate the City's Indirect Cost Allocation Study that will better quantify the indirect costs of providing services. In addition to the direct cost of providing services, governments also incur indirect costs. Such indirect costs include shared administrative expenses where a department or agency incurs costs for support that it provides to other departments/agencies (e.g., legal, finance, human resources, facilities, maintenance, technology). The cost to governments to track every expense and directly attribute each cost to each function would exceed the benefits. Indirect cost allocation is an accounting function by which estimates are made to distribute indirect costs to programs or functions to approximate their full cost. Certain important management objectives (measuring the cost of government services, establishing fees and charges, charging back the cost of internal services to departments/agencies, fully utilizing restricted funds, and requesting reimbursements under federal and state grants, when allowed) can be served by allocating indirect costs.

CONCLUSION AND ACKNOWLEDGEMENTS

I believe that we need to continue planning for our City's future. Today, our financial outlook is much improved from a year ago, but if I learned one thing this last year it is to be flexible and ready for what comes next – both the good and the bad. I would be short-sighted to assume that the current funding levels from TOT or State and federal governments will continue. The City still faces increasing pension costs and many long-term capital needs, both of which have significant price tags. The costs of these needs require long-term planning on the scale of 10-20 years.

I would like to thank all of the public servants for the incredible work they do, day in and day out, to ensure critical services are provided to our community professionally and courteously. Without each and every one of them, the City of Fort Bragg would not be the unique and amazing place that it is. I must also credit our elected officials, who are public servants with very little pay for what essentially amounts to many hours of volunteer work. Their leadership provides the structure for what we do each day. This Budget is the product of much work by the management team and supporting Staff. However, the Finance Department developed this thoughtful Budget in a new format with limited Staff. Thanks to Isaac Whippy, the City's Finance Director and his Staff, for the key role they play in developing the Budget document. This was truly a collaborative process across all departments.

I look forward to meeting the challenges and the victories we will face this next year.

Respectfully Submitted,


Peggy Ducey
City Manager



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FY 2024 OPERATIONS & MAINTENANCE PROPOSED BUDGET

CITY COUNCIL

Mayor

Bernie Norvell

Vice Mayor

Jason Godeke

Councilmember

Tess Albin-Smith

Councilmember

Marcia Rafanan

Councilmember

Lindy Peters

City Manager

Peggy Ducey

ABOUT THE COVER

Tide Pools at MacKerricher State Park



Budget Document Producers

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Chief Cervenka	Police Department & Asset Forfeiture
Chantell O'Neal	CIP Streets/Grants
Isaac Whippy	Finance/Non-Departmental
Debbie Smith	IT
Peggy Ducey	Administration/City Council/Visit Fort Bragg
Sarah McCormick	Grants & Special Projects
Moneque Wooden	C.V. Starr Community Center

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GUIDE TO THE DOCUMENT

The functions of local government stem from three levels of policy direction: federal, state and local. Within this intergovernmental system, local government is responsible for providing basic public services such as maintaining streets and roadways, providing traffic management systems, maintaining parks, providing community services, and ensuring public safety. Local government must also fulfill certain state and national policy objectives such as transportation and environmental protection while addressing the expectations and values of its citizens. For local governments, the primary tool used to coordinate the provision of governmental services and to provide legal authorization for the expenditure of funds is the annual budget. A local government budget is a financial plan that matches existing resources with the needs of the community.

The City of Fort Bragg's budget is developed and adopted by the City Council and provides Fort Bragg residents and City staff with a plan for implementation of the services, goals and objectives specified by the City Council. The City's Wastewater Enterprise is operated by the Municipal Improvement District No. 1 (MID) Board. The City Council serves concurrently as the MID Board of Directors. The budget for the Wastewater Enterprise is included in this budget document.

The Operating Budget is a guide for the receipt and disbursement of funds used to provide daily, routine public services to the community. The Five-Year Capital Improvement Program (CIP) and Capital Projects Budget provide citizens and City officials with detailed information about capital projects that are planned for near- or mid-term implementation.

This budget outlines the many municipal services, programs, and projects provided by the City of Fort Bragg over the course of the fiscal year. It identifies revenue projections and specific expenditures necessary to deliver services to the community. The budget is intended to provide transparency to City residents about programs and services as well as the policies underlying the City Council's spending decisions.

DISTINGUISHED BUDGET PRESENTATION AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Distinguished Budget Presentation Award to the City for its Fiscal Year 2019/20 Budget. This was the third year that the government has achieved this prestigious award. Achievement of the award reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the City had to satisfy nationally-recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- **A Policy Document** – to describe financial and operating policies, goals, and priorities for the organization.
- **A Financial Plan** – to provide revenue and expenditure information by fund, department, division, and category.
- **An Operations Guide** – to describe activities and objectives for the fiscal year.
- **A Communications Tool** – to provide information on budgetary trends, planning processes, and integration of the operating and capital budgets.

The Distinguished Budget Presentation Award is valid for one year. Our Fiscal Year 2022/23 budget will again be submitted to the GFOA, and we are confident that we will once again achieve the award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Fort Bragg
California**

For the Fiscal Year Beginning

July 01, 2022

A handwritten signature in black ink that reads "Christopher P. Morrill". The signature is written in a cursive style with a white background behind it.

Executive Director

BUDGET ORGANIZATION

The FY 2022/23 Budget includes eight basic sections as follows:

1. **City Manager's Transmittal.** Provides an introduction to the budget including a summary of critical economic issues, Council-directed core services, and basic operational and strategic goals for FY 2021/22.
2. **Introduction.** Includes this Users' Guide, a directory of elected and appointed City officials, a Citywide organization chart, an overview of the City of Fort Bragg, a definition of the funds included in the financial reporting model of the City, and the City's budget guidelines and fiscal policies. This section provides the reader with the policies and documents that guide the City's financial practices.
3. **Summary.** Includes a comprehensive overview of fund balance projections and individual summaries of revenues and expenditures for all funds and the General Fund. Also included are interfund transfers, interfund cost reimbursements, and the City's cost allocation plan. Summaries for the Water, Wastewater, and C.V. Starr Enterprise Funds are included in the detail section for each fund.
4. **Fund Detail - Departmental Summaries.** Presents detailed information on the City's operating departments and Enterprise funds as follows:

City Council	Public Works
Administration	Internal Services
Tourism Marketing & Promotions	Debt Service
Finance	Water Enterprise
Non-Departmental	Wastewater Enterprise
Public Safety	C.V. Starr Center Enterprise
Community Development	

Additional information about services provided by the City is included in each departmental section. Department summary information includes organizational charts, departmental services description, summaries of accomplishments and goals, a comparison of the total adopted budget to the prior fiscal year, and a summary of expenditures over three fiscal years. More specific information about the current year appropriations is provided in the budget detail section. With the FY 2017/18 Budget the presentation was expanded to include a summary of revenue generated by each department.

5. **Grants and Special Revenue Funds.** Provides an overview of each of the City's Special Revenue Funds, including fund descriptions, revenues and expenditures. Special Revenue Funds are classified into one of four categories: Revenue, Grants, Internal Service Funds, and Trust and Agency.
6. **Capital Improvement Program (CIP) and Capital Projects Budget.** The Multi-Year CIP includes descriptions of individual projects and details the acquisition, construction or rehabilitation of major capital facilities and infrastructure. The Capital Projects Budget is used to account for the receipt and disbursement of funds for specific CIP projects. For many projects, revenue resources and expenditures may extend over several years.

7. **Statistical Data.** Presents historical information for the past 10 years regarding the City's finances, operations, constituents and the local economy.
8. **Glossary.** A list of specialized words and acronyms used in the budget document and their definitions.



BUDGET PROCESS & ADOPTION

The City develops an annual budget according to legal and policy direction which includes:

- Prepare a budget for all funds of the City.
- Strive to adopt a budget that is balanced as to resources and appropriations.
- Adopt a budget that does not exceed State constitutional limits.
- Adopt a budget prior to the beginning of the fiscal year in which it is to take effect.
- Allow for adjustments to the budget with proper approvals.
- Strive to maintain reserves in accordance with established Council policies.
- Utilize encumbrances of appropriations as a budgetary control technique.
- Adopt the budget through City Council and Municipal Improvement District Board resolutions.
- Exercise budgetary controls at the department level.

The City of Fort Bragg operates on a fiscal year basis, starting July 1 and ending June 30. The budget is prepared by the Finance Department under the supervision of the City Manager. The budget process typically begins in January once the audit reports for the prior fiscal year are complete. The Finance Department prepares a Mid-Year Performance Report and the City Council conducts a Mid-Year Budget Workshop (typically in March). At that workshop, revenue and expense projections are presented for the current fiscal year and the Council provides policy direction to staff regarding preparation of the budget for the coming fiscal year. Following the mid-year workshop, an Adopted Budget is assembled for the next fiscal year and it is reviewed by the Council and the public at a budget workshop (typically in May). Following the budget workshop, a revised Budget is prepared and transmitted to the City Council in June for further review, public input, deliberation and adoption prior to the beginning of each new fiscal year (July 1).

Copies of the Adopted Budget are made available to the general public prior to the City Council's budget workshop. After providing opportunities for public review and discussion at the budget workshop(s), the budget is adopted by the City Council prior to June 30 at either a regular or special City Council meeting. After adoption, the budget may be amended by City Council resolution.

BASIS OF ACCOUNTING AND FUND DEFINITIONS

The modified accrual basis of accounting is used by all General, Special Revenue and Capital Projects Funds. This means that revenues are recognized when they become both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when liabilities are incurred, except that principal and interest payments on long-term debt are recognized as expenditures when due. The accrual basis of accounting is utilized by all Enterprise and Internal Service Funds. This means that revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

To demonstrate fiscal accountability, various funds are established in accordance with objectives of special regulations, restrictions, and/or limitations. Each fund is considered a separate accounting entity with a self-balancing set of accounts. The funds that are used in the financial reporting model for the City of Fort Bragg as follows:

The **General Fund** is the City's primary operating fund. It is used to account for resources traditionally associated with general government activities which are not required (legally or by sound fiscal management) to be accounted for in another fund.

Special Revenue Funds are used to account for revenues that are legally restricted for a particular purpose. The City has several Special Revenue Funds including the Special Sales Tax for Street Repairs, Asset Forfeiture, General Plan Maintenance Fee, Gas Taxes and Fire Equipment Tax. Special Revenue Funds are also used to account for grants obtained to fund City projects and activities.

Capital Project Funds are used to account for financial resources to be used for construction or acquisition of fixed assets, such as buildings, equipment, or roads. A Capital Project Fund exists only until completion of the project.

Internal Service Funds are used by the City to account for the financing of goods and services provided by one department to other departments within a government organization on a cost-reimbursement basis. They are set up to take advantage of economies of scale, to avoid duplication of effort, and to accurately identify costs of specific governmental services. The City utilizes three Internal Service Funds: Facilities Repair & Maintenance, Technology Replacement & Maintenance and Fleet & Equipment Services.

Enterprise Funds are used to account for operations that are supported by a fee charged to external users for services, similar to a private business. The City has three Enterprise Funds: Water, Wastewater, and C. V. Starr Center.

Fiduciary Funds are used to account for resources that a government holds as a trustee or agent on behalf of an outside party and therefore cannot be used to support the government's own programs. The City has one fiduciary fund: Successor Agency to Fort Bragg Redevelopment Agency.

COST ALLOCATION PLAN AND DIRECT CHARGES

The City employs a multi-step process for distributing the indirect costs of central service departments (City Council, Administration, Finance, Non-Departmental and Public Works Administration) and the City's Internal Service Funds to various departments and funds.

Costs of the City's central service departments are allocated through the City's Cost Allocation Plan (CAP). The CAP allocates costs that originate in one department but benefit one or more other departments. By way of example, the Administrative Services Department (City Clerk) performs the function of "Records Management" which benefits multiple other departments within the City organization. The costs associated with "Records Management" are allocated from the Administrative Services Department to the multiple other departments that benefit from the service. Each year a year-end true-up is performed so that allocations are based on actual results rather than budgeted forecasts. For example, if actual administrative costs end the year less than budgeted, then allocated costs will be revised down. The City's Cost Allocation Plan is presented in detail beginning on Pages 66-73.

CONCLUSION

Financial forecasting is, at best, an inexact science. Many experts and studies offer varied opinions and forecasts, each completely logical and reasonable. Staff has developed revenue and expenditure estimates based on trends and forecasts available as of May 2023. These estimates take into account what has happened in the local economy, current revenue and expenditure experiences, and, to the extent possible, what is projected to happen over the next 14 months.

CITY OF FORT BRAGG OVERVIEW

HISTORY OF FORT BRAGG

The north coast of Mendocino County was inhabited by Native Americans of the Pomo tribe for approximately 10,000 years. The Pomo people were hunter-gatherers with a close relationship to the land and the sea. Seasonal Pomo villages were located along the coast with permanent villages located north of the Ten Mile River.

In 1855, an exploration party from the Bureau of Indian Affairs visited the area in search of a site on which to create a reservation and, the following year, the Mendocino Indian Reservation was established. It spanned an area from the south side of the Noyo River to north of the Ten Mile River and east to Little Valley and Glen Blair. In 1857, the Fort Bragg military post was installed on the Mendocino Indian Reservation approximately 1½ miles north of the Noyo River and its purpose was to maintain order on the reservation. During the same year, a lumber mill was established on the Noyo River starting what would become the major industry of the region. The military post was short-lived and records show that November 23, 1861 was the last date on which army units occupied the fort. In 1865, after 300 Native Americans were marched forcibly from the Mendocino Indian Reservation to a reservation in Round Valley, Fort Bragg as a military post was abandoned.

On August 5, 1889, Fort Bragg was incorporated as a city. C.R. Johnson, president of the Fort Bragg Redwood Company, was the first mayor and his company laid out the town much as it exists today— with a uniform street grid and mid-block alleys. In 1893, the Union Lumber Company was created when the Fort Bragg Redwood Company absorbed some of the smaller lumber companies in the area. In 1901, the Union Lumber Company incorporated the National Steamship Company to carry lumber, passengers and supplies. The steamships provided Fort Bragg's only link to manufactured comforts and staples like sugar and coffee. In 1905, the California Western Railroad was formed and a rail line was established from Fort Bragg to Willits where train connections could be made to San Francisco. The 1906 Earthquake resulted in a fire at the lumber mill that threatened the entire City. Brick buildings throughout the City were damaged, if not destroyed completely, and many frame homes were knocked off their piers. The fire burned the downtown area bordered by Franklin Street, Redwood Avenue and McPherson Street. Within 12 months following the earthquake, all downtown reconstruction was completed. The earthquake brought prosperity to Fort Bragg as the mills furnished lumber for the rebuilding of San Francisco. By 1916, Fort Bragg had become a popular place to visit – and to settle.

Commercial fishing also played an important role in the formation of the economic base of Fort Bragg. Noyo Harbor was once a major commercial fishing port known for its quality fish products that were distributed to major metropolitan markets. In recent years, the fishing industry has declined and Fort Bragg's economic base has transitioned from "resource extraction" (i.e., timber and fishing industries) to a more service-oriented economy serving a regional coastal population of approximately 20,000 residents as well as hundreds of thousands of visitors each year.



CITY GEOGRAPHY

The City of Fort Bragg is located approximately 165 miles north of San Francisco and 185 miles west of Sacramento on the scenic coast of Mendocino County. The City occupies 2.7 square miles. Census 2010 places the City's population at 7,273. Although it is quite small, Fort Bragg is the largest City on the coast between San Francisco and Eureka. The largest employment categories in the City include services, wholesale and retail trade, local government, public education, health care, tourism, and fishing. The mild climate and picturesque coastline make Fort Bragg a popular tourist and recreational area.

CITY AUTHORITY

Fort Bragg is a general law city under California state law and its rights, powers, privileges, authority, and functions are established through the State constitution. These statutory rights include the power to: sue and be sued; purchase, receive by gift or bequest and hold land, make contracts and purchases and hold personal property necessary to the exercise of its powers; manage, sell, lease, or otherwise dispose of its property as the interest of its inhabitants require; levy and collect taxes authorized by law and exercise such other and further powers as may be especially conferred by law or as may be necessarily implied from those expressed.

CITY COUNCIL

The voters elect members of the Fort Bragg City Council to serve overlapping four-year terms. The Mayor is elected by and from the City Council for a two-year term. The Council sets policy and exercises the legislative authority of the City. The Council holds meetings on the second and fourth Mondays of each month and at such other times as necessary. Current City Council members and the dates upon which their respective terms expire are as follows:

Mayor Bernie Norvell	December 2024
Vice Mayor Jason Godeke	December 2026
Councilmember Tess Albin-Smith	December 2026
Councilmember Marcia Rafanan	December 2026
Councilmember Lindy Peters	December 2024

ADMINISTRATION AND MANAGEMENT

Fort Bragg operates under the Council-Manager form of government. The City Council appoints the City Manager who appoints other City staff and is charged with overseeing the City's daily operations. Several boards, commissions, and committees assist the City Council and administration in carrying out various aspects and functions of city government.

CITY SERVICES

The City provides a wide range of services to its residents including public safety services, construction and maintenance of streets and infrastructure, water service, community development, financial management and administrative services. Special Districts and Joint Power Authorities (JPAs) under the jurisdiction of the City provide emergency services, fire protection and wastewater treatment services. Other entities, not under the City's jurisdiction, that

provide services to the City's population include the school district, hospital district, recreation district, harbor district, and other special districts.

FORT BRAGG MUNICIPAL IMPROVEMENT DISTRICT NO. 1

The members of the City Council serve concurrently as the Fort Bragg Municipal Improvement District No. 1 (MID) Board of Directors. The MID was formed in 1969 for the purpose of acquiring and constructing wastewater system improvements including construction of a wastewater treatment plant. The wastewater system serves approximately 3,000 residential and commercial connections in an area that includes the City of Fort Bragg and small areas of unincorporated territory on the periphery of the City. The MID Board of Directors meets on the same schedule as the City Council and can schedule special meetings as necessary. The MID is referred to within the Budget as the "Wastewater Enterprise Fund."

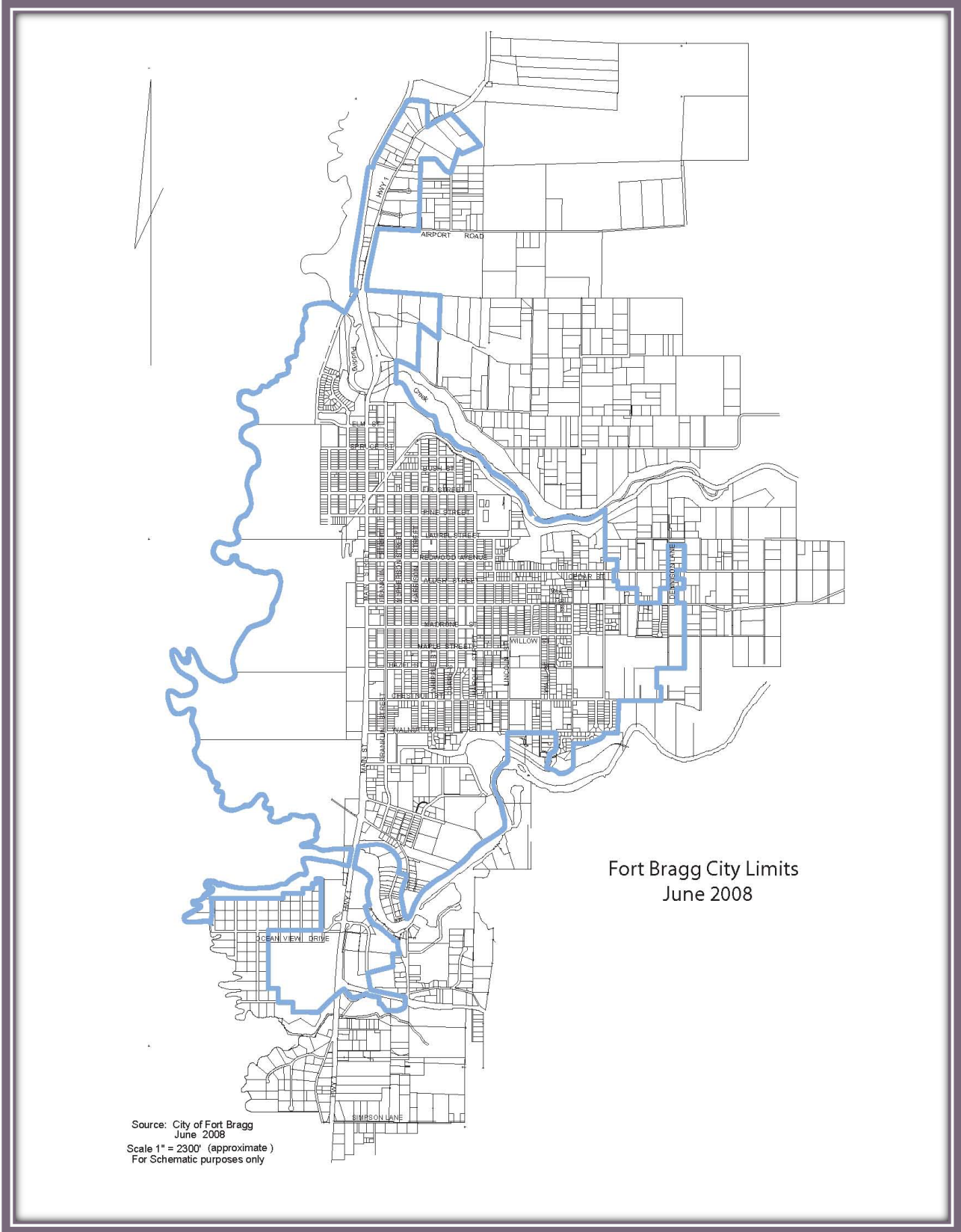
SUCCESSOR AGENCY TO FORT BRAGG REDEVELOPMENT AGENCY

From 1986 to 2012, the Fort Bragg Redevelopment Agency carried out redevelopment projects and promoted and supported economic development and affordable housing development in the redevelopment project area, an area which generally included properties within the Central Business District, commercial and industrial lands along Main Street, and the former Georgia Pacific mill site. In early 2012, the Redevelopment Agency was dissolved (as required by A.B. 1X26) and the City Council opted to serve as the Successor Agency to the Fort Bragg Redevelopment Agency. The Successor Agency is the legal entity tasked with winding down the affairs of the former Redevelopment Agency under the supervision of an Oversight Board. The Successor Agency plays a key day-to-day role in assuring that the existing debt service and other enforceable obligations of the former Redevelopment Agency are properly paid based upon a Recognized Obligation Payment Schedule (ROPS) approved by the Oversight Board and the State Department of Finance.

C. V. STARR COMMUNITY CENTER

The C.V. Starr Community Center and Sigrid & Harry Spath Aquatic Facility (the "C.V. Starr Center") is a 43,000 square foot recreation and aquatic facility that was built by the Mendocino Coast Recreation and Parks District (MCRPD), a special district providing recreational services to residents of the Mendocino Coast. The facility includes an indoor water park with an eight-lane competition pool and diving board, a leisure pool with a water-slide and a 'lazy river', a cardio-fitness center and weight room, and facilities for other fitness classes and enrichment activities. In addition, the C.V. Starr Center has meeting rooms for parties and community events, and the grounds include a dog park, a skateboard park, petanque courts and picnic/BBQ facilities.

After opening the C.V. Starr Center in 2009, the MCRPD found itself challenged by insufficient operating revenues. In March 2012, the voters of Fort Bragg approved a special sales tax to provide funding for operation, maintenance and capital improvements at the C.V. Starr Center facility. The ballot measure required that ownership of the C.V. Starr Center be transferred to the City of Fort Bragg and that the MCRPD assign a portion of its property tax revenues to the City. The facility reopened under City ownership in July 2012. The MCRPD now operates the facility under a contract with the City and the City provides continued financial and operational oversight.



ELECTED AND APPOINTED CITY OFFICIALS

As of June 30, 2023



Bernie Norvell
Mayor



Jason Godeke
Vice Mayor



Tess Albin-Smith
Councilmember



Marcia Rafanan
Councilmember

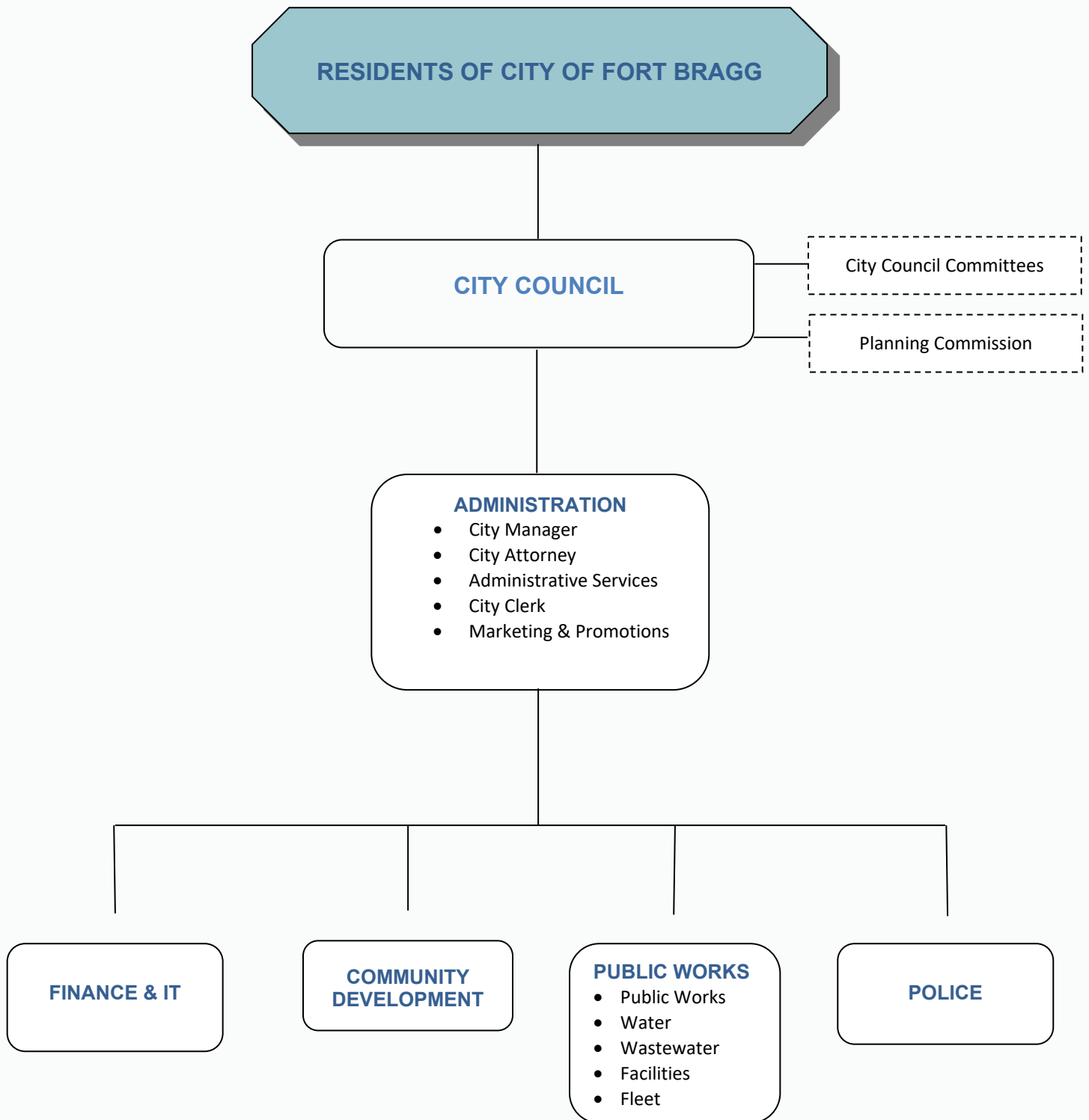


Lindy Peters
Councilmember

Peggy Ducey
City Manager

MASTER ORGANIZATIONAL CHART

As of June 30, 2023



BUDGET GUIDELINES

The annual operating budget is the primary short-term financial plan for the City and the Municipal Improvement District No. 1. The operating budget serves as the policy document to implement City Council goals and objectives. It sets forth estimates of resources available to fund services consistent with Council directives. Since no budget is an absolutely accurate predictor of future events, there must be some flexibility to make adjustments during the year, provided these adjustments do not materially alter the general intent of the City Council when adopting the budget. These guidelines are intended to provide that flexibility and to establish adequate controls through budget monitoring and periodic reporting to ensure that the overall distribution of resources achieves the results intended by the City Council.

Each year, as the budget is prepared, the City Council identifies priorities to provide guidance to management in preparing the budget. Through its legislative authority, the Council approves and adopts the budget by resolution. The City Manager is responsible for proposing to the City Council an annual operating budget and a capital projects budget which are consistent with the Council's service level priorities and sound business practices. The City Manager is also responsible for establishing a system for the preparation, execution, and control of the budget which provides reasonable assurances that the intent of Council policies is met. The Finance Director is responsible for providing periodic budget status reports to the City Manager, the City Council and Department Heads to facilitate control and compliance with the budget. Department Heads are responsible for monitoring their respective budgets for compliance with the intent of Council priorities and for ensuring that appropriations for their departments are not exceeded.

1. **Basis of Budgeting.** The City's operating and capital projects budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are considered budgetary expenditures in the year of the commitment to purchase, and capital project expenditures are budgeted on a project length basis rather than a fiscal year. For all governmental funds, revenues and expenditures are budgeted on a modified accrual basis. For all proprietary funds, revenues and expenditures are budgeted on an accrual basis.
2. **Budget Calendar.** A budget preparation calendar is provided to Department Heads and to the City Council at the beginning of the budget process each year. The calendar sets forth dates for the review of service level priorities by the City Council at a mid-year budget workshop and a presentation of the City Manager's Adopted budget to the City Council, which should be adopted no later than the end of June.
3. **Form and Content of the Adopted and Adopted Budget.** The Adopted and adopted Budget should be presented in a form which is sufficient to allow the City Council to determine and review:
 - Provision of City Council priorities;
 - Projected revenues by major category;
 - Operating expenditures by department or program, and by fund;
 - Staffing by department;
 - Service levels;
 - Statements of objectives and accomplishments;
 - Recommendations for policy changes;
 - Capital improvement appropriations by project.

The Adopted and adopted Budget should provide a comparison with the preceding year's actual results and current year's projected results for each category of revenue and expenditure shown in the budget. Descriptions of service levels to be provided under the Adopted and adopted Budget will be included along with statements of services reduced or eliminated and services improved or added, as compared to the current year.

4. **City Council's Budget Principles.** Each year, the Adopted and adopted Budget is developed in accordance with the Council's established budget principles:
 - Conservative revenue projections should be incorporated into the budget.
 - The City strives to balance the operating budgets of each of the City's three major funds (General Fund, Water Enterprise, and Wastewater Enterprise) such that anticipated revenues meet projected expenditure obligations.
 - Recurring annual expenditures (e.g., personnel costs, supplies, equipment, operating and maintenance costs, debt service, legal costs, audit costs, etc.) should be funded with on-going annual revenues and should not rely upon one-time revenues, reserves, or the use of unassigned fund balances.
 - If unassigned fund balances are expended, uses should be restricted to funding one-time expenditures, not on-going operations.
 - Expenditures should be contained to the maximum extent possible. To the extent that line item cost increases occur, they should be limited to purchases necessary to support existing operations, essential capital improvement projects, mandated costs, and the City's contractual obligations.
 - Each year, the budget should be prepared in accordance with the City's Fund Balance & Reserve policies and the Council should allocate specific amounts to each of the City's established reserves.
5. **Adoption of the Budget.** The City Council should adopt the budget by resolution no later than June 30 of the previous fiscal year, setting forth the amount of appropriations and authority of the City Manager to administer the adopted budget. Unless otherwise directed, all funds that are presented in the operating budget document are subject to appropriation.
6. **Budget Amendments by the City Council.** The City Council may from time to time approve expenditures and identify funding sources not provided for in the adopted budget including those expenditures funded through unassigned fund balances.
7. **Automatic Adjustments and Re-appropriations.** Outstanding encumbrances at prior fiscal year-end will automatically be carried over to current year's budgets. Unspent appropriations that are authorized and funded by grant revenues from prior fiscal year will automatically be carried over to current year's budget. Incomplete multiple year project balances will be automatically carried over to the current year's budget.
8. **Budget Monitoring and Reporting.** The Finance Department will prepare a monthly budget report including actual expenditures and encumbrances for distribution to the City Manager and Department Heads to facilitate monitoring of the budget. The Finance Department will prepare a first-quarter and mid-year budget status report for presentation to the City Council. At a minimum, the report will include the status of General Fund revenues and expenditures, and Water, Wastewater, and C.V. Starr enterprise fund revenues and expenditures.
9. **Reserves.** Various unallocated reserves are established in the City's funds to protect the City in emergencies and times of economic uncertainty and to finance unforeseen opportunities and/or requirements. Reserve policies for various funds are described in detail in the section entitled "Fiscal Policies."



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**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget



FISCAL POLICIES



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FISCAL POLICIES

The City of Fort Bragg's fiscal policies are established to ensure that the finances of the City and the Municipal Improvement District No. 1 (collectively referred to as "the City") are managed in a manner that will:

- Maintain a financially viable local government that provides adequate levels of municipal services to its citizens.
- Provide for financial flexibility in order to adapt to local and regional economic changes.
- Preserve and enhance the sound fiscal condition of the City.

1. Operating Budget Policies

- a. The City Council/MID Board should adopt a balanced budget by June 30 of each year. The base operating budget will be developed by realistically projecting revenues and expenditures for the current and forthcoming fiscal year. During the annual budget development process, the existing base budget will be thoroughly examined to assure cost effectiveness of the services or programs provided. The annual operating budget will include the cost of operations of new capital projects. The City's operating budget will be prepared on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are considered budgetary expenditures in the year of the commitment to purchase and expenditures for multi-year capital projects are budgeted in their entirety in the year construction commences. Remaining expenditures are carried forward in subsequent years.
- b. The City will avoid balancing the current budget at the expense of future budgets unless the use of unassigned fund balance and/or reserves is expressly authorized by the City Council.
- c. The City will develop and maintain financial management programs to assure its long-term ability to pay the costs necessary to provide the services required by its citizens.

2. Budgetary Controls

- a. Adopted budget appropriations should not be adjusted subsequently unless specifically authorized by a Council/District resolution identifying the fund from which the appropriation is to be made, the amount of the appropriation and an account number.
- b. The City Manager has the authority to approve transfers of budget appropriations within any fund budget provided:
 - Both line items are budgeted; and
 - Transfers from salary accounts and benefit accounts to non-personnel accounts are not allowed.
- c. Interfund transfers require Council/District approval.
- d. The City Manager may review and approve change orders in accordance with established purchasing procedures. The City Manager may approve purchase orders for budgeted expenditures and un-budgeted purchase orders in accordance with established purchasing procedures.
- e. Annually, a report estimating the year-end results will be presented to the Council following the close of the fiscal year being reported. The report will compare revenue estimates with actual collections, appropriations budgets with actual expenditures and revenues to

expenditures in major budgetary funds. This report will be followed by a presentation of the Comprehensive Annual Financial Report to the Council before January 31.

- f. Semi-annually, at a mid-year budget session, there will be a comprehensive review of the operations to date in comparison to the existing budget. Projections of revenues and expenditures through the end of the fiscal year will be submitted to the City Council at the mid-year budget session.

3. Revenue Policies

- a. The City strives to maintain a diversified and stable revenue stream to avoid over-reliance on any one revenue source.
- b. The City estimates its annual revenues by an objective, analytical process utilizing trends, judgment, and statistical analysis as appropriate. Revenue estimates are to be realistic and sensitive to both local and regional economic conditions.
- c. The City maximizes the availability of revenue proceeds through responsible collection and auditing of amounts owed to the City.
- d. The City actively pursues federal, State, and other grant opportunities when deemed appropriate. Before accepting any grant, the City should consider the implications in terms of on-going obligations that will be required in connection with acceptance of the grant.
- e. The City seeks reimbursements for mandated costs whenever possible.
- f. User fees are reviewed annually for potential adjustments to recover the full cost of services provided, except when the City Council determines that a subsidy is in the public interest. The City's user fee policy:
 - Imposes user fees when appropriate to capture the cost for the delivery of services and goods; and
 - Attempts to establish levels of cost recovery that support all costs including administrative overhead and depreciation; and
 - Determines the minimum frequency of user fee reviews.
- g. General Fund revenues are pooled and allocated according to Council goals and established policy.
- h. Grant revenue is recognized when eligible expenditures have been incurred against a fully executed grant agreement. Such accrued revenue is considered available even if it is not received within 60 days of year-end. This method provides improved reporting and control at the program level because it appropriately matches funding sources and uses.
- i. Enterprise funds and other legally-restricted sources are allocated according to their respective special purpose.
- j. One-time revenues should be used for one-time expenditures only, including capital outlay and reserves.

4. Expenditure Policies

- a. The City strives to maintain levels of service, as determined by the City Council, to provide for the public well-being and safety of the residents of the community.
- b. The City strives to maintain employee benefits and salaries at competitive levels with local labor markets.
- c. Fixed assets should be maintained and replaced as necessary and deferred maintenance should be minimized. A facilities maintenance reserve is maintained to provide for timely maintenance and replacement of fixed assets.
- d. The City should use technology and productivity enhancements that are cost effective and help to reduce or avoid increased personnel costs.

- e. Surplus fund balances (and working capital in enterprise funds) may be used to increase reserves, fund Capital Improvement Projects, fund capital outlay or be carried forward to fund one-time special project/program expenses.

5. Utility Rates and Fees

- a. Water and sewer utility customer rates and fees are reviewed and adjusted annually, if necessary.
- b. All utility enterprise funds are operated in a manner similar to private enterprise. As such, the City Council sets fees and user charges for each utility fund at a level that fully supports the total direct and indirect cost of the activity, including depreciation of assets, overhead charges, and reserves for unanticipated expenses and capital projects.

6. Capital Budget Policies

- a. The City has a Five-Year Capital Improvement Program (CIP) that is designed to construct and maintain infrastructure to support existing residences and businesses and future development. The CIP identifies the estimated cost of each project including administration, design, development and implementation, and operating costs once the projects are completed. The CIP identifies potential funding sources for each Adopted capital project. When appropriate, the CIP identifies outside funding sources such as State and federal funds and leverages these funding sources with public money to help meet the highest priority community needs.
- b. The funding for the first year of each five-year CIP is appropriated as a component of the annual operating budget.
- c. Funding for future projects identified in the five-year CIP which has not been secured or legally authorized is subject to change.

7. Debt Management Policy

- a. The City Council has adopted guidelines and policies intended to guide decisions related to debt issued by the City. Debt issuance should be evaluated on a case-by-case basis and considered within the context of the City's overall capital structure and policy objectives. Adherence to the debt management policy is essential to ensure that the City maintains a sound debt position and to protect the credit quality of its debt obligations. The full text of the City's Debt Management Policy is presented in the Debt Service section of the budget. Key components of the City's Debt Management Policy are:
 - The City will limit long-term debt to only those capital improvements or long-term liabilities that cannot be financed from current revenue sources.
 - The City will utilize debt financing for projects which have a useful life that can reasonably be expected to exceed the period of debt service for the project.
 - The City will strive to maintain or improve the City's bond rating.
- b. The City may utilize interfund loans rather than outside debt to meet short-term cash flow needs. If interfund loans are undertaken, formal promissory notes are prepared and interest charged as required by the City's Interfund Loan Policy.

8. Interfund Loan Policy

- a. City Council approval by resolution is required for any interfund loan. All interfund loans must be documented by formal agreements that specify the terms and conditions.
- b. All interfund loans are interest bearing and the amount of interest to be paid on the loan must be at least equal to the investment earnings the fund making the loan would have received had the loan not occurred.
- c. The term of an interfund loan is established by the City Council and typically should not exceed five years.
- d. The interfund loan is callable by the lending fund if needed to ensure that the lending fund has sufficient operating funds.
- e. All interfund loan proposals require a feasibility analysis demonstrating that:
 - The borrowing fund has the capacity to repay the debt;
 - The lending fund has the capacity to lend the funds, beyond its own operating and capital needs; and
 - The loan does not violate any debt covenants or other provisions of the borrowing and lending funds.
- f. As part of the due diligence, each interfund loan proposal must demonstrate that the loan can be repaid. It is important to avoid masking an operating deficiency in one fund with an interfund loan from another fund. This is the centerpiece of the policy, which seeks to avoid loans that fail the fundamental test of performance (repayment) under the contract.
 - If a feasibility analysis does not show that the loan can be safely repaid, the appropriate recommendation may be a revenue enhancement or another correction of the underlying reason for the funding deficiency. An alternative financing recommendation may be a fund balance donation.
- f. There is no prepayment penalty on an interfund loan. Interest is to be paid quarterly, and principle payments are subject to the feasibility analysis cash projections.
- g. The interest expense paid on interfund loans is to be treated as user fund expense, while the interest income is to be treated as interest revenue to the loaning fund.

9. Fund Balance & Reserve Policies

- a. The City's Fund Balance & Reserve policies are intended to ensure the continued financial well-being of the City by planning for unanticipated emergency and contingency needs. The City Council periodically reviews and updates these guidelines to ensure that the City has sufficient resources to adequately provide for emergencies, economic uncertainties, unforeseen operating or capital needs, economic development opportunities, and cash flow requirements.
- b. The City Council may direct any portion of its General Fund, Water Enterprise Fund or Wastewater Enterprise Fund revenue that is not required to balance the annual operating budget to one or more of the following reserves, subject to consistency with the allowable uses of the enterprise funds.
- c. **General Fund Reserves.**
 - **General Fund Operating Reserve:** The City will maintain an unrestricted fund balance of at least 15% to 20% of the annual operating expenditures in the General Fund, as an "Operating Reserve" to ensure liquidity of the General Fund and to ensure adequate cash flow throughout the year. This reserve is necessary to accommodate fluctuations in the timing of expenditures and the receipt of revenues. The reserve is committed fund balance

and maybe tapped into, with Council authorization, for unforeseen operating or capital needs. In FY 2022/23 the reserve is funded at 20%.

- Litigation Reserve: The City will maintain a Litigation Reserve to cover unforeseen legal expenses, including unbudgeted legal, defense and settlement costs that are not covered by the City's insurance pool. The Litigation Reserve is replenished each year through the budget process. The City Manager shall approve all charges against this reserve and, on a quarterly basis, the Finance Director shall report to the City Council the amount and types of litigation that have been funded by the Litigation Reserve. In FY2021/22 the reserve is funded at \$200k.
 - Recession Reserve: The General Fund will maintain a Recession Reserve for the purpose of stabilizing the delivery of City services during periods of severe operational budget deficits and to mitigate the effects of major unforeseen changes in revenues and/or expenditures as typically experienced during times of recession. The fund is established at an amount equivalent to 10% of the City's annual operating budget. City Council approval is required before expending any portion of this committed fund balance.
- d. **Water, Wastewater (Municipal Improvement District #1) and C.V. Starr Enterprise Capital Reserves.** The City maintains capital reserves in the Water, Wastewater and C.V. Starr Enterprise Funds to provide for future capital projects and unanticipated emergencies. Each year, all unrestricted net position in the Enterprise Funds in excess of 25% of the prior year's operating expenditures is transferred to these reserves. The 25% that is retained in the Enterprise Fund functions as an Operating Reserve.
- Recession Reserve: The Water Enterprise and the Wastewater Enterprise will each maintain a Recession Reserve for the purpose of stabilizing the delivery of City services during periods of severe operational budget deficits and to mitigate the effects of major unforeseen changes in revenues and/or expenditures as typically experienced during times of recession. The fund is established at an amount equivalent to 10% of each Enterprise Fund's operating budget. City Council approval is required before expending any portion of this committed net position.
- e. **Internal Service Fund Reserves.** Each year, the unrestricted net position in each of the City's Internal Service Funds is held in reserve within the Internal Service Fund. These reserves are intended to help pre-fund large purchases and repairs and avoid big annual swings in funding needs.
- Facility Repair & Maintenance Reserve. The reserve is funded based on an analysis of expected repairs and useful lives of the buildings and equipment funded by the Facilities Repair & Maintenance Internal Service Fund. A ten-year Facilities Maintenance & Repair Plan which provides guidance for establishing required annual contributions to the Facility Maintenance & Repair reserve has been established. The plan is adjusted annually as part of the budget preparation process.
 - Fleet & Equipment Services Reserve. The City maintains a reserve in the Fleet & Equipment Services Internal Service Fund to enable the timely replacement of vehicles and depreciable equipment. A ten-year Vehicle and Equipment Replacement Plan has been established.
 - Information Technology (I.T.) Reserve. The City maintains a reserve in the Technology Maintenance & Replacement Internal Service fund to enable the timely replacement of depreciable equipment. A five-year I.T. long-term plan has been established.
- f. **Debt Service Reserves.** Reserve levels for Debt Service Funds are established and maintained as prescribed by the bond covenants authorized at the time of debt issuance.

- g. **Unfunded Liabilities.** Prepayments made against unfunded liabilities may lower the unfunded liability and result in significant savings in the long term. Each year 50% of any realized year-end surplus shall be applied to the City's two unfunded liabilities. Priority shall be given to the CalPERS plan unfunded liability over the OPEB plan unfunded liability. Any payment of unfunded liabilities shall be considered a one-time payment and will not be included in the calculation of the City's operating deficit/surplus:
- CalPERS. The City continues to accrue liabilities relating to the California Public Employees' Retirement System pension plan provided to its employees.
 - OPEB Trust Fund. The City maintains an irrevocable trust fund for retiree medical benefit obligations.
 - Section 115 Trust. The City maintains a trust for future CalPERS liabilities. Assets in the Section 115 Pension Trust may be used only for pension-related costs and at the direction of the City Council. Once the targeted funding level is reached, the earnings on the assets in the Trust may be applied to offset a portion of the City's annual pension contributions to CalPERS or make additional discretionary payments to CalPERS

10. Investment Policy

The complete investment policy is presented at the end of the Policy Section of the City's Budget. Key components of the City's investment policy are:

- a. The Finance Director/City Treasurer annually renders an investment policy for City Council's review and modification as appropriate. The review must take place at a public meeting and the policy must be adopted by resolution of the City Council.
- b. City funds and the investment portfolio should be managed in a prudent and diligent manner with emphasis on safety, liquidity, and yield, in that order. Reports on the City's investment portfolio and cash position are developed by the Finance Director/City Treasurer and reviewed by the Finance & Administration Committee and the City Council at first quarter, mid-year and fiscal year end.
- c. Generally Accepted Accounting Principles require that differences between the costs of the investment portfolio and the fair value of the securities be recognized as income or losses in a government's annual financial report. These variances should not be considered as budgetary resources or uses of resources unless the securities are sold before maturity or the values of the investments are permanently impaired.

11. Accounting, Auditing, and Financial Reporting Policies

- a. The City's accounting and financial reporting systems are maintained in conformance with generally accepted accounting principles as they apply to governmental accounting.
- b. An annual audit will be performed by an independent public accounting firm with the subsequent issuance of a Comprehensive Annual Financial Report, within seven months of the close of the previous fiscal year.
- c. Periodic financial and status reports will be submitted to the City Council and be made available to the public.

12. Asset Forfeiture Expenditure Policy

- a. *Asset Forfeiture Discretionary Funds*
 - Expenditures under \$5,000 may be decided by the Police Chief.

- Expenditures of between \$5,000 and \$10,000 require approval of the City Manager. Expenditures over \$10,000 require approval of the City Council and the Asset Forfeiture budget will be amended at the time of approval.
- Staff reports to the City Council will be provided on significant Asset Forfeiture expenditures identified by the City Manager.

b. *Asset Forfeiture Education Funds*

- Expenditures must meet the mandated education and prevention guidelines.

c. *Year-End Reporting*

- Prior to the close-out of each fiscal year, a report listing all Asset Forfeiture Discretionary and Education Fund expenditures will be brought forward to the Finance & Administration Committee for review. Line item budget appropriations, as necessary, will be agenized for City Council action.

13. Payment of Employee Compensation Costs

- a. **City Employee Compensation.** The City strives to attract and retain the best talent to manage the City and serve Fort Bragg residents and businesses. The City accomplishes this by offering attractive and competitive salaries and benefits that reflect the value of the various jobs, the duties, level and responsibility of each position, and the fiscal condition of the City. Compensation information specific to each employee group is summarized below.
- b. **City Manager Duties and Compensation.** The City of Fort Bragg is a general law city with a Council-Manager form of government. Fort Bragg Municipal Code Section 2.16.050 establishes that the City Council is the appointing authority for the City Manager and City Attorney. All other positions are appointed by the City Manager. The City Manager's terms of employment, including compensation and benefits, are established by an employment agreement authorized by Council resolution.
- c. **City Attorney Services.** The City Attorney is not a City employee. City Attorney services are provided in accordance with a professional services agreement. Funds for City Attorney services are included in the Administrative Services Department.
- d. **Executive Management (Department Head) and Mid-Management Compensation.** The terms of employment for Executive and Mid-Management classifications, including compensation and benefits, are established by Council resolution.
- e. **Non-Management Employee Compensation.** The City of Fort Bragg has two non-management employee groups.
- The Fort Bragg Employee Organization (FBEO) represents all City non-exempt employees other than Safety Employees and Confidential and Non-Bargaining employees. The FBEO is affiliated with the Service Employees International Union (SEIU). Compensation and benefits are negotiated and documented in a Memorandum of Understanding (MOU).
 - The City's Safety Employees are represented by the Fort Bragg Police Association (FBPA), an unaffiliated employee organization. Compensation and benefits are negotiated and documented in a Memorandum of Understanding (MOU).
- f. **Compensation and benefits of employees** not represented by the FBEO and FBPA are established by Council resolution.
- g. **Additional Sources of Information.** The current employment agreements, resolutions and MOUs noted above can be found on the City's website.

14. Pension Policy

- a. Actuarially Determined Contributions: Each fiscal year, the City will contribute to CalPERS the amount determined by CalPERS actuaries to be the minimum required employer contribution for that year. The minimum contribution consists of two components, normal cost and unfunded accrued liability (UAL). The normal cost is expressed as a rate that is applied to pensionable payroll costs and reflects the cost of pension benefits earned by employees in the current fiscal year. The UAL payment is a flat dollar amount that represents a portion of the cost of past benefits earned by employees, but for which, because of deviations in actual experience and changes in assumptions about investment performance, the normal cost rates established for those prior years has been determined to be insufficient to provide the promised retirement benefit. The CalPERS actuaries recalculate the total UAL each year and an updated multi-year amortization schedule is provided to show the projected annual minimum payments.
- b. Annual UAL Prepayment: CalPERS offers the option to make monthly payments on the UAL or prepay the entire annual amount at a discounted level by the end of July. The City will prepay its annual obligation each year to achieve budgetary savings.
- c. Section 115 Pension Trust: The City will establish and maintain a pension stabilization fund in the form of a Section 115 Pension Trust. The targeted funding level for this fund is the City Council policy that fifty percent (50%) of any surplus in the General Fund at year-end will be used to reduce the current UAL. Assets in the Section 115 Pension Trust may be used only for pension related costs and at the direction of the City Council. Once the targeted funding level is reached, the earnings on the assets in the Trust may be applied to offset a portion of the City's annual pension contributions to CalPERS or make additional discretionary payments to CalPERS.
- d. Targeted Funding Level: The City's goal is to achieve and maintain a funded status for each of its plans of between 90% and 100%. A funded status of 100% signifies that the City's pension assets with CalPERS match its accrued liabilities.
- e. Additional Discretionary Payments: CalPERS allows member agencies to make additional discretionary payments at any time and in any amount, which would serve to reduce the UAL and future required contributions. The City will consider this option in the context of its annual evaluation of reserve levels and budgetary requirements.
- f. Transparency and Reporting: Funding of the City's pension plans should be transparent to vested parties including plan participants, annuitants, the City Council and Fort Bragg residents. In order to achieve this transparency, the following information shall be available:
 - a. Copies of the annual actuarial valuations for the City's CalPERS plans.
 - b. The City's Comprehensive Annual Financial Report shall be published on the City's website. This report includes information on the City's annual contributions to the pension system and their funded status.
 - c. The City's annual operating budget shall include the City's contributions to CalPERS.
- l. Pension Obligation Bonds (POBs): POBs or a similar debt issuance such as Lease Revenue Bonds (LRBs) used to make payments towards the City's UAL are tools that can be used to provide an additional discretionary payment to CalPERS upon the determination that the cost to borrow the funds for the payment is less than continuing to make the projected prescribed UAL payments at the current discount rate. If the City issues POBs or LRBs, the following guidelines will apply:
 - a. Expert advice and analysis by actuaries and municipal advisors will be utilized to stress test the risk of a market crash and threshold at which the City would be worse off issuing POBs or LRBs versus not.
 - b. The interest rate on the POBs or LRBs shall be at least 2.5% less than the current

CalPERS discount rate.

c. The final maturity date on the POBs or LRBs will be no more than the current term of the UAL.

d. The POBs or LRBs structure will contain an early call provision.

- g. Review of Funding Policy: Funding a defined pension plan requires a long-term horizon. As such, the City will review this policy at least every five years to determine if changes to this policy are needed to ensure adequate resources are being funding the UAL.



CITY OF FORT BRAGG

STATEMENT OF INVESTMENT POLICY

INTRODUCTION

The City Council of the City of Fort Bragg recognizes its responsibility to properly direct the investments of funds for the City and its component units. The purpose of this Investment Policy is to provide guidelines for the investment of funds based upon prudent cash management practices and in conformity with all applicable statutes. Related activities which comprise good cash management include accurate cash projections, the expeditious collection of revenue, cost-effective banking relations, and the control of disbursements.

SCOPE

This policy covers the investment activities of all contingency reserves and inactive cash under the direct authority of the City of Fort Bragg and Municipal Improvement District #1. Policy statements outlined in this document focus on the City of Fort Bragg's pooled funds but also apply to all other funds under the City Treasurer's span of control unless exempted by resolution or statute. Investments for the City and its component units will be made on a pooled basis including, but not limited to, the City of Fort Bragg, Municipal Improvement District #1 and Fort Bragg Redevelopment Successor Agency. The City's Comprehensive Annual Financial Report identifies the fund types involved as follows:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Enterprise Funds
- Internal Service Funds
- Trust Funds
- Miscellaneous Special Funds
- Any new funds created by the City Council unless specifically exempted.

Investments of bond proceeds will be held separately when required by the bond indentures or when necessary to meet arbitrage regulations. If allowed by the bond indentures, or if the arbitrage regulations do not apply, investments of bond proceeds will be held as part of the pooled investments.

PRUDENCE

Section 53600.3 of the California Government Code identifies as trustees those persons authorized to make investment decisions on behalf of a local agency. As a trustee, the standard of prudence to be used shall be the "prudent investor" standard and shall be applied in the context of managing the overall portfolio. The trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

It is the policy of the City Council that investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk changes or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

INVESTMENT OBJECTIVES

Section 53600.5 of the California Government Code outlines the primary objectives of a trustee investing public money. The primary objectives, in order of priority, of the City's investment activities shall be:

- **Statutory compliance.** To assure compliance with all federal, state, and local laws governing the investment of monies.
- **Safety.** Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio.
- **Liquidity.** The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.
- **Return on investment.** Investment return becomes a consideration only after the basic requirements of safety and liquidity have been met. The City Treasurer shall attempt to realize a yield on investments consistent with California statutes and the City's Investment Policy.

The City Treasurer shall strive to maintain the level of investment of all contingency reserves and inactive funds as close to one hundred percent (100%) as possible. While the objectives of safety and liquidity must first be met, it is recognized that portfolio assets represent a potential source of significant revenues. It is to the benefit of the City that these assets be managed to realize a yield on investments consistent with California statutes and the City's Investment Policy.

DUTIES AND RESPONSIBILITIES

The management of inactive cash and the investment of funds is the responsibility of the City Treasurer (or his/her designee) as directed by the City Council. Under the authority granted by the City Council, no person may engage in an investment transaction covered by the terms of this policy unless directed by the City Treasurer or designee.

In the execution of this delegated authority, the City Treasurer may establish accounts with qualified financial institutions and brokers/dealers for the purpose of effecting investment transactions in accordance with this policy. In selecting financial institutions, the creditworthiness of institutions shall be considered and the City Treasurer shall conduct a comprehensive review of prospective depository's credit characteristics and financial history.

A written copy of this Investment Policy shall be presented to any person offering to engage in an investment transaction with the City. Investments shall only be made with those business organizations (including money market mutual funds and local government investment pools), which have provided the City certification of having received and reviewed the City's Investment Policy.

The City Treasurer may designate in writing a Deputy City Treasurer who, in the absence of the City Treasurer, will assume the City Treasurer's duties and responsibilities. The City Treasurer shall retain full responsibility for all transactions undertaken under the terms of this policy.

Ethic and Conflicts of Interest

All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment recommendations and decisions. Investment officials and employees shall make all disclosures appropriate under the Fair Political Practices Act and may seek the advice of the City Attorney and the Fair Political Practices Commission whenever there is a question of personal financial or investment positions that could represent potential conflicts of interest.

COLLATERALIZATION

When required by California statute or this Investment Policy, any investment capable of being collateralized, shall be collateralized by the required amounts imposed by law. To give greater security to the City's investments, when an investment is collateralized and not perfected under existing law, an attempt to perfect the collateralization should be made.

AUTHORIZED INVESTMENTS

The City Treasurer may invest City funds in the following instruments as specified in the California Government Code Section 53601 and as further limited in this policy.

Federally insured bank/ time Certificates of Deposit (CD's): Certificates of Deposit shall not exceed five years to maturity. Investments in Certificates of Deposit and Checking Accounts shall be fully insured up to the amount allowed per account by the Federal Deposit Insurance Corporation or the National Credit Union Administration. Furthermore, the combined investments in Certificates of Deposit and Prime Commercial Paper, if a private sector entity is used, shall not exceed, in total, more than fifty percent (50%) of the portfolio.

U.S. Treasury Bills, Notes and Bonds: Obligations of the U.S. Government and its agencies or those for which the full faith and credit of the United States are pledged for payment of principal and interest. The maximum maturity length shall not exceed five years.

General Obligations of any State or local political subdivision: Must be rated A.A./Aa/A.A. or higher by one of the following: Standard & Poor's, Moody's or Fitch.

Repurchase Agreements: Repurchase Agreements with a maximum maturity of one year. Repurchase Agreements may not exceed five percent 5% of the portfolio. The market value of securities that underlay a Repurchase Agreement shall be valued at one hundred two percent 102% or greater of the funds borrowed against those securities.

Money Market/Mutual Funds: Money Market or Mutual Fund investments holding only U.S. Treasury and Government Agency obligations and cash.

Local Agency Investment Fund (LAIF): Local Agency Investment Fund (LAIF) of the State of California. Investments will be made in accordance with the laws and regulations governing those Funds.

Investment Trust of California (CalTRUST): Investments in CalTRUST will be made in accordance with the laws and regulations governing those funds.

New Securities: New types of securities authorized by California law, but which are not currently allowed by this investment policy, must first be approved by the City Council.

UNAUTHORIZED INVESTMENTS / INVESTMENT ACTIVITIES

Instruments not expressly authorized are prohibited. In accordance with California Government Code Section 53601.6, investment in inverse floaters, range notes or mortgage derived interest-only strips is prohibited, as are derivatives. In addition, and more generally, investments are further restricted as follows:

- No investment will be made in any security that could result in zero interest accrual if held to maturity.
- No investment will be made that could cause the portfolio to be leveraged.
- Purchases of investments on margin will not be made.

INVESTMENT STRATEGY

Pooled Investments: A buy and hold strategy will generally be followed; that is, investments once made will usually be held until maturity. A buy and hold strategy will result in unrealized gains or losses as market interest rates fall or rise from the coupon rate of the investment. Unrealized gains or losses, however, will diminish as the maturity dates of the investments are approached or as market interest rates move closer to the coupon rate of the investment. A buy and hold strategy requires that the portfolio be kept sufficiently liquid to preclude the undesired sale of investments prior to maturity. Occasionally, the City Treasurer may find it advantageous to sell an investment prior to maturity, but this should only be on an exception basis and only when it is in the best interest of the City.

Investments Held Separately: Investments held separately for bond proceeds will follow the trust indenture for each issue.

DIVERSIFICATION

The portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. In addition to the limitations on specific security types indicated in this Investment Policy, and with the exception of U.S. Treasury/Federal agency securities and authorized pools, no more than five percent 5% of the City's portfolio will be placed with any single issuer.

INTERNAL CONTROLS

The City Manager and the Finance Director are responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. Due to the need to preserve segregation of duties and check and balance, all outgoing wire transfers shall be confirmed by the bank with a second person prior to the completion of the transfer.

REPORTING

Sections 53607 and 53646 of the California Government Code allow the City Council, at its discretion, to require reports meeting the standards set forth in these sections, as well as any additional information desired. A report for pooled investments will be made to the City Council at the mid-year budget review session and at a public meeting following the close of the fiscal year.

INVESTMENT POLICY REVIEW AND ADOPTION

Section 53646(a) (2) of the California Government Code allows the City Treasurer to render a statement of investment policy to the City Council and the Finance Committee, and recommends that one be presented each year. Therefore, the City's investment policy and any modifications thereto shall be considered no less often than annually at a public meeting. Adoption of the investment policy and any changes must be made by resolution of the City Council.







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**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget



**BUDGET
SUMMARY**



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CITY OF FORT BRAGG
FY 2023/24
PROPOSED BUDGET
SUMMARY SCHEDULES



City of Fort Bragg FY2023/24 Summary of Revenue, Expenditures & Fund Balance										
Fund No.	Fund Type/Name	FY 2022/23				FY 2023/24 BUDGET				
		Audited Fund Balance at 06/30/22	Projected Revenue	Estimated Expenditures	Net Transfers	Projected Fund Balance at 06/30/23	FY 2023/24 Budget Revenue	Appropriations	Net Transfers	Projected Fund Balance at 06/30/24
General Fund										
110	Unassigned	\$ 2,400,901	\$ 11,030,280	\$ 10,769,945	(551,224)	\$ 745,619	\$ 11,624,780	11,540,795	-\$ (405,850)	423,753
	Section 115 Contribution			\$ (1,364,392)						
	Nonspendable	11,986				11,986				11,986
	Committed- 2021 Lease Revenue Bonds	3,500,000		3,500,000					(258,300)	1,731,119
110	GF Operating Reserve- Committed	1,989,419				1,989,419				664,150
112	GF Recession Reserve	489,929				489,929				200,000
114	GF Litigation Reserve	200,000				200,000				
	Total General Fund excluding Committed Funds	8,592,235	11,030,280	12,905,553	(551,224)	3,436,953	11,624,780	11,540,795	-	3,520,937
Special Revenue Funds, Restricted***										
116	General Plan Maint Fee Fund	139,061				139,061	250			139,311
117	Housing Trust Funds	75,644				75,644	250			75,894
118	FLHA						106,856	106,856		
120	Parking	34,791				34,791	100			34,891
122	Parkland Monitoring/Reporting	128,478	800			129,278	1,000			130,278
124	Tobacco License Fee	19,569	3,000			22,569	3,000			25,569
125	State Disability Access Fee	15,030	3,724			18,754	3,120			21,874
139	Cops AB19/13 Allocation		165,271				170,229	170,229		
167	Asset Forfeiture	411,937	12,000	110,867	442,994	756,064	23,000	146,000		633,064
176	RDA Housing Successor	184,418	2,000			186,418	2,000			188,418
190	Construction/Demolition Ord Fees	598				598				598
220	Waste Mgt Community Benefit Pymt	269				269				269
221	Highway User Tax (Gas Tax)		206,579				227,387	227,387		
222	RMRA - Gas Tax	21,320	157,761	79,081	(100,000)		1,328,844	176,824	(1,152,020)	
223	STP D1 MCOG Streets/Hwy **	1,266				1,266	439,356	3,800	(439,356)	1,266
230	Traffic & Safety		4,100	4,100			3,800	3,800		
250	Special Sales Tax-Street Repair	2,496,346	1,117,500	369,130	(296,339)	2,948,377	1,121,100	255,219	(2,526,604)	1,287,654
280	Fire Equipment Fund	212,855	57,875			270,730	58,446			329,176
285	OJ Park Maintenance Fund	2,110				2,110				2,110
	Total Special Rev Funds, Restricted	3,743,692	1,730,610	935,029	46,655	4,585,929	3,488,738	1,086,315	(4,117,980)	2,870,372
Special Revenue Funds, Grants***										
131	CDBG Unclassified Program Income	7,028				7,028				7,028
162	CDBG Program Income Account	6,088	254,000		(162,000)	98,088	244,398		(226,398)	116,088
314	MCOG OWP	1,613	15,000	15,000		1,613	204,062	42,062	(162,000)	1,613
315	2014 CDBG Grants	24,188				24,188				24,188
319	Department of Water Resources		300,000		(300,000)		10,331,000		(10,631,000)	(300,000)
326	HCD HOME Grant - 2013 (TBRA Program)									
329	State Grants		281,452		(281,452)		748,029	92,000	(656,029)	
330	Federal Grants		75,400		(75,400)		205,300		(205,300)	
331	CDBG 2016	10,308				10,308				10,308
333	2017 CDBG Grants	315,677	(33,871)	281,806		(19,566)				
334	2020 CDBG Grants	122,426	(15,924)	248,264	122,196		1,200,277	429,834	(750,877)	
335	CDBG COVID Grants		593,155	593,155						
336	ARPA Funds	872,081	872,081			1,744,162			(1,744,162)	
337	Noyo Harbor Blue Economy		35,000	35,000			500,000	500,000		
	Total Special Rev Funds, Grants	1,359,409	2,376,293	1,173,226	(696,656)	1,865,821	13,433,066	1,063,896	(14,375,766)	(140,775)

City of Fort Bragg FY 2023/24 Summary of Revenue, Expenditures & Fund Balance										
Fund No.	Fund Type/Name	FY 2022/23				FY 2023/24 BUDGET				
		Audited Fund Balance at 06/30/22	Projected Revenue	Estimated Expenditures	Net Transfers	Projected Fund Balance at 06/30/23	FY 2023/24 Budget Revenue	Appropriations	Net Transfers	Projected Fund Balance at 06/30/24
Capital Project Funds:										
407	Coastal Trail Construction	13,408	-	-	-	13,408	-	-	-	13,408
408	2025 Pavement Preservation Project	-	-	-	-	-	-	230,000	230,000	-
415	Central Coastal Trail Construction	(18,675)	-	-	-	(18,675)	-	-	-	(18,675)
419	Bainbridge Park Improvements (Wiggly Giggly)	-	-	341,779	-	377,952	-	-	-	36,173
420	Maple Street Storm Drain Rehabilitation	(100,000)	-	-	-	100,000	-	-	-	-
421	2022 Street Resurfacing & Structural Repair Pr	-	-	296,339	-	296,339	-	-	4,178,029	-
422	RT 1 Pedestrian Access Improvements	-	-	-	-	-	-	-	-	-
423	Town Hall Bathroom and Windows	-	-	40,000	-	40,000	-	-	140,000	-
424	Main Street Fire Station Rehab	-	-	39,804	-	39,804	-	-	150,572	-
426	Municipal Broadband	-	-	103,500	-	103,500	-	-	2,120,191	-
427	City Facility Roof & Repairs	-	-	105,000	-	105,000	-	-	370,000	-
428	EV Charging Stations	-	-	-	-	-	-	232,951	232,951	-
Total Capital Project Funds		(105,267)	-	926,422	-	1,062,595	-	-	7,421,743	30,906
Internal Service Funds*										
520	Facilities Maint & Repair	680,261	216,030	120,225	(345,000)	431,066	210,500	128,498	(510,000)	3,068
521	Technology Maint & Repair	106,728	612,223	619,644	-	99,307	618,972	708,636	-	9,643
522	Fleet & Equipment Services	(16,842)	459,000	838,205	183,630	(212,417)	484,513	472,580	205,300	4,816
Total Internal Service Funds		770,147	1,287,253	1,578,074	(161,370)	317,956	1,313,985	1,309,715	(304,700)	17,527
Enterprise Funds*										
610	Water Enterprise O&M	94,934	2,966,560	2,707,412	-	354,082	3,009,060	2,673,136	254,160	944,166
640	Water Enterprise Capacity Fees	595,911	55,500	-	-	651,411	51,000	-	-	702,411
614	Water Enterprise Non-Routine Maintenance	15,262	300	-	-	15,562	100	-	-	15,662
612	Water Enterprise Recession Reserve	89,780	-	-	-	89,780	-	-	177,534	267,314
615	Water Enterprise Capital Reserve	6,159,409	50,000	-	(3,800,000)	2,409,409	10,000	-	(1,724,194)	695,215
651	Water Capital Projects	625,450	-	4,309,354	4,100,000	416,096	-	12,569,703	12,569,703	416,096
Total Water Enterprise Unrestricted Net Position		7,580,746	3,072,360	7,016,765	300,000	3,936,340	3,070,160	15,242,839	11,277,203	3,040,864
710	Wastewater Enterprise O&M	(1,048,066)	3,451,140	2,427,118	184,850	160,806	3,496,756	2,563,726	(230,685)	863,152
720	Clean Water Education Fund	2,795	-	-	-	2,795	-	-	-	2,795
740	Wastewater Enterprise Capacity Fees	711,379	54,000	-	-	765,379	28,000	-	-	793,379
712	Wastewater Enterprise Recession Reserve	95,931	-	-	-	95,931	-	-	160,442	256,373
714	Wastewater Enterprise Non-Routine Maintenance	236,674	-	-	-	236,674	-	-	-	183,674
715	Wastewater Enterprise Capital Reserve	3,093,909	10,000	-	780,000	3,883,909	7,000	-	(1,345,267)	2,545,642
716	Wastewater Capital Projects	33,309	-	780,000	780,000	33,309	-	1,330,000	1,330,000	33,309
717	USDA Debt Service Reserve	3,518	-	-	-	3,518	-	-	-	3,518
Wastewater Unrestricted Net Position before Debt		3,129,449	3,515,140	3,207,118	1,744,850	5,182,321	3,531,756	3,946,726	(85,510)	4,661,842
717	JFFA - Wastewater Treatment Plant	(4,740,000)	-	184,850	184,850	(4,555,150)	-	185,010	185,010	(4,370,140)
810	CV Starr Enterprise	974,706	2,102,899	2,082,575	-	20,323	2,129,144	2,120,714	(216,071)	(187,318)
	CV Starr Operating Reserve	1,300,000	-	-	-	974,706	-	-	-	974,706
	CV Starr Capital Reserve	-	-	-	-	1,300,000	-	1,300,000	-	-
	CV Starr Enterprise Recession Reserve	-	-	-	-	-	-	-	-	-
Starr Center Enterprise Unrestricted Net Position		2,274,706	2,102,899	2,082,575	-	2,295,029	2,129,144	3,420,714	-	216,071
Total Enterprise Funds		12,984,901	8,690,399	12,491,309	300,000	6,858,540	8,731,061	22,795,288	11,376,703	4,356,025
Total - All Funds		\$ 27,346,117	\$ 25,114,834	\$ 30,009,612	\$ 0	\$ 17,096,105	\$ 38,591,630	\$ 45,217,752	\$ -	\$ 10,654,992
175	Successor Agency to RDA	(3,079,811)	382,100	384,627	-	(2,922,338)	390,340	377,757	-	(2,744,755)
Total Fiduciary Funds		(3,079,811)	382,100	384,627	-	(2,922,338)	390,340	377,757	-	(2,744,755)

BUDGET OVERVIEW – ALL FUNDS

INTRODUCTION

The City of Fort Bragg's combined annual budgeted appropriations for FY 2024 is \$45.3 million. This amount includes appropriations from all funds (\$45.3M) and transfers (\$23.7M). Combined appropriations and transfers for FY 2024 are \$14.1 million more than projected for FY 2023.

The City's budget includes three major operating funds: The General Fund, Water Enterprise Fund, and Wastewater Enterprise Fund, as well as Special Revenue Funds, Capital Project and Grant Funds, and the C.V. Starr Enterprise Fund. Core city services such as police, community development, parks, and street maintenance are budgeted in the General Fund and are supported primarily by sales tax, property tax, transient occupancy tax (TOT), and charges for services rendered. The City's Water and Wastewater Enterprise funds are supported by user fee revenues which are charged for services provided to the City's residents. Activities supported by funds received by the City which are restricted in their use are included in Special Revenue Funds and Grant Funds. Construction activities associated with capital projects are accounted for in Capital Project Funds.

Included in the \$45.3 million total annual budget amount are the City's Internal Service Funds and allocations to the General Fund from the Water, Wastewater, and C.V. Starr Enterprise Funds for services provided to these funds. These expenditures are found in the budget twice because the revenue to the Internal Service Funds is a budgeted expenditure in the City's other funds. The allocations are revenue to the General Fund that the General Fund departments then spend.

Also, included in the annual budget amount are the City's Fiduciary Funds. Fiduciary Funds are used to account for resources that a government holds as a trustee or agent on behalf of an outside party and cannot support the government's own programs. The City has one fiduciary fund: Successor Agency to Fort Bragg Redevelopment Agency.

Throughout the budget document, reference is made to interfund transfers. An interfund transfer is a transfer of funds from one City fund to another City fund. These transfers appear as a resource in the fund receiving the transfer and as an appropriation in the fund that is sending the transfer. While this results in the revenue and expenditure being "double-counted" in the annual budget, this presentation is necessary to provide a transparent picture of actual expenditures for both the funding and receiving funds.

ALL FUNDS – FUND BALANCE

The FY 2024 projected all funds year-end fund balance is \$11.7 million, down from the FY 2023 balance of \$19.8 million. Of this balance, the City has several reserves, as noted below. These reserves are committed in accordance with the City's Fund Balance & Reserve Policies which are intended to ensure the continued financial well-being of the City by planning for emergencies, economic uncertainties, unforeseen operating or capital needs, economic development opportunities, and cash flow requirements.

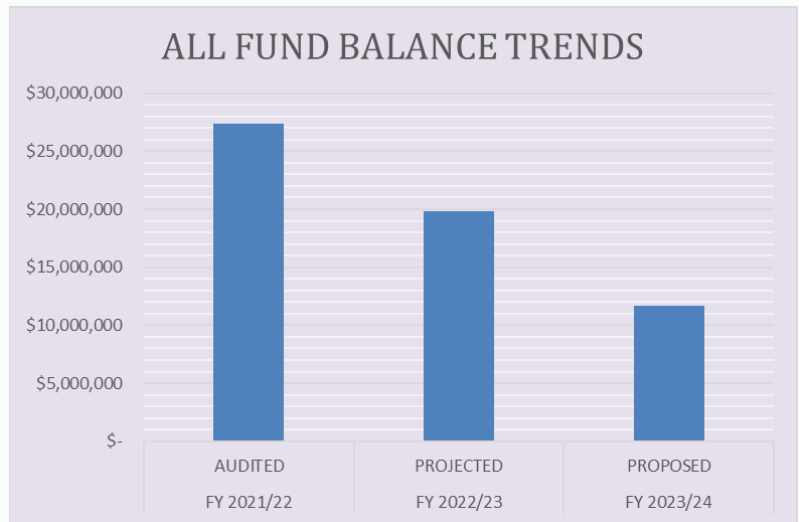
The City Council periodically reviews and updates these guidelines. As shown below, the "unrestricted or unassigned fund balance" in the FY 2024 Budget is approximately \$1.6 million.

	FY 2023/24 PROPOSED
Total All Funds Balance	\$ 10,852,067
Less Nonspendable (inventory, etc.)	11,986
Less Restricted Reserves (externally enforceable)	
Special Revenue Funds	2,870,372
Operating Grants	(140,775)
Debt Service Reserve	3,518
Less Committed Reserves (Set by Council resolution)	
General Fund Operating Reserve	1,731,119
Water Operating Reserve	944,166
CV Starr Operating Reserves	984,463
Wastewater Operating Reserve	863,152
General Fund Recession Reserve	1,154,079
Water Recession Reserve	267,314
CV Starr Recession Reserve	216,071
Wastewater Recession Reserve	256,373
Water Capital Reserve	710,877
Wastewater Capital Reserve	2,729,316
Capital Projects in Process	480,311
CV Starr Capital Reserves	-
Internal Service Fund Reserves	17,527
Litigation Reserve	200,000
WWTP Debt	(4,370,140)
Unassigned/Unrestricted Balance	\$ 1,922,338

	FY 2023/24 PROPOSED
Detail of Unassigned/Unrestricted Balance	
General Fund	\$ 423,753
Water Enterprise	702,411
Wastewater Enterprise	796,174
Total Unassigned/Unrestricted Balance	\$ 1,922,338

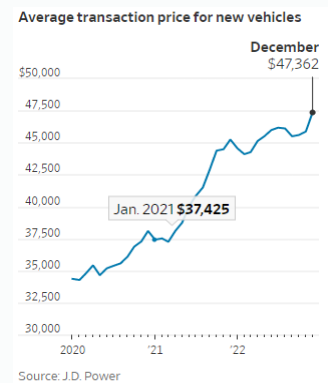
FUND BALANCE TRENDS

The City's all funds balance is likely to decrease in FY 2024 by approximately \$8.1 million. The proposed budget includes \$12.5 million for Water - Capital Improvements, \$1.3 million in CV Starr, and \$1.3 million for Wastewater Capital Improvements. The decrease is primarily a result of the Capital Improvement Program Planned for the Enterprise fund, which includes \$2.7 million for the Water Enterprise and \$955k for the Wastewater Enterprise, and \$378k for the CV Starr.



According to the long-term replacement program already set, internal Service fund balances will also decrease by \$300k to \$17k. These include Fleet, Facilities, and I.T. The IT Fund's annual operating budget has more than doubled in operating expenditures due to the needed network and firewall upgrades, as worldwide cyber-attacks target organizations small and large.

The Fleet Fund saw an increase in the cost of new vehicles experienced nationwide as supply chain disruptions (in global semi-conductors shortages, supply of chips, and other disruptions caused by the pandemic) have created a new-vehicle scarcity in recent years, resulting in a seller's market. According to research firm J.D Power, the average price paid for a new vehicle hit a record of \$47,362 in December 2022. The City purchased seven vehicles in FY 2023, which included vehicles slated to be bought in FY 2022.



The City will receive \$209k in reimbursements from the United States Department of Agriculture (USDA) for the vehicle purchased.

The Facilities Fund Budget includes deferred maintenance on the Police Department Roof, City Hall Roof, and the Town Hall bathrooms amounting to \$510k. The fund balance is estimated to end the fiscal year at just \$3,068. The City is seeking Grant opportunities to alleviate some of the funding pressure for these deferred maintenance projects.

The General Fund's fund balance is projected to increase by \$84k from the projected FY 2024 ending fund balance as Transient Occupancy Taxes and Sales Tax strong performance from the last two fiscal years has begun to cool off. Conversely, the Grant staff time reimbursement is expected to increase by 34 percent from the prior fiscal resulting in an estimated surplus balance for the General Fund. In FY 2023, savings in personnel costs from vacant positions caused a \$260k surplus projection, which will also increase the fund balance.

DISCUSSION OF REVENUE TRENDS - ALL MAJOR FUNDS

Overall, the City's revenues are estimated to increase by 62 percent (\$13 million), mainly due to Grant revenues.

- General Fund revenue is expected to increase modestly by just 5% due to Grant Staff time reimbursements of \$716k, which includes Community Development Block Grants (CDBG), Code Enforcement, Business Assistance Loan Program, the Water Meter Replacement Grant, Youth Opioid Resistance Fund Grant, Local Agency Technical Assistance (LATA) from the California Public Utilities Commission (CPUC) and the Coastal Commission Grant for the Noyo Harbor. These grants reimburse the General Fund for at least 90 percent of six full-time positions and other staff time for work related to carrying out the Grant deliverables.
- Water, Sewer, and CV, Starr's Charges for Services Revenues, are estimated to increase by just 1.7 percent. At this same time last year, the City was preparing to declare a water emergency in response to the lack of adequate rainfall during the previous winter and drought-like conditions with water levels at historic lows. Additionally, the two Enterprise Funds waived the last round of scheduled approved rate increases in FY 2020/21, which would have increased Water rates by 5% and Wastewater rates by 3%. The current budget includes a budget to conduct a rate study to evaluate the enterprise rates, ensuring the fund's user fees are sufficient to address ongoing operations, upgrade the Water/Sewer infrastructure, and build up the fund reserves to ensure financial stability.

Moreover, contributed capital of \$2.8 million is for the replacement of water meters which is funded by Community Development Block Grants (CDBG)

- The CV Starr Center was closed in the final quarter of FY 2020 and all of FY 2021 due to the SIP orders and County/State restrictions in response to COVID-19. This resulted in a loss of revenue from operations of \$285k in the final quarter of FY 2020 and \$700k of annual operating revenues in FY 2021. The center expects a reduction in general admission and registration revenues by about 37% in FY 2022. Still, admission revenues will likely return to pre-covid levels in FY 2024 as the center resumes operations full-time. The CV Starr Center was awarded a grant of \$612k in FY 2022, allocated to their reserves to replace some of the lost revenues.
- Special revenues and Capital Projects are projected to increase as well in the proposed budget. These projects include Raw Water Line \$4 million, Water Treatment Plant \$5.2 million, and Municipal Broadband, \$1.7 million: water Meter Replacement, \$826k, and the Oneka Desalination Project, \$800k. Grants with minimal contributions from the Enterprise Funds are funding these projects.
- Lastly, Internal Service Fund revenue is estimated to increase by 2 percent, or \$27k. Each year the Internal Service Fund's long-term plans are re-assessed. Funding plans are designed to fund maintenance and replacement across a 10-year horizon for Facilities Repair and Maintenance and Fleet and Equipment Services. Technology Maintenance and Replacement uses a 5-year horizon.

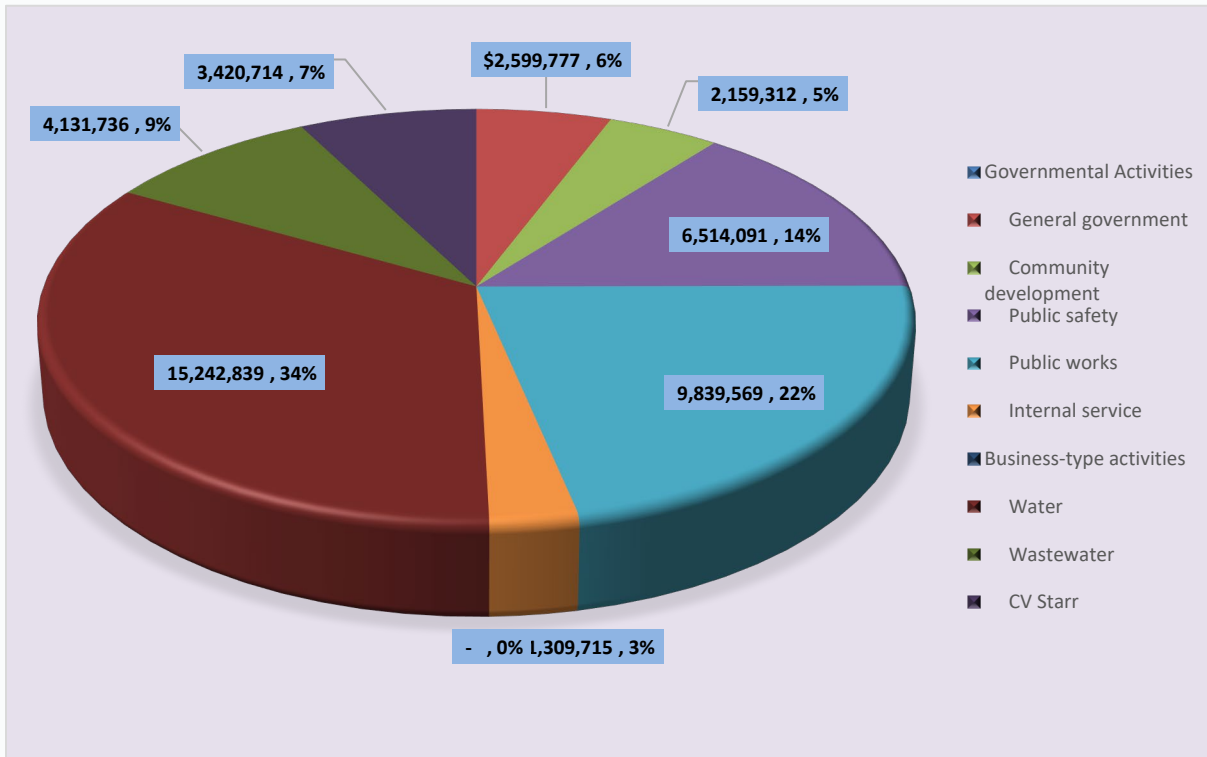
**ALL FUNDS
DETAIL OF REVENUES BY FUND
FY 2020/21 THROUGH FY 2023/24**

FUND	FY 2020/21 FYE AUDITED	FY 2021/22 FYE AUDITED	FY 2022/23 AMENDED BUDGET	FY 2022/23 FYE PROJECTED	FY 2023/24 PROPOSED BUDGET	% INCR/ -DECR
General Fund						
Property Taxes	\$ 1,085,532	\$ 1,150,352	\$ 1,176,309	\$ 1,138,562	\$ 1,150,257	1.0%
Sales Taxes	2,028,010	2,215,161	2,178,000	1,939,200	1,959,500	1.0%
Transient Occupancy Taxes	3,321,928	3,444,990	3,371,081	3,213,808	3,242,118	0.9%
Other Taxes	810,652	851,622	832,442	884,801	903,985	2.2%
Reimbursements	2,307,897	3,334,556	2,831,850	2,960,696	3,341,622	12.9%
Charges for Services	45,369	62,387	70,546	82,664	81,343	-1.6%
Intergovernmental	133,162	164,075	651,532	534,269	716,362	34.1%
Licenses & Permits	91,567	86,176	95,413	90,490	94,293	4.2%
Other Revenues	109,358	22,574	38,500	81,779	20,200	-75.3%
Use of Money & Property	(64,617)	(166,317)	61,300	74,000	90,000	21.6%
Fines & Forfeitures	12,181	51,396	31,500	30,010	25,100	-16.4%
Total General Fund	9,881,040	11,216,969	11,338,472	11,030,280	11,624,780	5.4%
Water						
Charges for Services	3,288,053	3,005,288	2,970,342	2,915,560	2,960,060	1.5%
Use of Money and Property	66,700	56,689	69,800	66,800	19,100	-71.4%
Other	25,653	13,463	12,500	38,000	41,000	7.9%
Contributed Capital	346,561	44,837	20,000	52,000	50,000	-3.8%
Total Water	3,726,967	3,120,277	3,072,642	3,072,360	3,070,160	-0.1%
Wastewater						
Charges for Services	3,707,788	3,570,257	3,212,050	3,432,640	3,486,756	1.6%
Use of Money and Property	36,823	32,544	34,000	32,500	20,000	-38.5%
Other Financing Sources	(0)	-	-	-	-	n/a
Contributed Capital	309,446	7,353	15,000	50,000	25,000	-50.0%
Total Wastewater	4,054,057	3,610,153	3,261,050	3,515,140	3,531,756	0.5%
Total Revenue - Operating Funds	17,662,064	17,947,400	17,672,164	17,617,780	18,226,696	3.5%
C.V. Starr Center						
Sales and Use Taxes	1,099,510	1,211,340	1,257,000	1,193,693	1,199,769	0.5%
Property Taxes	262,787	268,596	272,625	280,324	283,127	1.0%
Charges for Services	(0)	982,540	578,882	578,882	596,248	3.0%
Use of Money and Property	11,918	15,009	10,000	10,000	10,000	0.0%
Other	-	-	10,000	40,000	40,000	0.0%
Total C.V. Starr Center	1,374,215	2,477,486	2,128,507	2,102,899	2,129,144	1.2%
Special Revenue & Capital Project Funds						
Special Revenue, Restricted	1,787,903	2,767,771	3,635,196	2,524,264	3,293,463	30.5%
Special Revenue, Grants	5,266,209	3,636,259	10,831,473	1,582,639	13,628,341	761.1%
Capital Projects	-	-	-	-	-	n/a
Total Special Revenue & Capital	7,054,112	6,404,029	14,466,669	4,106,903	16,921,804	312.0%
Subtotal	26,090,391	26,828,914	34,267,340	23,827,582	37,277,645	56.4%
Internal Service Funds						
Facilities Maintenance	102,973	213,501	201,098	216,030	210,500	-2.6%
Information Technology	272,450	497,457	471,859	612,223	618,972	1.1%
Fleet & Equipment Services	255,422	342,307	409,513	459,000	484,513	5.6%
Total Internal Service Funds	630,845	1,053,265	1,082,470	1,287,253	1,313,985	2.1%
Subtotal before Transfers	26,721,237	27,882,179	35,349,811	25,114,834	38,591,630	53.7%
Transfers	9,944,137	11,408,039	13,994,508	6,920,799	23,703,262	242.5%
Total Revenue, All Funds	\$ 36,665,374	\$ 39,290,218	\$ 49,344,318	\$ 32,035,634	\$ 62,294,891	94.5%

EXPENDITURES BY FUNCTION / PROGRAM

ALL FUNDS
EXPENDITURE SUMMARY BY FUNCTION/PROGRAM
FY 2020/21 THROUGH FY 2023/24

ALL FUNDS	FY 2020/21 FYE AUDITED	FY 2021/22 FYE AUDITED	FY 2022/23 AMENDED BUDGET	FY 2022/23 FYE PROJECTED	FY 2023/24 PROPOSED BUDGET	% INCR/ -DECR
Governmental Activities						
General government	\$ 1,190,039	\$ 2,062,314	\$ 2,734,398	\$ 2,539,012	\$ 2,599,777	2.4%
Community development	4,796,212	1,759,338	9,414,654	2,044,847	2,159,312	5.6%
Public safety	5,114,834	5,962,762	6,277,383	5,986,361	6,514,091	8.8%
Public works	2,350,692	3,677,477	6,245,762	3,234,401	9,839,569	204.2%
Internal service	754,826	1,250,708	1,496,066	1,578,074	1,309,715	-17.0%
Business-type activities						
Water	1,687,319	2,676,419	14,229,448	7,018,765	15,242,839	117.2%
Wastewater	3,036,895	3,942,009	3,697,753	3,389,968	4,131,736	21.9%
CV Starr	1,228,893	2,145,403	2,567,760	2,082,575	3,420,714	64.3%
Fiduciary Activities						
Fiduciary	228,240	225,062	386,475	384,627	377,757	-1.8%
Subtotal	20,387,951	23,701,492	47,049,700	28,258,631	45,595,509	61.4%
Transfers Out	9,944,137	11,408,039	13,994,508	6,920,799	23,702,812	242.5%
TOTAL ALL FUNDS	\$ 30,332,088	\$ 35,109,531	\$ 61,044,207	\$ 35,179,431	\$ 69,298,321	97.0%



DISCUSSION OF EXPENDITURE TRENDS – ALL MAJOR FUNDS

The FY 2024 Budget expenditures total \$45 million with Internal Service Funds, Fiduciary Funds, internal charges for service, and transfers between funds excluded from the total, with \$69 million including transfers.

General Government is budgeted to increase by 2.4% or \$61k in FY 2024 due Insurance costs are set to increase by 3% for retiree medical, property and general liability increases of 15%. Cost of Living Adjustments for employees and promotions within the department. Furthermore, the City returned the \$3.5 million (from the 2021 Revenue Lease Bonds issuance in November 2021 restructuring the City's Unfunded Liability Debt with CalPERS) decreasing the total debt, and eliminated the principal payment of \$85k in fiscal year 2023. In the proposed Budget, the debt payment of \$440k will be realized in the fiscal year.

Community Development is expected to increase by \$2.1 million or 5%. Most of the increase in this function is due to additional grant activity in FY 2024 for Community Development Block Grants (CDBG), the Department of Water Resources- Raw Water Line construction and Oneka Buoy of \$4.5 million, State Revolving Fund \$5.2 million and Coastal Commission Grant of \$500k for the Noyo Harbor Blue Economy initiative. A detailed list of City grants can be found in the Grants & Special Revenue Section.

Public Safety is budgeted to increase by 8.8% or \$528k. The projected year end balance in Fiscal year 2023 of \$5.9 million is significantly lower than Budget from personnel costs savings due to vacant positions within the department. A shortage of police officers locally and nationally has driven wages up every year for the last several years. The Fort Bragg City Code Chapter 2.68 provides for an annual salary survey of Mendocino County law enforcement positions. It establishes that Fort Bragg's salaries will, at a minimum, be set at the average of the other local entities. As of the latest survey held in January 1, 2023, there were no increases, confirming that the City's salaries and benefits were competitive when compared to other local law enforcement entities, however, a 3% Cost of Living Adjustment is being included in the fiscal year 2024 Budget per the Fort Bragg Police Association MOU.

Furthermore, the Budget includes, a 5% increases to dispatch service costs provided by the City of Ukiah and academy costs of \$40k to send four recruits to the academy. Once these recruits graduate the department should be fully staffed in the fiscal year with the hiring of a permanent Police Chief in July 2022.

Public Works is budgeted to increase by \$8.2 million. Year-over-year increases are due to increased capital project expenditures, demonstrating capital projects' irregular nature. The Street Rehabilitation 2023 project is estimated to expend \$3.6 million; Municipal Facilities \$510k, and the Pavement Preservation design costs of \$230k with construction in fiscal year 2025.

Water Enterprise expenditures are budgeted to increase by 21% or \$8.2 million due to the significant Water capital improvements \$13.6 million projects proposed in the fiscal 2024 Budget with a \$1.3 million funded by the Enterprise and the rest funded by Grants. These include: Raw Water Line engineering and construction, Water Treatment Plant overhaul, Oneka Buoy Project and Water Meter Replacement funded by Community Development Block Grants. Insurance, utility costs and general supplies are also projected to increase by 10% due to increase in costs in the current fiscal year.

Staff is actively pursuing grant funding for these projects and future water enterprise projects. Additionally, the Water Enterprise Budget includes the last debt payment of \$337k for the 2014 Revenue Bonds maturing in June, 2024. The Enterprise will have no long-term debt come fiscal year end.

Wastewater Enterprise expenditures are budgeted to increase by 21% in FY 2024. Utility costs increases for electric has caused 174% increase year-over-year together with bio-solids removal costs of \$325k annually. Property insurance rates will also increase by 25%.

The C.V. Starr Center Enterprise expenditures are budgeted to increase by 87% due primarily to the Center reopening and incurring the operating costs, which declined significantly last fiscal year as the center was closed due to COVID restrictions. Additionally, the Center’s capital work plan is estimated to expend \$1.3 million in improvements to the Air intake system. Utility and personnel costs continue to increase yearly due to rising energy costs experienced nationwide. The Center is currently evaluating existing fees to ensure they are keeping up with the rising costs.

**ALL FUNDS
SUMMARY OF EXPENDITURES BY CATEGORY
FY 2020/21 THROUGH FY 2023/24**

ALL FUNDS	FY 2020/21 FYE AUDITED	FY 2021/22 FYE AUDITED	FY 2022/23 AMENDED BUDGET	FY 2022/23 FYE PROJECTED	FY 2023/24 PROPOSED BUDGET	% INCR/ -DECR
Salaries & Wages	\$ 4,127,459	\$ 5,408,108	\$ 6,504,015	\$ 6,037,963	\$ 6,844,377	13.4%
Benefits	3,086,657	3,296,614	3,382,178	3,150,420	3,637,901	15.5%
Materials & Services	9,637,732	8,937,663	16,429,892	9,020,096	8,273,691	-8.3%
Capital	319,301	1,505,223	17,025,550	6,327,776	23,121,446	265.4%
Debt Service	286,121	380,966	1,420,083	1,445,764	1,081,393	-25.2%
Depreciation	780,562	790,001	-	-	-	0.0%
Subtotal	18,237,831	20,318,575	44,761,718	25,982,018	42,958,807	65.3%
Indirect Expenses	1,921,879	\$ 3,157,855	1,901,507	1,891,986	2,258,945	19.4%
Fiduciary Funds	228,240	\$ 225,062	386,475	384,627	377,757	-1.8%
Subtotal	20,387,951	23,701,492	47,049,700	28,258,631	45,595,509	61.4%
Transfers Out	9,944,137	11,408,039	13,994,508	6,920,799	23,702,812	242.5%
TOTAL ALL FUNDS	\$ 30,332,088	\$ 35,109,531	\$ 61,044,207	\$ 35,179,431	\$ 69,298,321	97.0%

*Note; Principal payments are not considered an expense in full accrual accounting.
Audited results reflect the Enterprise Funds full accrual treatment of principal payments.

BUDGET SUMMARY – GENERAL FUND

OVERVIEW

The City of Fort Bragg’s fiscal year (FY) 2024 General Fund operating appropriations include core City services such as Police, Community Development, Park maintenance, and Street maintenance are budgeted in the General Fund. General Fund resources are closely linked to economic and development activity in the City and expenditures fund essential front-line and “quality of life” services that our citizens expect.

In March 2020, the onset of the COVID-19 pandemic came with strict health orders for the safety of all and resulted in a drastic drop in revenues, specifically in two of the top three taxes that make up more than 50 percent of the City’s General Fund. The City of Fort Bragg took swift, decisive, and difficult actions to respond to the decline in revenues for FY 2020/21.

General Fund tax revenues rebounded in FY 2021 and continued the strong performance into FY 2022, recording record highs. In FY 2023, the estimated tax revenue is expected to decline by 7% compared to the prior year as the tax revenues stabilize from the record highs recorded earlier.

The FY 2024 budget is estimated to collect \$11.6 million in revenues with appropriations of \$11.5 million, a balanced budget achieving the number one priority of the City Council Financial Goals as listed below.

Furthermore, the Budget establishes the recession reserve funds at 10% from 5% of operating expenditures to weather economic uncertainties in the fiscal year.

The City established the Section 115 trust to alleviate future pension increases in FY 2023 by contributing \$1.6 million from the unassigned fund balance, with an additional \$150k proposed in the FY 24 operating budget.

The current General Fund budget reflects a continuance of conservative budgeting from FY 2023 while remaining cautiously optimistic. Featured in the five-year forecast is a likely recession in FY 2024. The Proposed Budget allocates funds to emergency reserves and operating reserves to combat some estimated declines in the General Fund’s top revenue categories.

Furthermore, the Proposed Budget includes Cost of Living Adjustments of 2% for SEIU and 3% for FBPA.

PRIORITIZED LIST OF FINANCIAL GOALS

At the mid-year budget review meeting in March 2023, the City Council produced the following prioritized list of financial goals. Staff has used the prioritized list as guidance in preparing the FY 2024 budget:

PRIORITY	GOAL	ACHIEVED
1	Adopt a balanced budget	✓
2	Provide additional contributions to Section 115	✓
3	Maintain current level of service (no staff layoffs, no program cuts)	✓
4	Maintain Operating Reserves and Litigation Reserves (20%)	✓
5	Provide funding for Recession/Emergency Reserves (5% to 10%)	✓
6	Provide Cost of Living Adjustment to Staff	✓

The Proposed Fiscal Year 2024 budget Surplus is **\$84k**.

	PROPOSED FY 2023/24
Operating Revenue	\$ 11,624,780
Operating Expenditures	(11,540,795)
Operating Surplus(Deficit)	\$ 83,985

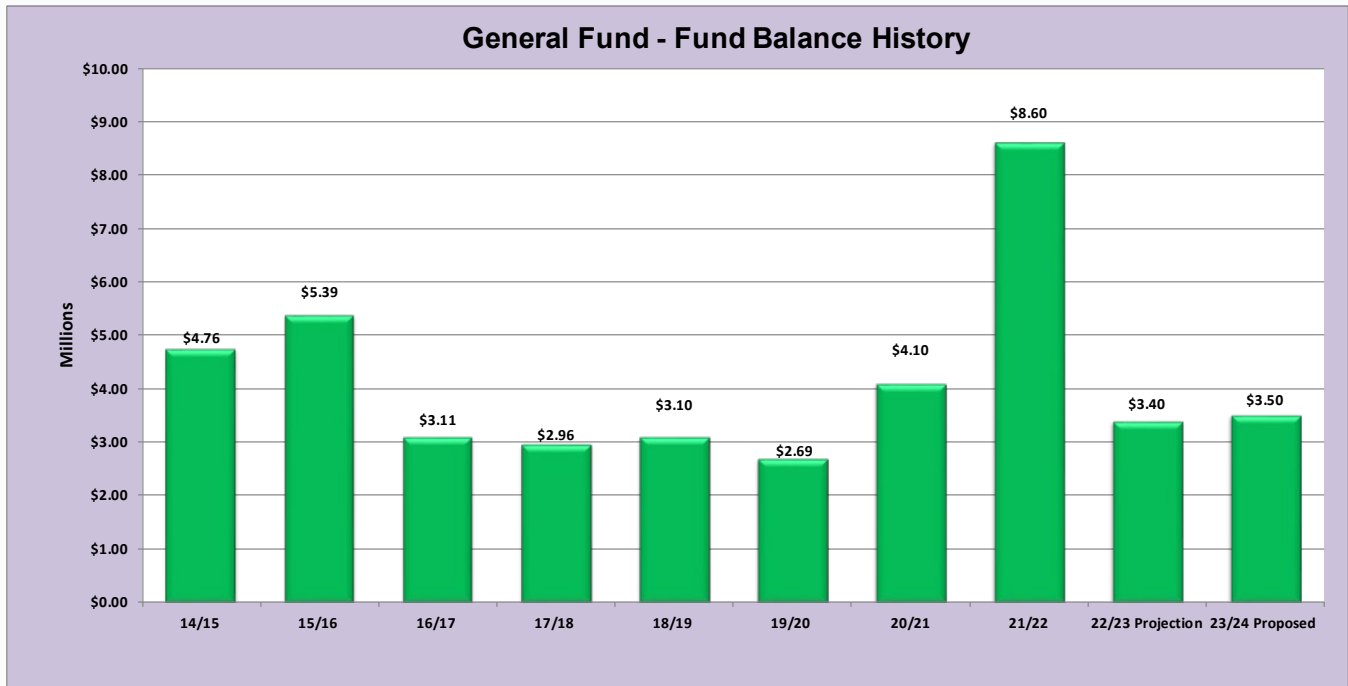
Although the General Fund will enjoy a balanced budget for FY 2024, the City remains focused on enhancing General Fund revenue streams and controlling costs in future years. The City has taken significant strides to address its CalPERS unfunded liability in FY 2022 by restructuring the debt and adopting the City’s Pension Policy.

However, increases in personnel costs expected to continue beyond FY 2024, particularly benefit and insurance costs, will continue to put pressure on the City’s General Fund revenues, and the possibility of a recession in 2024 would cause declines of about 5-10% in General Fund tax revenues.

GENERAL FUND – FUND BALANCE

The General Fund balance for FY 2022 through FY 2024.

	FY 2021/22 AUDITED	FY 2022/23 PROJECTED	FY 2023/24 PROPOSED
General Fund Balance	\$ 8,592,235	\$ 3,436,953	\$ 3,520,937



Before the Fiscal year 2017, the General Fund balance was steadily increasing, as shown in the graph above; however, the balance decreased significantly in FY 2017 due to the correction of errors discovered in the then Cost Allocation Plan, resulting in the General Fund repaying the prior year cost over allocations back to the Enterprise Funds. The balance stabilized with the FY 2018/19 small budget surplus.

In FY 2020, the General Fund was the most impacted by the onset of the Pandemic because it relies on TOT, and Sales Tax revenues (which account for about 50% of the General Fund's revenues) were impacted by the economic shutdown, recording a decrease of \$651k in Transient Occupancy Tax. This caused a Budget deficit of \$437k, reducing the fund balance to \$2.6 million.

In FY 2021, as mentioned previously, the General Fund tax revenues rebounded, together with Staff cuts and Service level reductions, resulting in a \$1.5 million Budget surplus. The strong Tax Revenue gains continued into FY 2022, with a Budget surplus of \$528k resulting from several rounds of government relief from earlier in the pandemic, allowing Americans to build up their finances and record strong consumer spending. The Pandemic also created more "local travel" from neighboring counties and cities as international travel was restricted, boosting the City's revenues.

FY 2023, price pressures initially grew because of supply-chain bottlenecks and high commodity prices, causing a high inflation rate- 9% CPI in June 2022 coupled with the Federal Reserve raising interest rates from record lows during the height of the pandemic. Consumer spending, the primary driver of economic growth, has stagnated recently after jumping at the start of the year. A slowdown in business investment and a weak housing market influenced by interest rates have contributed to a broader economic cooling. General Fund Tax revenues recorded a 3% decline in the first two quarters and are forecasted not to meet Budget estimates at fiscal year-end.

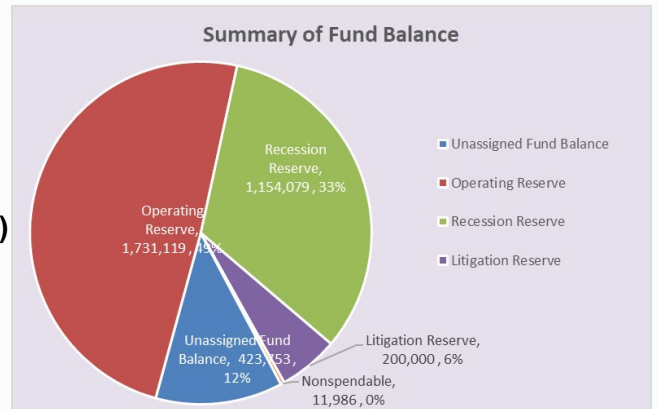
GENERAL FUND RESERVES

The City’s General Fund reserves are established in accordance with the “Fund Balance & Reserve Policies,” which are intended to ensure the continued financial well-being of the City by planning for unanticipated emergency and contingency needs. The City Council periodically reviews and updates the reserve policies and budgeted reserve funds to ensure that the City has sufficient resources to adequately address emergencies, economic uncertainties, unforeseen operating or capital needs, economic development opportunities, and cash flow requirements. The FY 2024 Budget commits the fund balance in the General Fund to the following reserves:

- **\$1,731,119 to the General Fund Operating Reserve** (15% of operating expenditures)
- **\$1,154,079 to the Recession Reserve** (10% of operating expenditures)
- **\$200k to the Litigation Reserve**

The General Fund’s “unassigned fund balance” in FY 2024 is estimated at **\$423,753**.

	PROPOSED FY 2023/24
Total General Fund Balance	\$ 3,520,937
Less Nonspendable (Inventory, etc.)	11,986
Less Committed Reserves (Set by Council Resolution)	
Operating Reserve	1,731,119
Recession Reserve	1,154,079
Litigation Reserve	200,000
Unassigned Balance	\$ 423,753



GENERAL FUND REVENUES

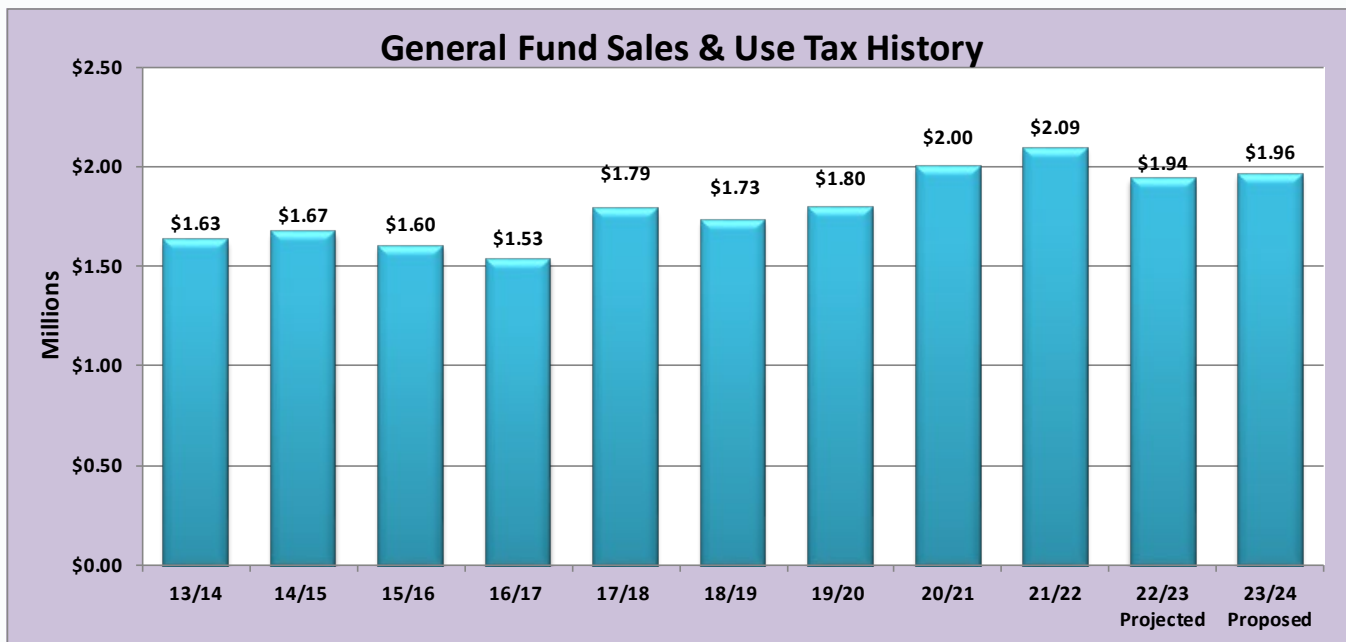
Fort Bragg’s General Fund relies on sales tax, Transient Occupancy Tax (TOT), Property tax, and fees charged for services rendered to fund operations. As discussed in detail below, General Fund revenues (excluding transfers) are expected to increase in FY 2024 by 5%, with the total annual revenue projections at \$11.6 million. In the FY 2019 budget, staff changed the revenue forecasting methodology from “conservative” to “most likely”. Based on macroeconomic factors causing some uncertainty in the outlook for FY 2024 driven by the collapse of regional banks, inflation, energy prices remaining stubbornly high, and interest rate hikes which have curbed business investment and caused some change in consumer spending habits, the FY 2024 current General Fund budget is based on conservative budgeting from FY 2022 while remaining cautiously optimistic about the current and future economic conditions.

The FY 2022/23 Adopted Budget was based on a conservative outlook for the City’s significant tax revenue and limited information on how the economy would respond to the social and business restrictions due to the pandemic and the emergence of variants like the omicron variant in 2021. Consequently, some of the variances between the FY 2023 Adopted Budget and prior year audited actuals would be significant, resulting from financial trend data becoming available as we move through the projected economic slowdown in 2024.

Taxes remain the largest resource (68% of revenue) supporting General Fund operations in the FY 2024 Operating Budget, with the primary taxes comprising TOT, Sales, and Property taxes. Reimbursements are the second-largest resource supporting General Fund operations representing 25% of the total revenue Budget. These include reimbursement of personnel costs and overhead from the City’s Enterprise Funds and Special Revenue Funds to the City’s General Fund. Intergovernmental is projected to increase by 89% due to the many grants the City has been awarded to improve the City’s infrastructure, Economic opportunities and to address some of the city's challenges, such as housing and jobs. Each of the major General Fund revenue sources is described with information about historical trends and current budgeted revenues in the pages that follow.

GENERAL FUND	FY 2020/21 FYE AUDITED	FY 2021/22 FYE AUDITED	FY 2022/23 AMENDED BUDGET	FY 2022/23 FYE PROJECTED	FY 2023/24 PROPOSED BUDGET	% INCR/ -DECR
Property Taxes	\$ 1,085,532	\$ 1,150,352	\$ 1,176,309	\$ 1,138,562	\$ 1,150,257	1%
Sales Taxes	2,028,010	2,215,161	2,178,000	1,939,200	1,959,500	1%
Transient Occupancy Taxes	3,321,928	3,444,990	3,371,081	3,213,808	3,242,118	1%
Other Taxes	810,652	851,622	832,442	884,801	903,985	2%
Total Taxes	7,246,122	7,662,124	7,557,831	7,176,372	7,255,860	1%
Reimbursements	2,307,897	3,334,556	2,831,850	2,960,696	3,341,622	13%
Charges for Services	45,369	62,387	70,546	82,664	81,343	-2%
Intergovernmental	133,162	164,075	651,532	534,269	716,362	34%
Licenses & Permits	91,567	86,176	95,413	90,490	94,293	4%
Other Revenues	109,358	22,574	38,500	81,779	20,200	-75%
Use of Money & Property	(64,617)	(166,317)	61,300	74,000	90,000	22%
Fines & Forfeitures	12,181	51,396	31,500	30,010	25,100	-16%
TOTAL GENERAL FUND	\$ 9,881,040	\$ 11,216,969	\$ 11,338,472	\$ 11,030,280	\$ 11,624,780	5%

Sales Tax



Background

The Sales Tax category includes general sales and use taxes and Proposition 172 sales taxes. Sales tax is an excise tax that applies to all retail sales of merchandise. Retailers are liable for reporting and

payment of the tax. Use tax is an excise tax imposed on consumers of merchandise used, consumed, or stored in California and purchased from out-of-state vendors, not collecting California sales tax. The statewide sales and use tax rate is 7.25%, of which the State receives 6.25%, and the City receives 1% (known as the Bradley Burns Local Sales and Use Tax).

Analysis

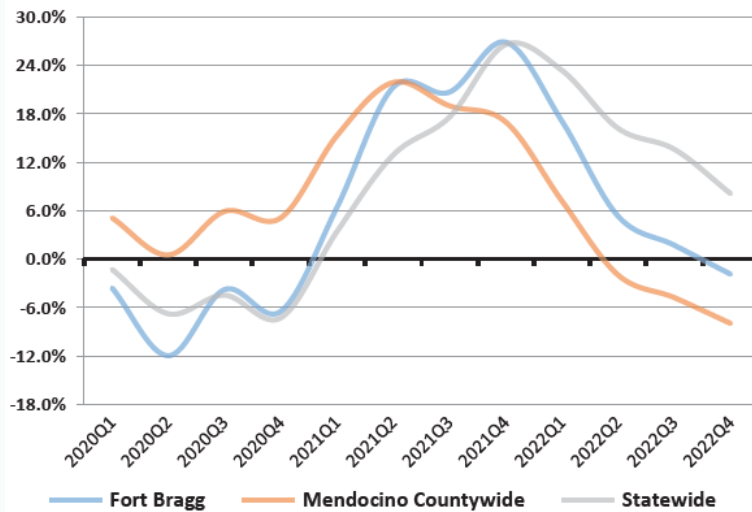
Sales tax revenue generally coincides with the overall strength of the local, regional, and the national economy. The City's Sales Tax projections in FY 2023 were that revenues would end the fiscal year at \$2.1 million, down 2% from the prior year's result, as the Federal Reserve has increased interest rates to fight inflation by slowing the economy. The Federal Reserve approved another quarter percentage point interest rate increase in May 2023, marking the Fed's 10th consecutive rate increase that will bring its benchmark federal funds rate to a range of 5% to 5.25%, a 16-year high.

Consumer spending, the primary driver of economic growth, has stagnated recently after jumping at the start of the year, declining in February and March and then rising by 0.4% in April 2023. According to the Labor Department, the Consumer Price Index (CPI), a closely watched inflation gauge, was 4.9% in April 2023, down from March 5% increase. The inflation reading has declined from a recent peak of 9.1% in June 2022 but remains historically high.

The outlook of Sales Tax revenue remains cautious as inflation remains in the economy with a shift in consumer spending seeing a more cautious customer. April's modest increase in retail spending may reflect consumers' continued shift from buying large amounts of goods during the pandemic to paying more on airfares, hair salons, travel, and other services. The construction category, which recorded historical highs in the last two fiscal years, is expected to decline as households spend less on home improvements that can easily be deferred in favor of services.

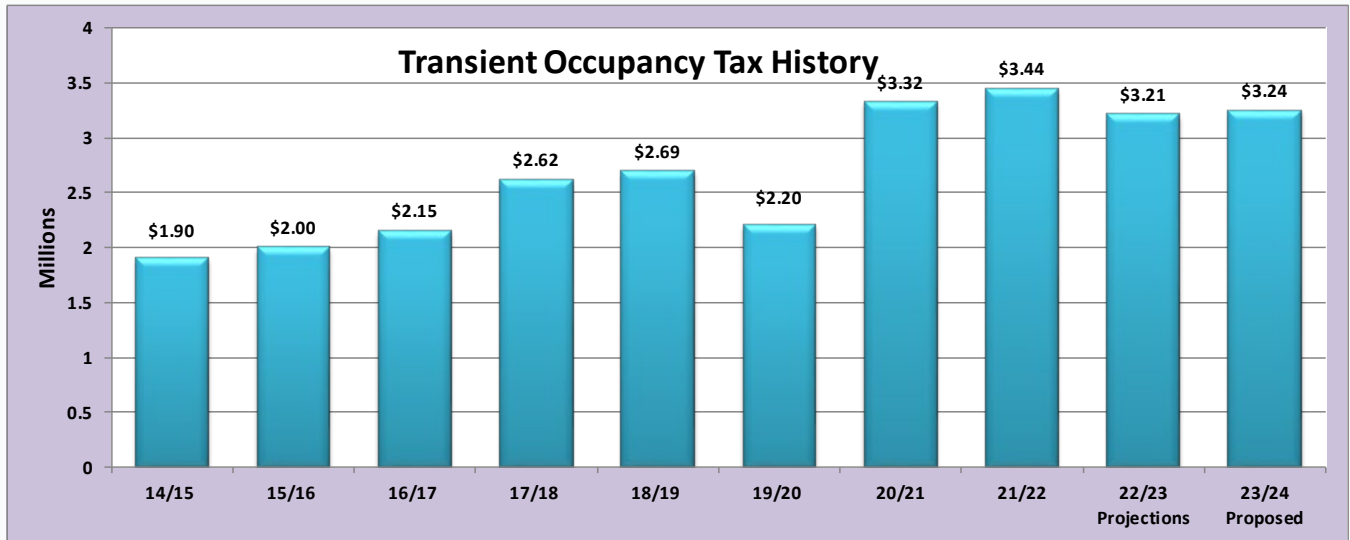
The County Pool, where most online transactions are captured, has continued to grow. This growth is attributable to the pandemic's sustained impact of redirecting significant activity to online sales. The recent growth in County Pool receipts has been fueled by online purchases during the pandemic and is facilitated by the South Dakota vs. Wayfair, Inc. Supreme Court decision in 2018, which provided states with authority to require online retailers to collect sales tax even without a local presence in that State. The County Pool revenue is distributed to all cities within Mendocino County based on a distribution formula administered by the CDTFA.

Annualized Percent Change in Sales Tax Cash Receipts



Overall, the City's Sales Tax projection is conservative expecting to decline by 10% from FY 2022 but increase by a modest 1% from FY 2023.

Transient Occupancy Tax (TOT)



Background

Transient Occupancy Tax (TOT) is a local tax that is applied to the cost of a hotel or other lodging stays of less than 30 days. In 2016, with the passage of local Measures AA and AB, the City’s TOT rate increased from 10% to 12%. This tax is a revenue source solely for the General Fund. TOT is collected by lodging establishments and remitted to the City monthly. Factors influencing TOT revenues include vacancy rates, business and leisure travel changes, new hotels, hotel expansion, and room rate increases. TOT is the largest General Fund revenue source accounting 28% of total revenue.

Analysis

Fort Bragg is a tourist-based economy and depends heavily on tourism for its revenue. TOT had the most significant reduction due to COVID in FY 2020, recording a budget shortfall of \$660k. TOT revenues rebounded in FY 2021 and recorded the best year to date at \$3.4 million in FY 2022. In FY 2023, the first two quarters recorded declines of 2% when compared to the prior fiscal year.

The average Occupancy rates between November to March were also down by 15% from December to March 2023, caused by the winter storms and wet weather experienced by the City and most of California. The Average Daily Rate (ADR) cooled in March, down 10% from the prior year, as the local lodging industry faced competition from the Lake Tahoe market, recording its 3rd largest snowfall seen in 22 years, flocking tourists to the mountain.

The Visit Fort Bragg Campaign continues to market Fort Bragg as a visitor destination funded by Measure AB. Although this revenue sector has recorded strong results in the past two fiscal years, the FY 2024 Budget projections are rather conservative, projecting a modest 1% growth compared to the estimated FY 2023 year-end total, but down 6% compared to FY 2022 – its best year. Staff will closely monitor the revenues during the fiscal year and will have a better model to determine whether this trend will continue.

Property Tax



Background

Property tax is an ad valorem (value-based) tax imposed on real property and tangible personal property within the City’s jurisdiction. It includes two major elements: secured or real property (e.g., house and land on which the house was built) and unsecured or personal property (e.g., machinery). Under Proposition 13, the general property tax rate cannot exceed 1% of a property’s assessed value plus other assessments as approved by the voters. The assessed value of real property that has not changed ownership increases by the California Consumer Price index change up to a maximum of 2% per year. Property is assessed at the full market value upon change of ownership. Newly constructed property is assessed at the full market value in the first year in which the construction is completed. Property tax revenue is collected by the county and allocated according to State law among cities, counties, school districts, and special districts.

Throughout the City’s history, property tax revenue has grown significantly, reflecting both new development and increasing property values in Fort Bragg. As in most of the country, property tax revenues declined in Fort Bragg during the Great Recession due to lower sales prices and adjustments in assessments. In recent years, sales prices have increased, and reassessments have decreased.

Analysis

The FY 2024 Proposed Budget expects a modest 1% growth in Property Tax revenues to \$1.15 million. Unlike other tax revenue, property taxes were not impacted by COVID-19. The US economic growth slowed in the first quarter, and home prices fell in more parts of the country than in over a decade, fueled by the Fed’s aggressive interest rate hikes to slow the economy down.

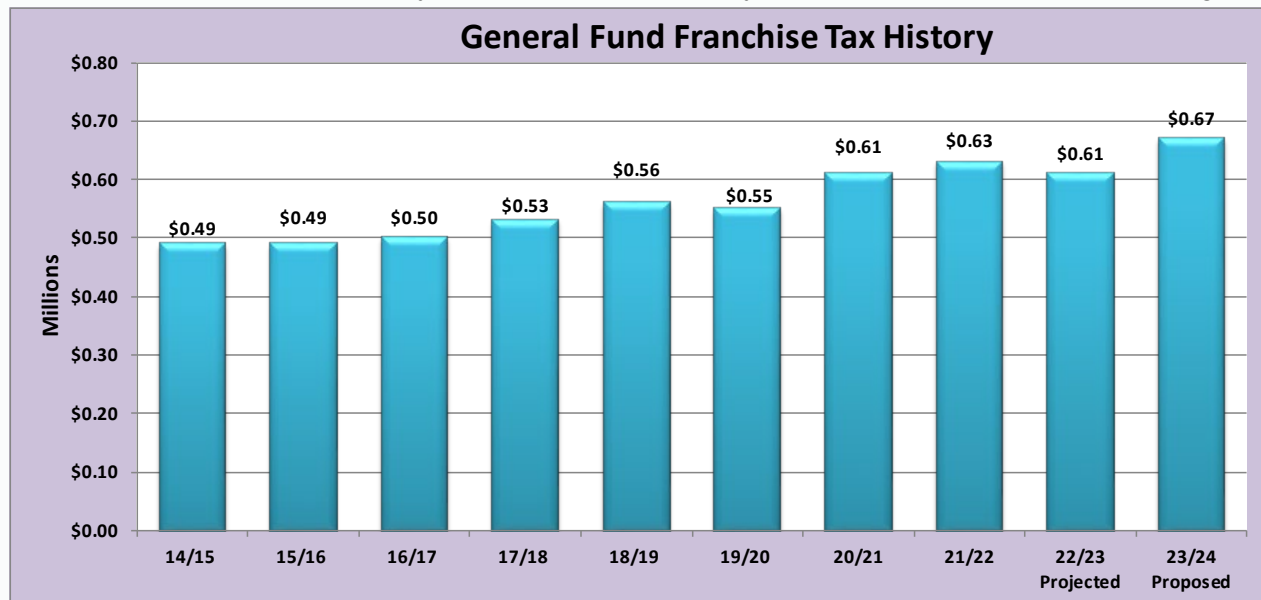
According to Zillow, as of April 2023, median home values were \$504k in the 95437 zip code, down 8.4% from the past year, with 82 residential home sales down from 129 units sold in the first three quarters of the fiscal year. The single family median home prices in the 95437 zip code have decreased to \$581k from \$700k a year ago.

ever, with home prices slowly declining, affordable housing remains an issue in the community. The City has incubated and is staffing a Community Land Trust (CLT) to increase workforce housing in our community. A CLT is a system in which the underlying land is owned by a mission-driven entity, usually a nonprofit, where the buildings on the land are owned or leased by residents. CLTs have the explicit goal of promoting affordable housing and contain legal provisions governing ownership and transfer to keep units affordable. Homeownership provides working families and individuals the opportunity to build wealth and create housing security.



Franchise Taxes

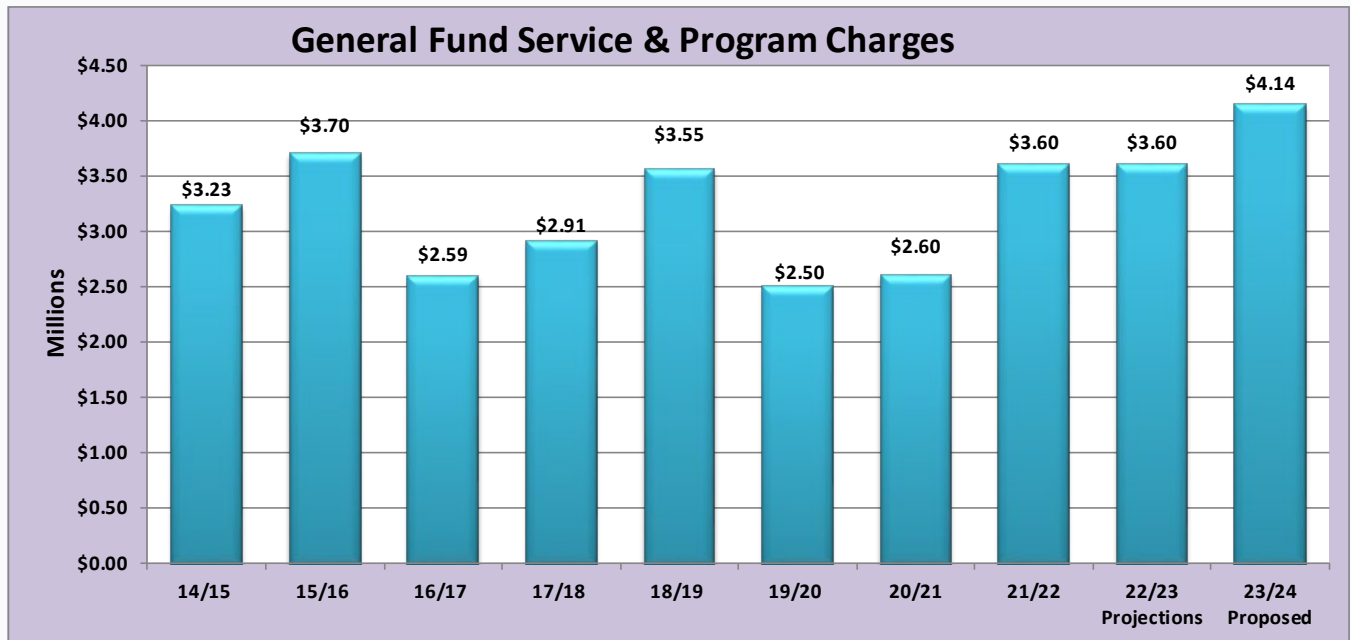
Franchise tax revenue consists of taxes on three franchise operations in Fort Bragg: electric, cable television, and solid waste disposal. The State sets electric utility tax rates that equal 0.5% of gross annual revenues and 5% of gross cable television revenues from within the City. The City established the franchise fee for the solid waste collection many years ago when the City and County closed the jointly-owned Caspar Landfill. Franchise taxes have remained relatively stable in recent years. As more customers move to satellite and internet-based services, revenue from cable television franchise fees has slowly declined. Revenue from Pacific Gas & Electric rose steadily until 2009, when it fell slightly and has since begun climbing again. Overall, FY 2024 franchise tax revenue is estimated to increase by 2 % as Solid Waste of Willits recently increased their prices by 3% to offset increases in operating costs.



Service and Program Charges

General Fund Detail of Revenue Services & Programs	FY 2021/22 FYE AUDITED	FY 2022/23 AMENDED BUDGET	FY 2022/23 FYE PROJECTED	FY 2023/24 PROPOSED
Intergovernmental	\$ 164,075	\$ 651,532	\$ 534,269	\$ 716,362
Charges for Services	62,702	65,546	82,714	81,343
Reimbursements	3,334,240	2,831,850	2,960,646	3,341,622
Totals	\$ 3,561,017	\$ 3,548,928	\$ 3,577,628	\$ 4,139,327

Service and program charges include the Intergovernmental, Charges for Services, and Reimbursements categories. Revenue for Service and Program Charges represents about 36% of total estimated General Fund revenues in FY 2023. The \$4.3 million proposed budget for FY 2024 is an increase of 16% approximately \$561k from the prior year.



Intergovernmental is consists of reimbursement for employee staff time spent administering grants and is expected to double in the fiscal year as many Grant programs, including CDBG 2020 Code Enforcement Grant, the Youth Opioid Resistance Grant, Local Agency Technical Assistance (LATA) for Municipal Broadband from the California Public Utilities Commission (CPUC) and the Coastal Commission Grant for the Noyo Harbor Blue Economy initiative. These grants will reimburse the General Fund for at least 90 percent of six full-time positions and other staff time for work related to carrying out the Grant deliverables.

Charges for service are expected to decline by 2% related to a decline in building permits, PC hearings, sign applications and limited term permits in the fiscal year. Fingerprinting fees will likely record similar results to fiscal year 2023.

The reimbursements category consists of internal support departments such as Administrative Services, Finance, Human Resources, City Clerk, and City Council, who provide services to Enterprise and Internal Service Funds. The costs for these services are recovered through the cost allocation plan charges. The FY 2023 estimate for Reimbursements is \$2.9 million, with a growth of 13% percent in FY 2024, related to increase in developer deposit reimbursements, interfund reimbursements for Streets costs funded from the Special Sales tax and RMRA Funding.

Cost Allocation reimbursements, for Internal service funds have recorded year over year increases and attributed to the direct allocation of Corporation Yard costs to non-General Fund activities.

BUDGET SUMMARY

**GENERAL FUND
DETAIL OF REVENUES BY CATEGORY
FY 2020/21 THROUGH FY 2023/24**

	FY 2020/21 FYE AUDITED	FY 2021/22 FYE AUDITED	FY 2022/23 AMENDED BUDGET	FY 2022/23 FYE PROJECTED	FY 2023/24 PROPOSED BUDGET	% INCR/ -DECR
Taxes						
Property Taxes	\$ 402,971	\$ 385,671	\$ 455,741	\$ 365,084	\$ 368,766	1.0%
VLF Swap	660,739	673,287	694,173	709,863	716,962	1.0%
Supplement SB 813	3,603	34,097	3,800	3,800	4,141	9.0%
Homeowners Property Tax Relief	-	-	2,967	2,967	2,967	100.0%
Transfer Taxes	18,219	57,297	19,628	49,517	50,090	1.2%
Motor Vehicle In-Lieu Tax	-	-	-	7,332	7,332	n/a
Sales and Use Taxes	1,995,831	2,100,885	2,150,000	1,912,500	1,932,700	1.1%
Proposition 172 Sales Taxes	32,179	114,276	28,000	26,700	26,800	0.4%
Transient Occupancy Taxes	3,321,928	3,444,990	3,371,081	3,213,808	3,242,118	0.9%
Franchise Taxes	625,996	653,579	642,442	679,259	692,277	1.9%
Business License Taxes	184,655	198,043	190,000	205,542	211,708	3.0%
Total Taxes	7,246,122	7,662,124	7,557,831	7,176,372	7,255,860	1.1%
Licenses & Permits						
Business License Fees	62,873	63,224	68,713	63,100	64,993	3.0%
Construction/Building Permits	14,734	12,455	15,000	14,000	15,000	7.1%
Encroachment Permits	13,361	9,147	10,000	12,000	13,000	8.3%
Other Licenses & Permits	598	1,350	1,700	1,390	1,300	-6.5%
Total Licenses & Permits	91,567	86,176	95,413	90,490	94,293	4.2%
Fines & Forfeitures						
Parking Fines	9,390	37,518	20,000	10,000	10,000	0.0%
Miscellaneous Fines	2,791	13,878	11,500	20,010	15,100	-24.5%
Total Fines & Forfeitures	12,181	51,396	31,500	30,010	25,100	-16.4%
Use of Money and Property						
Investment Interest	46,644	15,143	47,000	60,000	75,000	25.0%
Rents and Concessions	(119,885)	(197,160)	14,300	14,000	14,000	0.0%
Sales of Surplus Assets	8,624	15,700	5,000	-	1,000	n/a
Total Use of Money and Property	(64,617)	(166,317)	66,300	74,000	90,000	21.6%
Intergovernmental						
Grant Administration	133,162	164,075	651,532	534,269	716,362	34.1%
Total Intergovernmental	133,162	164,075	651,532	534,269	716,362	34.1%
Charges for Services						
Community Development Fees	14,265	13,606	14,000	29,500	20,000	-32.2%
Police Fingerprint Fees	22,031	33,578	42,000	42,448	42,872	1.0%
Document Copies	5,153	6,336	6,800	6,700	7,000	4.5%
Construction & Demolition Fees	135	1,000	700	2,100	2,121	1.0%
Returned Check Fees	1,008	1,953	1,546	1,386	1,500	8.2%
Police Witness Fees	518	134	500	300	350	16.7%
Other Charges for Services	9,134	15,518	9,546	10,766	7,500	-30.3%
Total Charges for Services	45,429	62,702	65,546	82,714	81,343	-1.7%
Reimbursements						
City Exp Reimbursement - Developers	49,550	49,356	28,500	32,000	53,000	65.6%
SB 90 Reimbursement	6,344	14,960	10,215	8,800	10,000	13.6%
Booking Fee Reimbursement	9,700	17,025	14,000	29,000	25,000	-13.8%
Internal Charges for Services	1,531,608	2,385,365	1,948,669	2,062,590	2,379,770	15.4%
Interfund Cost Reimbursement	671,601	798,856	768,266	758,055	818,651	8.0%
Training Reimbursement	9,935	15,257	16,000	38,000	22,000	-42.1%
Other Reimbursements	29,102	53,421	46,200	32,200	33,200	3.1%
Total Reimbursements	2,307,840	3,334,240	2,831,850	2,960,646	3,341,622	12.9%
Other Revenues						
Miscellaneous	109,358	22,574	38,500	81,779	20,200	-75.3%
Total Other Revenues	109,358	22,574	38,500	81,779	20,200	-75.3%
Total General Fund Revenue	\$ 9,881,043	\$ 11,216,969	\$ 11,338,472	\$ 11,030,280	\$ 11,624,780	5.4%

DISCUSSION OF GENERAL FUND EXPENDITURE TRENDS

General Fund expenditures (including transfers-out) proposed in FY 2024 are \$11.5 million an increase of \$771k or 7%. Overall, the increases are primarily the result of increases in personnel costs, Cost of Living Adjustments, annual debt payments, retiree medical costs, and insurance costs. Specific details of expenditures are presented in the following Department Details sections of the Budget.

Notable departmental variances are as follows:

- The Administration budget will decrease by 9%, primarily due to personnel cost savings and the restructure of the Assistant City Manger and Grant's Co-ordinator positions to Community Development and Public works which was budgeted for in the FY 2023 Budget. Moreover, the City Manager compensation was much lower than originally Budgeted by \$25k. The completion of the Compensation Study and the General Plan Maintenance Fee Study in FY 2023, will decrease the professional services budget in FY 2024.
- Non-Departmental Budget will see increases in FY 2024 of 4%, due to increases in Retiree medical costs of 3%, General Liability and Property Insurance of 25%. Professional services include a Cost Allocation Study to be undertaken in the fiscal year. Additional funding of \$150k have been included to be contributed into the Section: 115 Trust with Public Agency Retirement Services (PARS).
- The Finance Department budget is proposed to increase by 12.9% from the estimated year end in FY 2023, primarily due to Cost of Living Adjustments, and the full annual cost of the recently hired Government Accountant in the fourth quarter in FY 2023. Armored car service cost have increased by 5% in last fiscal year.
- The Police Department budget is proposed to increase by 11.9% to \$4.9 million as a result of increases in salary and benefit costs. A shortage of police officers locally and nationally has driven wages up every year for the last several years. The Fort Bragg City Code Chapter 2.68 provides for an annual salary survey of Mendocino County law enforcement positions. It establishes that Fort Bragg's salaries will, at a minimum, be set at the average of the other local entities. As of the latest survey held in January 1, 2023, there were no increases, confirming that the City's salaries and benefits were competitive when compared to other local law enforcement entities, however, a 3% Cost of Living Adjustment is being included in the Fiscal year 2024 Budget per the Fort Bragg Police Association MOU and the realized annual costs of the four vacation positions (three officers and one community service position) resulted in budget savings in last fiscal year. The department transitioned from an interim chief in FY 2022 to hiring a new full-time Police Chief in FY 2023 and will be fully staffed once the three recruits graduates from the Academy towards the end of Q2. A budget of \$40k has been included for Police Academy costs for the three recruits.

Moreover, the Code Enforcement (CE) department was moved to the Police Department from Community Development in Q2 of FY 2023, increasing the overall personnel budget of the department by \$224,000 annually. The CE two positions are funded by the Community Development Block Grants (CDBG) with the Grant expiring in April 2024. Depending on the Notice of Funding expected in June 2023 from Housing and Community Development (HCD), the City may request for an extension of the Grant through the end of the fiscal year or apply for new round of funding if permissible.

The Care Response Unit comprised of two Social Services Liaisons provide services including providing information and resources supporting homelessness, mental health problems and maintained the Emergency Winter Shelter where they provided vouchers and record keeping for reimbursement of funds. On April 1, 2023, department received a \$345,000 grant from the Youth Opioid Resistance fund to pay for one of the SSL's and another Success Coach through April 2024. The second SSL's position, which was funded by the Social Services Grant from FY 2022

was extended to December 2023. The proposed Budget includes funding for the second SSL position for the rest of the fiscal year once the Grant period ends.

Dispatch services are set to increase by 5% year-over-year provided by the City of Ukiah.

- Community Development Budget is estimated to increase by 4% to \$443,898 due to the cost of living adjustments 2% and budgeting for a full-time Community Development Director which will be hired in June 2023. The Department will be fully staffed at the start of the fiscal year after being without a Director for the last few years.
- The Marketing and Promotions department budget is \$241k, an increase of 9%, with a budget of \$30k for the 4th of July Fireworks. Funding for this department is from Measure AB, with an allocation of 1% of the Transient Occupancy Tax dedicated to marketing Fort Bragg as a tourist destination.
- Debt – 2021 Lease Revenue Bonds payments increased by \$78k according to the Debt Schedule. The City returned the \$3.5 million Debt proceeds in August 2022, resulting in interest and principal savings in the long term. The Caspar Landfill costs, which the City and the County of Mendocino share, are expected to increase by \$26k compared to FY 2022.
- Overall the Public Works Department budget is estimated to increase by 12% from increases to personnel costs from Cost of Living Adjustments of 2% and the reorganization of the Special Projects Manager moving from Community Development to Public Works. Streets and Maintenance costs, particularly utilities and general supplies, are expected to increase by \$16k. These increases were offset by decreases in Traffic and Safety and Corporation Yard.

The table below shows General Fund Expenditures by Function or Program

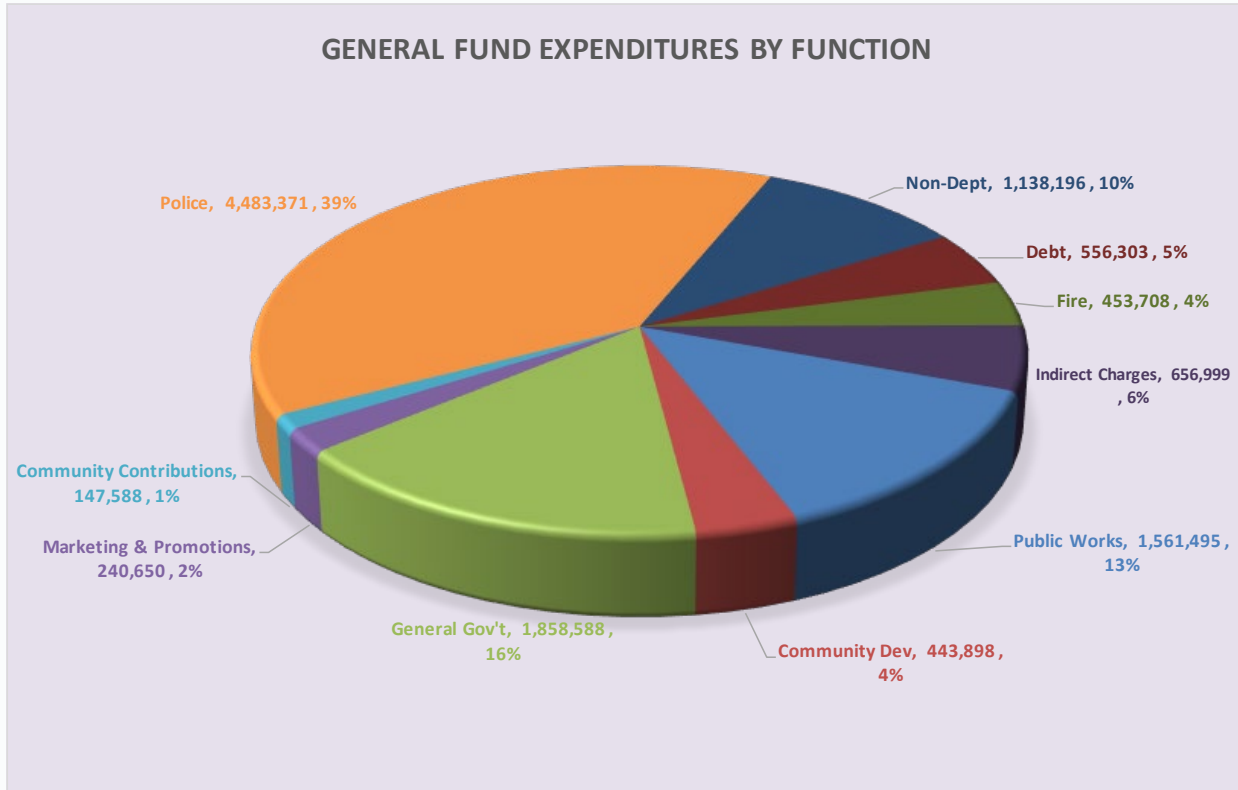
**GENERAL FUND
EXPENDITURES BY FUNCTION/PROGRAM
FY 2020/21 THROUGH FY 2023/24**

	FY 2020/21 FYE AUDITED	FY 2021/22 FYE AUDITED	FY 2022/23 AMENDED BUDGET	FY 2022/23 FYE PROJECTED	FY 2023/24 PROPOSED BUDGET	% INCR/ -DECR
GENERAL GOVERNMENT						
City Council	\$ 131,495	\$ 214,277	222,318	212,484	185,314	-12.8%
Administration	751,316	1,225,661	1,241,606	1,140,580	1,037,505	-9.0%
Finance	468,474	536,977	617,639	563,019	635,770	12.9%
Other Non-Departmental (overhead)	872,371	1,174,586	1,160,286	1,093,427	1,138,196	4.1%
General Government Subtotal	2,223,656	3,151,501	3,241,850	3,009,510	2,996,784	-0.4%
PUBLIC SAFETY						
Police Department	3,467,709	3,891,041	4,316,057	4,007,292	4,483,371	11.9%
Fire Department	439,962	434,423	439,962	440,493	453,708	3.0%
Public Safety Subtotal	3,907,671	4,325,464	4,756,019	4,447,785	4,937,079	11.0%
Community Services						
Community Development	232,115	365,417	483,117	426,932	443,898	4.0%
Marketing & Promotions	93,060	226,874	220,500	220,400	240,650	9.2%
Community Contributions	69,869	97,297	152,962	152,962	147,588	-3.5%
General Fund Debt	37,964	358,337	452,241	477,921	556,303	16.4%
Community Services Subtotal	433,008	1,047,925	1,308,819	1,278,215	1,388,438	8.6%
PUBLIC WORKS						
Administration & Engineering	515,727	679,782	710,145	725,217	934,012	28.8%
Parks and Facilities	31,927	36,479	41,100	39,892	40,000	0.3%
Street Maintenance	107,606	124,497	122,000	116,000	142,000	22.4%
Storm Drains	10,847	12,680	19,500	18,600	25,500	37.1%
Corporation Yard	634,446	494,218	420,524	399,478	380,483	-4.8%
Traffic and Safety	24,023	24,873	86,952	85,952	39,500	-54.0%
Public Works Subtotal	1,324,576	1,372,529	1,400,221	1,385,140	1,561,495	12.7%
General Fund Subtotal	7,888,911	9,897,419	10,706,909	10,120,650	10,883,797	7.5%
Cost Allocation	478,497	789,399	686,131	649,295	656,999	1.2%
TOTAL GENERAL FUND	\$ 8,367,408	\$ 10,686,818	\$ 11,393,040	\$ 10,769,945	\$ 11,540,795	7.2%

Note: Administration, as presented above, includes Administrative Services, City Manager and City Attorney

*Note: Costs shown in the table include base budget and Internal Service Fund Allocations.

Public Safety represents the largest General Fund expenditure function/program at 39% of total General Fund expenditures, followed by General Government (Admin/Finance/City Attorney/City Clerk) at 16%, Public works 13%, Indirect Charges 6%, and Non-Department at 10%.



**GENERAL FUND
EXPENDITURES BY CATEGORY
FY 2020/21 THROUGH FY 2023/24**

	FY 2020/21 FYE AUDITED	FY 2021/22 FYE AUDITED	FY 2022/23 AMENDED BUDGET	FY 2022/23 FYE PROJECTED	FY 2023/24 PROPOSED BUDGET	% INCR/ -DECR
Salaries & Wages	\$ 3,271,863	\$ 3,831,953	\$ 4,443,546	\$ 4,114,364	\$ 4,550,423	11%
Benefits	2,489,172	2,736,229	2,679,079	2,508,092	2,843,131	13%
Materials & Services	1,980,189	2,761,920	3,013,072	2,903,529	2,816,759	-3%
Other Expenditures	109,919	208,604	206,832	230,533	230,971	0%
Debt Service	37,964	-	364,381	364,131	442,513	22%
Subtotal	7,889,107	9,538,707	10,706,909	10,120,650	10,883,797	8%
Allocations	478,497	789,396	686,131	649,295	657,000	1%
Subtotal with Allocations	8,367,604	10,328,103	11,393,040	10,769,945	11,540,797	7%
Net Transfers	-	-	-	-	-	0%
TOTAL	\$ 8,367,604	\$ 10,328,103	\$ 11,393,040	\$ 10,769,945	\$ 11,540,797	7%

Personnel Services

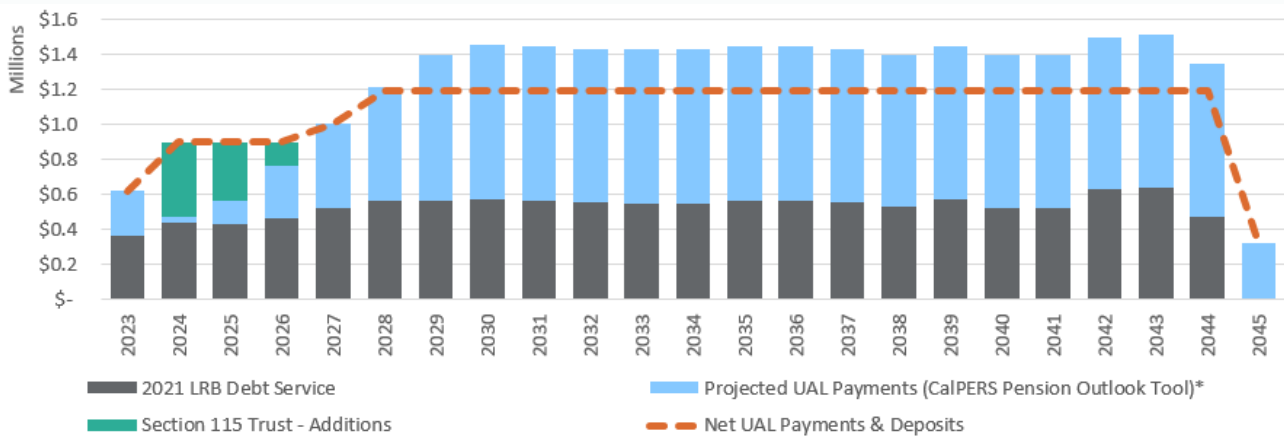
Personnel costs are the largest class of expenditures in the General Fund, representing nearly 64% of the FY 2024 Budget. Personnel Service cuts were implemented in FY 2019/20 as part of the City's COVID-19 Budget reduction plan. Since then, the General Fund has filled the vacant positions, and personnel costs are projected to be higher than pre-pandemic numbers as cost of living adjustments and the emphasis on attracting and retaining employees will continue to increase the personnel costs in future

years. The Proposed Budget includes a 3% cost of living adjustment for the Fort Bragg Police Association employees and 2% for other City Staff including Executive's and Mid-Managers. The compensation study undertaken by Regional Government Services (RGS) in FY 2022, found that the City Clerk and Operations Manager positions were under compensated compared to comparable agencies. Other positions were found to be competitive or at market with a couple of positions lacking sufficient comparative data to determine analysis. The Operations Manager position is being proposed to increase by 5% in addition to the COLA increase.

Additionally, the Proposed Budget includes funding for a Community Development Director position which will be filled in June 2023. The City Manager and Chief of Police positions were filled in Q1 of FY 2022 and full cost of these positions will be realized in the new fiscal year. Vacant positions in the Police Department and in Community Development in FY 2022 resulted in a Budget surplus. These positions are expected to be filled in the new fiscal year. All departments should be fully staffed in the new fiscal year once Police recruits graduate from the academy in Q2 2024.

Benefits are expected to increase by 3% in medical and dental premiums. The Issuance of the 2021 Lease revenue Bonds of \$11.5 million, restructured the \$7.5 million of CalPERS unfunded liability resulting in long-term savings for the City. In FY 2022, the City Council approved to return the \$3.5 million which was set aside for costs associated with the acquisition of the southern portion of the former Timber Mill property reducing the Fund's debt from \$11.5 million to \$7.5 million.

The California Public Employees' Retirement System (CalPERS) recognized a record 21.3% investment return for the fiscal year ending June 30, 2021. The record CalPERS investment return and the \$7.5 million liability payment place the City better positioned to manage pension obligations going forward. The reduction in unfunded liability reduced the annual UAL Payments budget by \$389k annually, which was offset by increased benefit costs. Unfortunately, CalPERS returned -7.5% in investment earnings for FY 2021/22, dropping its funding levels from 82% to 71%. This came on the heels of a 21.3% earnings year in FY 2020/21, effectively giving back the progress made by CalPERS in FY 2020/21. While the benefit (UAL reduction) of the 21.3% return year slightly outweighs the impact (UAL increase) of the negative 7.5% returns, the recent discount rate reduction from 7.0% to 6.8% largely offsets any remaining benefit from FY 2020/21. Lowering the discount rate means plans will see increases in both the normal costs (the cost of pension benefits accruing in one year for active members) and the accrued liabilities. These increases will result in higher required employer contributions. Increased public agency employer contribution costs as a result of the lowering of the discount rate began in FY 2019.



FY 2022/23, medical, dental, and vision rates did not change for active employees, but retiree medical costs are estimated to increase by 3%. Under current labor agreements, premium costs are shared 80% by the City and 20% by the employee. In addition, the City has 29 covered retirees, 23 of whom receive full health insurance coverage from the City. The remaining retirees pay a portion of the retiree and spousal coverage, depending on the date of hire. Retiree health benefits have been phased out through collective bargaining agreements. There are a number of current employees who are eligible for such benefits based on their date of hire.

The aggregate CalPERS increase (across all plans) in FY 2024 is expected to be 25% or \$262k. This is a combination of additional staffing and increases in the unfunded portion of the pension liability. The City’s contribution to each employee’s pension benefits (i.e., the “employer’s share” of CalPERS premiums plus unfunded actuarial liability costs) is calculated at the following rates: Miscellaneous PEPRA-8.4%; Miscellaneous Classic-28.4%; Safety PEPRA-13.83%; Safety Classic-37.64%. Starting with FY 2019, employees in classic plans began paying 1% of the employer’s share of pension costs per negotiated agreements.

The increased pension costs and personnel costs for the City will put significant pressure on the General Fund’s financial performance in future years. The reduction in the CalPERS rate from 7% to 6.8 percent is not expected to be the last one. Over 20 years, the overall fund performance has averaged just 5.5%. As part of the Pension policy, the City set up a Section 115 Trust that will absorb some of the future fluctuations in the CalPERS discount rate, adding to the Unfunded Liability. The City Council had adopted a \$1.6 million contribution into the trust in FY 2022 with additional contributions of \$150k proposed in the FY 24 Budget.

Non-Personnel Services

Professional Services will decrease by \$146,854 in FY 2024 due to one-time expenditures incurred in FY 2023, such as the Compensation Study \$35k, recruitment costs \$30k, General Plan Maintenance Study costs.

Insurance costs increased by \$37k for property Insurance, cyber security, and general liability.

General Fund Materials & Services	FY 2022/23	FY 2023/24	
	PROJECTED	PROPOSED	Change
Professional Services	2,199,914	2,053,060	(146,854)
Utilities	182,931	195,390	12,459
Insurance	348,188	385,884	37,696
Training/Travel	71,277	112,500	41,223
Equipment Repair and Maintenance	1,000	1,000	-
Equipment Leases and Rental	40,721	39,500	(1,221)
Dues and Memberships	21,445	22,075	630
Small Tools and Equipment	35,254	5,550	(29,704)
Postage	2,800	1,800	(1,000)
Total General Fund Materials & Services	\$ 2,903,529	\$ 2,816,759	\$ (86,770)



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**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget



**LONG-TERM
FINANCIAL PLAN**



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LONG-TERM FINANCIAL PLANNING

BUDGET BACKGROUND

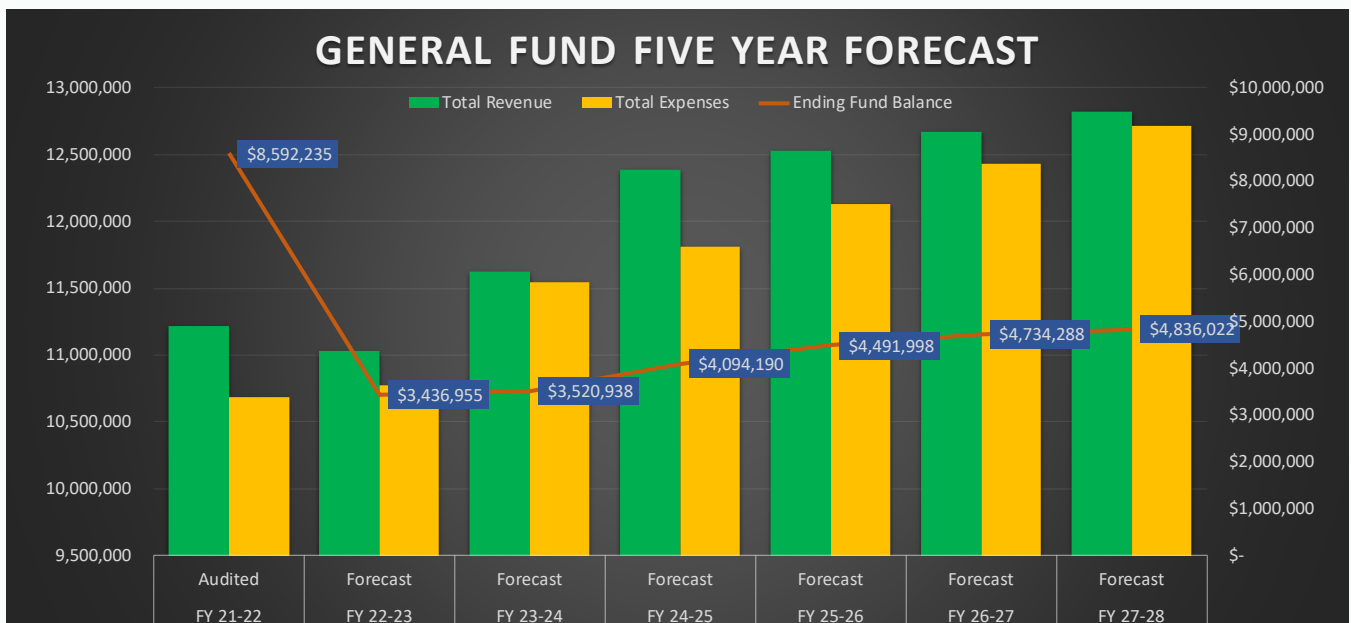
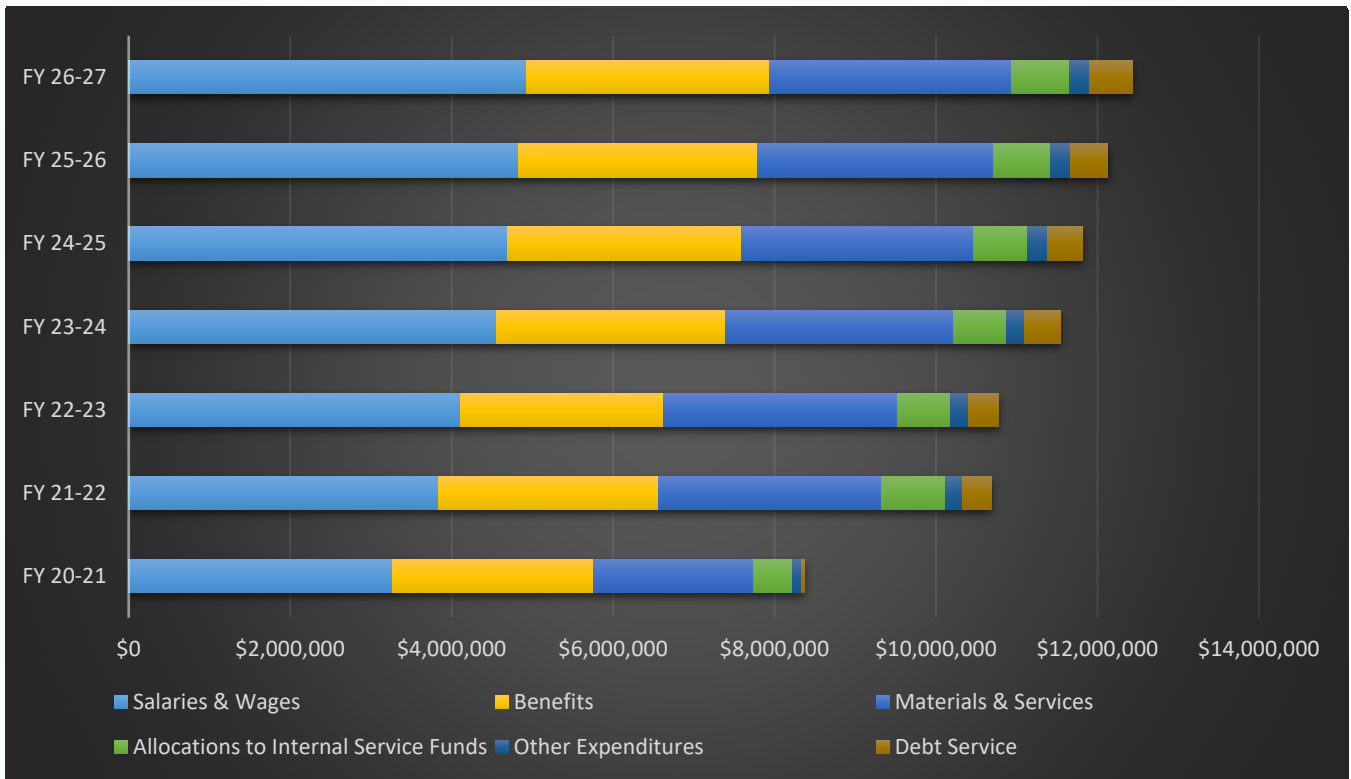
On March 22, 2023, The City held its annual mid-year budget review meeting. At the meeting, the following long-term forecast was reviewed. It should be noted that the forecast was developed at a high level (low level of detail) and therefore does not match the detailed budget presented today. Staff is committed to refining the long-term forecast to make it as useful as possible in the years to come. The five-year projection is included in this section for reference.

Long-term financial planning is an important tool used to help maintain ongoing financial sustainability and helps governments provide consistent services to their citizens. It is important to keep in mind that no one has a crystal ball and can predict the future with complete accuracy. However, the exercise of projecting revenues and costs into the future, while not likely to be 100% correct, still gives the government an opportunity to develop a general sense of its financial health in the years to come.

The long-term forecast provided in this report was developed at a high level (low level of detail). The City's major sources of revenue were projected individually with all other revenue sources aggregated together. Likewise, the City's major expenditure categories were projected individually with many costs aggregated together. The majority of the assumptions used in the report were based on a five-year historical trend. Year's that were clear outliers were removed prior to averaging so as not to affect the overall trend. Some projections, however are based on known payment or increased percentages. Likewise, the City's internal service funds have developed detailed long-term expenditure plans that form the basis of the projection provided here. Additionally, the City's debt service schedule is known and provided in the forecast.

The table on the following page includes five years of audited results for context as well as projected results for five additional years into the future. Four "what-if" scenarios are provided, showing possible long-term results if certain revenue enhancements were to be enacted.

City of Fort Bragg General Fund Five Year Forecast										
	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28		
	Audited	Audited	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast		
Revenue:										
Sales Tax	\$ 2,028,010	\$ 2,215,161	\$ 1,939,200	1,959,500	1,998,690	2,068,644	2,141,047	2,215,983		
Property Tax	1,085,532	1,150,352	1,138,562	1,150,257	1,150,257	1,161,760	1,173,377	1,185,111		
Transient Occupancy Tax	3,321,928	3,444,990	3,213,808	3,242,118	3,274,539	3,307,285	3,340,357	3,373,761		
Reimbursements	2,299,275	3,333,187	2,960,696	3,341,622	3,341,622	3,341,622	3,341,622	3,341,622		
All Other Revenue Sources	1,137,672	1,071,911	1,778,014	2,620,745	2,620,745	2,646,952	2,673,422	2,700,156		
Total Revenue	9,872,418	11,215,601	11,030,280	11,624,780	12,385,853	12,526,263	12,669,825	12,816,633		
Expenditures:										
Salaries & Wages	3,271,863	3,831,953	4,114,364	4,550,423	4,686,936	4,827,544	4,924,095	5,022,577		
Benefits	2,489,172	2,728,147	2,508,092	2,843,131	2,899,994	2,957,993	3,017,153	3,077,496		
Materials & Services	1,979,993	2,762,347	2,903,529	2,816,759	2,873,094	2,930,556	2,989,167	3,048,951		
Allocations to Internal Service Funds	478,497	789,396	649,295	657,000	676,710	697,011	717,922	739,459		
Other Expenditures	109,919	216,637	230,533	230,971	242,520	249,795	257,289	265,008		
Debt Service	37,964	358,337	364,131	442,513	433,348	465,555	521,910	561,409		
Total Expenditures	8,367,408	10,686,817	10,769,944	11,540,797	11,812,601	12,128,455	12,427,536	12,714,899		
Net Transfers:										
Net Increase (Decrease) to Fund Balance	1,505,010	528,784	260,336	83,983	573,252	397,808	242,289	101,734		
Other restricted funds	3,879,236	(5,415,616)								
Beginning Fund Balance	2,679,205	4,184,215	8,592,235	3,436,955	3,520,938	4,094,190	4,491,998	4,734,288		
Ending Fund Balance	\$ 4,184,215	\$ 8,592,235	\$ 3,436,955	\$ 3,520,938	\$ 4,094,190	\$ 4,491,998	\$ 4,734,288	\$ 4,836,022		
Storm Drain Enterprise \$190k annually										
Parcel Tax	\$ 4,184,215	\$ 4,902,999	\$ 5,353,335	\$ 5,627,318	\$ 6,390,571	\$ 6,978,379	\$ 6,822,860	\$ 7,270,113		
1/4 cent General Sales Tax \$500k/yr.	\$ 4,184,215	\$ 5,142,999	\$ 5,833,335	\$ 6,347,318	\$ 7,350,571	\$ 8,178,379	\$ 8,022,860	\$ 8,710,113		
3/8 cent General Sales Tax \$750k/yr.	\$ 4,184,215	\$ 4,851,447	\$ 5,596,583	\$ 6,170,441	\$ 7,243,366	\$ 8,158,335	\$ 8,002,816	\$ 8,795,330		
Net Increase (Decrease) to Fund Balance	1,505,010	528,784	260,336	83,983	573,252	397,808	242,289	101,734		
Other restricted funds	3,879,236	(5,415,616)								
Beginning Fund Balance	2,679,205	4,184,215	8,592,235	3,436,955	3,520,938	4,094,190	4,491,998	4,734,288		
Ending Fund Balance	\$ 4,184,215	\$ 8,592,235	\$ 3,436,955	\$ 3,520,938	\$ 4,094,190	\$ 4,491,998	\$ 4,734,288	\$ 4,836,022		



CITY OF FORT BRAGG - FY 2023/24
Operating Transfers - All Funds

Fund Type/Name	Transfers In	Transfers Out	Net Transfers
110 General Fund			
To 112 - Recession Reserve		(664,150)	(664,150)
Total	-	(664,150)	(664,150)
112 Recession Reserve			
From 110 - General Fund (Operating Reserve)	664,150		664,150
Total	664,150	-	664,150
162 CDBG Program Income			
To 334- Code Enforcement Program	-	(226,398)	(226,398)
Total	-	(226,398)	(226,398)
162 RMRA (LPP) - Gas Tax			
To 334- CDBG Code Enforcement			-
Total	-	-	-
222 RMRA (LPP) - Gas Tax			
To 421- 2022/23 Streets Project - HSIP		(248,130)	(248,130)
To 421- Systematic Improvements - HSIP		(73,890)	(73,890)
To 421- 2022/23 Streets Project - LPP	-	(600,000)	(600,000)
To 408- 2025 Pavement Preservation		(230,000)	(230,000)
Total	-	(1,152,020)	(1,152,020)
223 STP D1 MCOG			
To 428- EV Charging Station		(232,951)	(232,951)
To 421- Streets Project-2021	-	(206,405)	(206,405)
Total	-	(439,356)	(439,356)
250 Special Sales Tax - Street Repair			
To 421- Systematic Imp at Unsignalized Intersections		(17,710)	(17,710)
To 421- Streets Project		(2,508,894)	(2,508,894)
Total	-	(2,526,604)	(2,526,604)
314 MCOG			
To 421 Streets Project		(162,000)	(162,000)
Total	-	(162,000)	(162,000)
319 Water Grants			
To 651- Oneka Desalination		(800,000)	(800,000)
To 651- Recycled Water Design		(500,000)	(500,000)
To 651- Water Treatment Plant		(5,276,000)	(5,276,000)
To 651- Raw Water Line		(4,055,000)	(4,055,000)
Total	-	(10,631,000)	(10,631,000)
322 CALTRANS			
To 716 Trash Can Replacement		(280,000)	(280,000)
Total	-	(280,000)	(280,000)
330 Federal Grants - USDA			
To 522- Fleet Reimb		(205,300)	(205,300)
Total	-	(205,300)	(205,300)
329 State Grants			
To 426 Broadband		(376,029)	(376,029)
To 110 Planning Grants			-
To 110 Planning Grants			-
To 110 Planning Grants			-
Total	-	(376,029)	(376,029)
334 CDBG 2020			
To 651 Water Meter Replacement		(826,703)	(826,703)
To 424 Fire Station Rehab- Design		(150,572)	(150,572)
From 162 Program Income- Code Enforcement	226,398		226,398
Total	226,398	(977,275)	(750,877)
336 ARPA			
To 426 Municipal Broadband		(1,744,162)	(1,744,162)
Total	-	(1,744,162)	(1,744,162)
408 2025 Pavement Preservation Project			
From 222 LPP	230,000		230,000
Total	230,000	-	230,000

Fund Type/Name	Transfers In	Transfers Out	Net Transfers
421 2022 Street Resurfacing & Structural Repair Projects			
From 520 Facilities Maint & Repair		-	-
From 222 LPP Grant	600,000		600,000
From 222 HSIP	248,130		248,130
From 615 Water Capital	180,500		180,500
From 314 CRSAA	162,000		162,000
From 715 Wastewater Capital	180,500		180,500
From 223- STP D1 MCOG	206,405		206,405
From 250- Special Sales Tax-Street Repair	2,508,894	-	2,508,894
From 222 - HSIP Systematic Improvements	73,890		73,890
From 250 - Systematic Improvements	17,710		17,710
Total	4,178,029	-	4,178,029
424 Fire Station Rehab			
From 334- CDBG	150,572	-	150,572
Total	150,572	-	150,572
423 Town Hall Bathroom			
From 520- Facilities ISF	140,000	-	140,000
Total	140,000	-	140,000
426 Broadband			
From 336 ARPA Funds	1,744,162		1,744,162
From 329 LATA	376,029	-	376,029
Total	2,120,191	-	2,120,191
427 Corporation Yard & PD Roof Replacement			
From 520- Facilities ISF	150,000	-	150,000
From 520- Facilities ISF	220,000	-	220,000
Total	370,000	-	370,000
428 EV Charging Stations			
From 223- MCOG D1	232,951		232,951
Total	232,951	-	232,951
520 Facilities			
To 427 PD Roof Replacement		(80,000)	(80,000)
To 427 PD Paint & Repairs		(70,000)	(70,000)
To 427 CH Roof, Solar and Repairs		(220,000)	(220,000)
To 423 TH Bathrooms		(140,000)	(140,000)
Total	-	(510,000)	(510,000)
522 Fleet			
From 330 USDA Vehicle Replacement	205,300		205,300
Total	205,300	-	205,300
610 Water O&M			
To 612- Recession Reserve		(177,534)	(177,534)
To 615 - True up Operating Reserve	431,694		431,694
Total	431,694	(177,534)	254,160
612 Water Recession Reserve			
To 610 - True up Recession Reserve	177,534		177,534
Total	177,534	-	177,534
615 Water Enterprise Capital Reserve			
To 610 - True up Operating Reserve		(431,694)	(431,694)
To 651 - Pudding Creek Water Main		(812,000)	(812,000)
To 651 - Extend Water System- Pudding Creek		(300,000)	(300,000)
To 421 - 2022 Streets Project		(180,500)	(180,500)
Total	-	(1,724,194)	(1,724,194)

BUDGET SUMMARY

Fund Type/Name	Transfers In	Transfers Out	Net Transfers
651 Water Enterprise Capital Projects			
From 615 Pudding Creek Water Main	812,000		812,000
From 319 Recyled Water Design	500,000		500,000
From 334 Water Meter Replacement	826,703		826,703
From 615 Extend Water System - Pudding Creek	300,000		300,000
From 319- DWR Raw Water Engineering	4,055,000		4,055,000
From 319- DWR Oneka Buoy	800,000		800,000
From 319- SRF Water Treatment Plant	5,276,000		5,276,000
Total	12,569,703	-	12,569,703
710 Wastewater O&M			
From 712 - True up Recession Reserve	-	(160,442)	(160,442)
To 717 - Debt Service Payment		(185,010)	(185,010)
To 715 - Sweep Excess Fund Balance to Capital Rese	114,767		114,767
Total	114,767	(345,452)	(230,685)
712 WW Enterprise Recession Reserve			
From 710- Wastew ater O&M-True up Recession	160,442	-	160,442
Total	160,442	-	160,442
714 WW Enterprise Non-Routine Maintenance			
From 710- Wastew ater O&M			-
Total	-	-	-
715 WW Enterprise Capital Reserve			
From 710 - Sweep Excess Fund Balance to Capital Reserve		(114,767)	(114,767)
To 716 - WW Capital Projects		(750,000)	(750,000)
To 716 - WW Capital Projects		(170,000)	(170,000)
To 421 - 2022 Streets Project		(180,500)	(180,500)
To 716 - WW Capital Projects		(130,000)	(130,000)
Total	-	(1,345,267)	(1,345,267)
716 WW Capital Projects			
From 717-Collection System Rehab	750,000		750,000
From 715- Dryer Building Construction	170,000		170,000
From 329 Trash Capture	280,000		280,000
From 715- Biosolids Storage Structure	130,000		130,000
Total	1,330,000	-	1,330,000
717 JPFA WWTP Financing			
From 710 - Debt Service	185,010		185,010
From 710 - Short Lived Asset Reserve			-
Total	185,010	-	185,010
810 CV Starr			
To 812- CV Starr Recession Reserves		(216,071)	(216,071)
Total	-	(216,071)	(216,071)
812 CV STARR Recession Reserve			
To 810- CV STARR	216,071		216,071
Total	216,071	-	216,071
Total Transfers	\$ 23,702,812	\$ (23,702,812)	\$ -

(Concluded)

COST ALLOCATION PLAN

INTRODUCTION

The purpose of the City's Cost Allocation Plan is to identify the total costs of providing specific City services and appropriately allocate these costs to the Programs and or Funds that benefit from the identified services. Why is a separate cost accounting analysis required to do this? Because the cost of delivering services can be classified into two basic categories: direct and indirect costs. Programs that incur only direct costs benefit from the City's administrative structure and therefore should be charged for that support.

DIRECT VERSUS INDIRECT COSTS

"Direct costs" by their nature are usually easy to identify and relate to a specific service. However, this is not the case for "indirect costs." As such, if we want to know the "total cost" of providing a specific service, then we need to develop an approach for reasonably allocating indirect costs to direct cost programs.

Direct costs are those that can be specifically identified with a particular cost objective, such as street maintenance, police protection and water service. Indirect costs are not readily identifiable with a direct operating program, but rather, are incurred for a joint purpose that benefits more than one cost objective. Although indirect costs are generally not readily identifiable with direct cost programs, their cost should be included if we want to know the total cost of delivering specific services.

Common examples of indirect costs provided by City programs include: The Finance Department provides financial management and utility billing services, the Administrative Services Department provides legal services and personnel administration and the City's Public Works Administration department provides engineering, work load planning and personnel oversight.

It is common to use "Cost Drivers" when allocating costs from Indirect Programs/Functions to Direct Programs. A cost driver is the unit of an activity that causes the change in activity's cost. Examples of cost drivers are; operating budget, agenda items and full time equivalent staffing (FTEs).

Plan Goal: Reasonable Allocation of Costs. The goal of most Cost Allocation Plans is to provide a clear, consistent and reasonable basis for allocating indirect costs. It is important to stress that the goal of the Cost Allocation Plan is a reasonable allocation of indirect costs, not a "perfect" one. By their very nature, indirect costs are difficult to link with direct costs. As such, in developing an allocation approach, it is important to keep this goal in mind: balancing the cost and effort of complicated allocation methods with the likely benefits from the end results.

INDIRECT COST ALLOCATION STRATEGY

Personnel Costs

The adopted allocation plan begins with an allocation of personnel time and cost to each of the City's three Internal Services Funds, each of the City's Direct Programs and each of the City's Indirect Programs. This is accomplished through the City's time keeping software. The allocation is based entirely on the detailed timekeeping of each employee within the City. Once time and associated costs have been allocated, a count of full time equivalent staffing (FTEs) is developed (see table 2).

Internal Service Funds

After personnel costs have been allocated, the City's three Internal Service fund costs are allocated to both the Direct Cost Programs as well as the Indirect Cost Programs (see tables 3 & 4). The City has three Internal Service Funds; Facilities Repair & Maintenance, Technology Maintenance & Replacement and Fleet & Equipment Services:

- Facilities Repair & Maintenance uses a cost driver of "square footage". In other words, each program is charged a Facilities charge based on an approximation of the facility square footage used by that program.
- Technology Maintenance & Replacement (IT) uses a cost driver of "workstations" (including devices such as iPad). Each program is charged an IT charge based on the number of workstations utilized by that program.
- Fleet & Equipment Services (Fleet) uses a cost driver of "fleet vehicles". Each program is charged a Fleet charge based on the number of vehicles utilized by that program.

Indirect Cost Allocations

The next step in preparing the City's Cost Allocation Plan is determining direct and indirect costs (see tables 5&6). Program costs that primarily provide service to the public are identified as direct costs, whereas the cost of programs that primarily provide services to the organization are identified as indirect costs.

The City's direct costs programs have been identified as follows: Public Safety (Including Police & Fire), Community Development, Parks, Storm Drains, Street Maintenance, Street Traffic & Safety, Water Utility and Wastewater Utility.

The City's indirect costs programs have been identified as follows: City Council, City Attorney, City Administration, Human Resources, City Clerk, Financial Management, Utility Billing, Corporation Yard and Public Works Administration.

- City Council uses a cost driver of "agenda items". Each direct cost program is charged a City Council charge based on the number of City Council Agenda items related to that program.
- City Attorney uses a cost driver of "agenda items". Each direct cost program is charged an Attorney charge based on the number of City Council Agenda items related to that program.
- City Clerk uses a cost driver of "agenda items". Each direct cost program is charged a City Clerk charge based on the number of City Council Agenda items related to that program.
- Human Resources uses a cost driver of "full time equivalent (FTE) staffing". Each direct cost program is charged a Human Resources charge based on the number of FTEs attributed to that program.
- City Administration uses a cost driver of "operating budget". Each direct cost program is charged a City Administration charge based on the relative amount of the program's operating budget.
- Non-departmental uses a cost driver of "operating budget". Each direct cost program is charged a Non-departmental charge based on the relative amount of the program's operating budget.
- Financial Management uses a cost driver of "operating budget". Each direct cost program is charged a Financial Management charge based on the relative amount of the program's operating budget.
- Utility Billing uses a cost driver of "bills processed". Each direct cost program is charged a Utility Billing charge based on the number of bills processed on behalf of that program.
- Public Works Administration and the Corporation Yard uses a cost driver of "public works operating budget". Each direct cost program is charged a Public Works Administration charge based on the relative amount of the program's public works operating budget.

PLAN PREPARATION

The adopted plan has been prepared using staff hours from the first seven months of FY 22/23, cost drivers from FY 2019/20, and budget cost estimates from the Adopted fiscal year 2022/23 budget. Additionally, the cost allocation plan will be updated at each fiscal year-end to reflect actual staff hours spent, actual program expenditures, and actual cost driver rates.

SUMMARY

The Cost Allocation Plan helps make a determination of total program costs possible by establishing a reasonable methodology for identifying and allocating indirect costs to direct cost programs. Because of this, the Cost Allocation Plan is a valuable analytical tool. The details of the adopted allocation of costs are summarized in the tables presented on the following pages.



TABLES

Table 1: Program Classifications

Internal Service Funds	Direct Programs	Indirect Programs
Facilities	Police/Fire Department	City Council
IT	Community Development	City Attorney
Fleet	Parks	City Administration
	Storm Drains	Human Resources
	Street Maintenance	City Clerk
	Street Traffic & Safety	Financial Management
	Water Enterprise	Utility Billing
	Wastewater Enterprise	PW Administration
		Corporation Yard

Table 2: Personnel Cost Allocation and FTE count

		Personnel Costs	FTEs
Internal Service Funds:	Facilities	93,568	0.6
	Information Technology	92,792	1.4
	Fleet	131,076	1.1
Indirect Cost Programs:	City Council	220,352	0.9
	City Clerk	128,911	1.0
	Administration	162,257	1.2
	City Attorney	660	-
	Human Resources	125,790	1.1
	Financial Management	476,026	4.2
	Utility Billing	197,383	2.0
	PW Administration	176,388	1.4
	Corporation Yard	26,160	0.2
	Public Safety	3,215,944	24.3
	Community Development	572,488	5.1
Direct Cost Programs:	Parks	242,287	1.8
	Storm Drains	86,902	0.6
	Street Maintenance	52,835	0.4
	Traffic&Safety	31,895	0.2
	Water Utility	644,183	5.2
	Wastewater Utility	965,852	7.7
		7,643,751	60.26

Table 3: Internal Service Funds Cost Driver Rate Table

Rate Table				
ISFs	Cost	Driver	Total Driver	Rate
Facilities				
Personnel Cost	\$ 93,568			
Non-Personnel Cost	101,500			
Long Term Funding Plan	-	\$ 195,068	Square footage	68,926 \$ 2.83
Information Tech				
Personnel Cost	\$ 92,792			
Non-Personnel Cost	348,198			
Long Term Funding Plan	-	\$ 440,990	Workstations	169 \$ 2,609
Fleet				
Personnel Cost	\$ 131,076			
Non-Personnel Cost	253,600			
Long Term Funding Plan	-	\$ 384,676	Fleet Vehicles	60 \$ 6,411
Total Indirect Costs		\$ 1,020,734		

Note: Each rate is derived by dividing Cost by Total Driver

Table 4: Internal Service Funds Allocation to Programs

	Summary of ISF Allocation						
	Facilities		Info Tech		Fleet		Total Allocation
	Sq Ft	Allocation	Work-stations	Allocation	Fleet Value %	Allocation	
Direct Programs							
Police/Fire Department	24,319	68,826	68.4	178,416	34%	129,924	377,166
Community Development	2,140	6,056	12.9	33,663	0%	-	39,719
Parks	21,003	59,441	5.0	13,047	3%	12,902	85,389
Storm Drains	-	-	2.0	5,219	2%	6,435	11,653
Street Maintenance	-	-	2.0	5,219	11%	42,547	47,766
Street Traffic & Safety	-	-	-	-	2%	6,180	6,180
Water Enterprise	-	-	5.2	13,465	15%	58,348	71,814
Wastewater Enterprise	-	-	14.2	37,030	30%	116,994	154,024
Indirect Programs							
City Council	2,786	7,885	18.1	47,129	0%	-	55,013
City Attorney	-	-	-	-	0%	-	-
City Administration	5,884	16,653	2.6	6,733	3%	11,346	34,732
Corporation Yard	7,980	22,584	10.4	27,010	0%	-	49,595
Human Resources	535	1,514	2.6	6,733	0%	-	8,247
City Clerk	535	1,514	5.2	13,465	0%	-	14,979
Financial Management	1,070	3,028	11.6	30,297	0%	-	33,325
Utility Billing	1,070	3,028	1.3	3,366	0%	-	6,394
PW Administration	1,605	4,542	7.7	20,198	0%	-	24,740
Totals	68,926	\$ 195,068	169	\$ 440,990	100%	\$ 384,676	\$ 1,020,734

Table 5: Rate Table

Rate Table						
Indirect Programs	Cost	Total Cost	Driver	Total Driver	Rate	
City Council						
Personnel Cost	\$ 220,352					
Non-Personnel Cost	56,800					
Facilities	7,885					
IT	47,129					
Fleet	-	\$ 332,166	Agenda Items	393	\$	845
City Attorney						
Personnel Cost	660					
Non-Personnel Cost	150,000					
Fleet	-	\$ 150,660	Agenda Items	393	\$	383
City Clerk						
Personnel Cost	128,911					
Non-Personnel Cost	11,500					
Facilities	1,514					
IT	13,465					
Fleet	-	\$ 155,390	Agenda Items	393	\$	395
Human Resources						
Personnel Cost	125,790					
Non-Personnel Cost	41,750					
Facilities	1,514					
IT	6,733					
Fleet	-	\$ 175,786	Full Time Equivalent staffing	45.39	\$	3,873
City Administration						
Personnel Cost	162,257					
Non-Personnel Cost	26,700					
Facilities	16,653					
IT	6,733					
Fleet	11,346					
Program Income	(88,916)	\$ 134,773	Operating Budget	9,002,919		1%
Non-departmental						
Personnel Cost	407,270					
Non-Personnel Cost	619,067					
Program Income	-	\$ 1,026,337	Operating Budget	9,002,919		11%
Financial Management						
Personnel Cost	476,026					
Non-Personnel Cost	55,193					
Facilities	3,028					
IT	30,297					
Program Income	(203,581)	\$ 360,963	Operating Budget	9,002,919		4%
Utility Billing						
Personnel Cost	197,383					
Facilities	-					
IT	3,366					
Fleet	-	\$ 200,750	Bills Processed	73,140	\$	2.74
PW Administration						
Personnel Cost	176,388					
Non-Personnel Cost	9,400					
Facilities	4,542					
IT	20,198					
Program Income	(85,000)	\$ 125,528	PW Operating Budget	4,223,558		3%
Corp Yard						
Personnel Cost	26,160					
Non-Personnel Cost	11,675					
Facilities	22,584					
IT	27,010					
Fleet	-	\$ 87,430	PW Operating Budget	4,223,558		2%
Total Indirect Costs		\$ 2,749,783				

Note: Each rate is derived by dividing Total Cost by Total Driver

Table 6: Indirect Programs Cost Allocation to Direct Programs :

Summary of Indirect Cost Allocation												
Direct Programs	City Council		City Attorney		City Clerk		Human Resources		City Administration		Non-departmental	
	Agenda Items	Allocation	Agenda Items	Allocation	Agenda Items	Allocation	Full time Equivalent staffing	Allocation	Operating Budget	Allocation	Operating Budget	Allocation
Police/Fire Department												
Indirect Cost Allocation	53	44,541	53	20,202	53	20,837	24.3	94,282	4,158,404	62,251	4,158,404	474,060
Community Development Department												
Indirect Cost Allocation	82	69,052	82	31,320	82	32,303	5.1	19,585	620,957	9,296	620,957	70,789
Parks												
Indirect Cost Allocation	36	30,173	36	13,685	36	14,115	1.8	7,161	367,477	5,501	367,477	41,892
Storm Drains												
Indirect Cost Allocation	34	28,482	34	12,919	34	13,324	0.6	2,390	114,556	1,715	114,556	13,059
Street Maintenance												
Indirect Cost Allocation	40	33,553	40	15,219	40	15,697	0.4	1,407	217,601	3,257	217,601	24,807
Street Traffic & Safety												
Indirect Cost Allocation	39	32,708	39	14,835	39	15,301	0.2	866	111,575	1,670	111,575	12,720
Water Enterprise												
Indirect Cost Allocation	44	36,813	44	16,697	44	17,222	5.2	20,106	1,240,797	18,575	1,240,797	141,451
Wastewater Enterprise												
Indirect Cost Allocation	42	35,123	42	15,931	42	16,431	7.7	29,988	2,171,554	32,508	2,171,554	247,558
Total	367	\$ 310,445	367	\$ 140,809	367	\$ 145,229	45.39	\$ 175,786	\$ 9,002,919	\$ 134,773	\$ 9,002,919	\$ 1,026,337

Table 6: Indirect Programs Cost Allocation to Direct Programs (continued) :

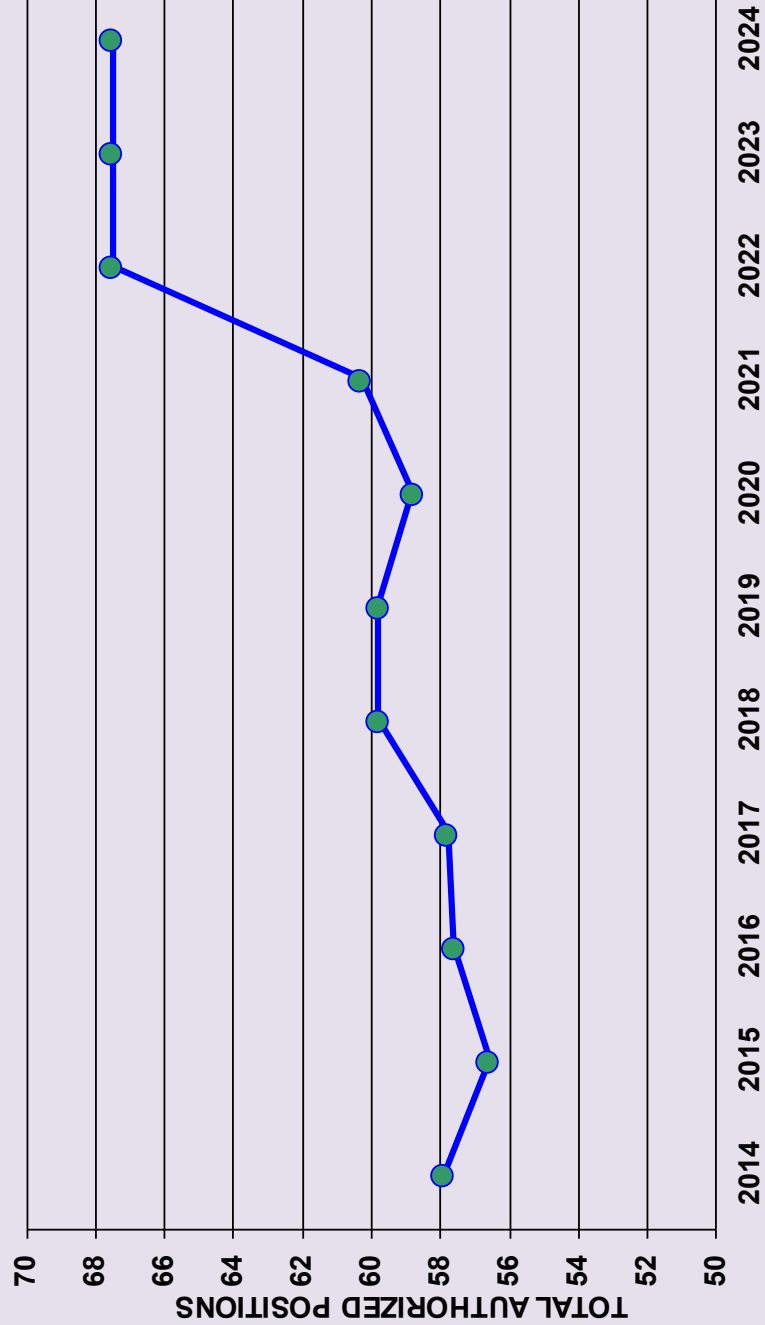
Summary of Indirect Cost Allocation											
Direct Programs	Financial Management		Utility Billing		Corp Yard		PW Administration		Total Indirect Cost	Full Cost	
	Operating Budget	Allocation	Bills Processed	Allocation	PW Operating Budget	Allocation	PW Operating Budget	Allocation			
Police/Fire Department											
Indirect Cost Allocation	4,158,404	166,727	-	-	-	-	-	-	882,901	5,041,305	
Community Development Department											
Indirect Cost Allocation	620,957	24,897	-	-	-	-	-	-	257,242	878,198	
Parks											
Indirect Cost Allocation	367,477	14,734	-	-	367,477	7,607	367,477	10,922	138,183	505,659	
Storm Drains											
Indirect Cost Allocation	114,556	4,593	-	-	114,556	2,371	114,556	3,405	79,887	194,442	
Street Maintenance											
Indirect Cost Allocation	217,601	8,725	-	-	217,601	4,504	217,601	6,467	109,132	326,733	
Street Traffic & Safety											
Indirect Cost Allocation	111,575	4,473	-	-	111,575	2,310	111,575	3,316	85,890	197,465	
Water Enterprise											
Indirect Cost Allocation	1,240,797	49,749	33,888	93,013	1,240,797	25,685	1,240,797	36,878	430,504	1,671,301	
Wastewater Enterprise											
Indirect Cost Allocation	2,171,554	87,066	39,252	107,736	2,171,554	44,952	2,171,554	64,541	636,882	2,808,436	
Total	\$ 9,002,919	\$ 360,963	\$ 73,140	\$ 200,750	\$ 4,223,558	\$ 87,430	\$ 4,223,558	\$ 125,528	\$ 2,620,620	\$ 11,623,539	

TEN-YEAR AUTHORIZED PERSONNEL COMPARISON

	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
General Government													
Administrative Services	4.80	4.00	4.00	4.00	4.50	4.50	5.00	5.00	5.00	5	7	7	5
IT	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1	1	2	2
Finance Department	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.5	5	5	5
Sub-Total	8.80	10.00	10.00	10.00	10.50	10.50	11.00	11.00	10.00	10.50	13.00	14.00	12.00
Public Safety													
Police Department	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22	26	25	25
Sub-Total	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	26.00	25.00	25.00
Community Services													
Community Development	3.80	3.80	4.30	4.00	4.30	4.50	4.80	4.80	3.00	4	4	4	4
Public Works	12.60	12.60	13.60	12.60	12.80	12.80	14.00	14.00	15.80	15.8	15.5	15.5	17
Enterprise Funds	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8	9	9	9
Sub-Total	24.40	24.40	25.90	24.60	25.10	25.30	26.80	26.80	26.80	27.80	28.50	28.50	30.00
Total Authorized Positions	54.20	55.40	57.90	56.60	57.60	57.80	59.80	59.80	58.80	60.30	67.50	67.50	67.00

- Note 1:** Staffing comparison excludes Seasonal and Temporary positions.
- Note 2:** In FY2012/13 an Information Technology Technician position was added to Administrative Services.
- Note 3:** In FY2013/14, a Community Service Officer position was added to the Police Department; an Operator in Training was added to the Wastewater Enterprise; and a part-time grant-funded Grants
- Note 4:** FY 2014/15 reflects reclassification of the Housing & Economic Development Coordinator to full
- Note 5:** FY 2015/16 reflects the authorization of a part-time Grants Assistant in Community Development, a part-time AI and the increase to 80% of the Water Project Coordinator in Public Works. The Associate Planner in Community Development was reduced to 80%.
- Note 6:** FY 2016/17 reflect reclassification of the Operations Manager to the Assistant Public Works Director
- Note 7:** FY 2017/18 reflects reclassification of the part time (80%) Water Project Coordinator to a full time Engineering Technician
- Note 8:** FY 2017/18 reflects the addition of a Public Works Maintenance I posi
- Note 9:** FY 2017/18 reflects the increase of the Grants Assistant position from
- Note 10:** FY 2017/18 reflects the increase of the AV Technician position from
- Note 11:** in FY 2018/19 the Administrative Services Director position was eliminated from Administrative Services
- Note 12:** in FY 2018/19 the Police Lieutenant position was eliminated from the Police Department
- Note 13:** in FY 2018/19 an additional CSO position was added to the Police Department
- Note 14:** in FY 2018/19 the Special Project Manager and the Special Projects Assistant moved from the Community Development Department to the Public Works Department

TEN YEAR AUTHORIZED STAFFING COMPARISON



FY 2023/24 ARTICLE XIII B APPROPRIATIONS LIMIT

The Appropriations Limit imposed by Proposition 4 and modified by Propositions 98 and 111 creates a restriction on the amount of revenue that can be appropriated in any fiscal year. The Appropriations Limit is based on actual appropriations during FY 1978/79 and is increased each year using the growth of population and inflation. The only revenues that are restricted by the Appropriations Limit are those referred to as “proceeds of taxes.” Some examples of taxes are sales tax, property tax, transient occupancy tax and State motor vehicles in lieu tax.

During any fiscal year, a city may not appropriate any proceeds of taxes it receives in excess of its Appropriations Limit. If the city receives excess funds in any one year, it can carry them into the subsequent year to be used if the city falls below its Appropriations Limit in that year. Any excess funds remaining after the second year must be returned to the taxpayers by reducing tax rates or fees. As an alternative, a majority of the voters may approve an “override” to increase the Appropriations Limit. The City of Fort Bragg’s budgeted expenditures have always been well below its annual Appropriations Limit. The factors used are:

- **Population Factor** – At the City’s choice, either the annual change in City or County population.
- **Price Factor** – At the City’s choice, either the change in California per capita income or increase in non-residential assessed valuation due to new construction.

The formula to be used in calculating the growth rate is:

$$\frac{\% \text{ Change in population} + 100.00}{100.00}$$

Multiplied by either

$$\frac{\$ \text{ Change in per capita income} + 100.00}{100.00}$$

Or

$$\frac{\text{Change in non-residential assessments} + 100.00}{100.00}$$

The resultant rate multiplied by the previous appropriation limit equals the new appropriation limit. In May 2023, the California State Department of Finance notified cities of the population change and the per capita personal income factor to be used to determine the appropriation limit. Using the change in per capita income method, the calculation as applied to the City of Fort Bragg for FY 2023/24 is:

- The population change at January 1 of the previous year for the County is <-0.53> and for the City is <0.93%>. The City population change is the greater of the two therefore it is the percentage that will be used.
- The per capita income percentage change is 4.44%.

The factor for determining the year-to-year increase is computed as:

$$\frac{4.44 + 100.00}{100.00} \times \frac{\text{<0.93%>} + 100.00}{100.00} = 1.03429$$

Applying this year’s factor to last year’s limit of \$11,130,495 the appropriations limit for FY 2023/24 is \$11,512,169. With appropriations subject to the limitation totaling approximately \$7,302,673 the City of Fort Bragg is not at risk of exceeding the Gann Limit.

**City of Fort Bragg Appropriation Limit
Applied to FY 23/24 Budget**

Proceeds of Taxes

Property & Other Taxes

Property Taxes	\$	1,100,167
Sales & Use Taxes, Prop 172 Taxes		1,959,500
Transient Occupancy Taxes		3,242,118
Franchise Taxes		692,277
Transfer Taxes		50,090
Business License Taxes		211,708
Subtotal - Taxes		7,255,860

Proceeds of Non Taxes

Licenses & Permits		94,293
Fines & Forfeitures		25,100
Use of Money & Property (less interest earned)		90,000
Intergovernmental		716,362
Charges for Services		3,422,965
Other Revenues		20,200
Subtotal - Non Taxes		4,368,920

Total Non-Taxes & Taxes **11,624,780**

Allocate Interest Based on Ratios

Non Taxes (33%)		28,187
Taxes (67%)		46,813
Total Interest		75,000

Total Revenue **\$ 11,699,780**

FY 2023/24 Appropriations Limit		11,512,169
Less Proceeds of Taxes		7,302,673
Under Maximum Appropriation Limit		\$ 4,209,496



**CITY OF
FORT BRAGG**

Fiscal Year **2024** Proposed Budget



CITY COUNCIL



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STRATEGIC GOALS AND OBJECTIVES

Through a Goal Setting Retreat, the City Council met earlier this year to establish the Council Goals and Priorities. The Council identified the four priorities for FY 2024, which are listed below:

CITY COUNCIL GOALS

HOUSING



- Workforce housing- CLT
- Fully Staff Community Development Dept
- Enforcement of illegal vacation rentals

INFRASTRUCTURE



- Water Storage, reservoirs
- Diversify Water Sources (Desal/Reclamation)
- Streets Rehab
- Municipal Broadband
- EV Charging Stations

QUALITY OF LIFE



- Beautification of Downtown Buildings and Streets
- Build Civic Pride & Transparency to encourage Public engagement
- Community Involved Police Force (CRU & CE)

JOBS/INDUSTRY



- Marine Research Center- Partner with Noyo Center
- Continue Partnership with Noyo Harbor
- Broadband
- Partner with Schools & College on Vocational Training

ELECTED OFFICIALS

As of June 30, 2023



Bernie Norvell
Mayor



Jason Godeke
Vice Mayor



Tess Albin-Smith
Councilmember

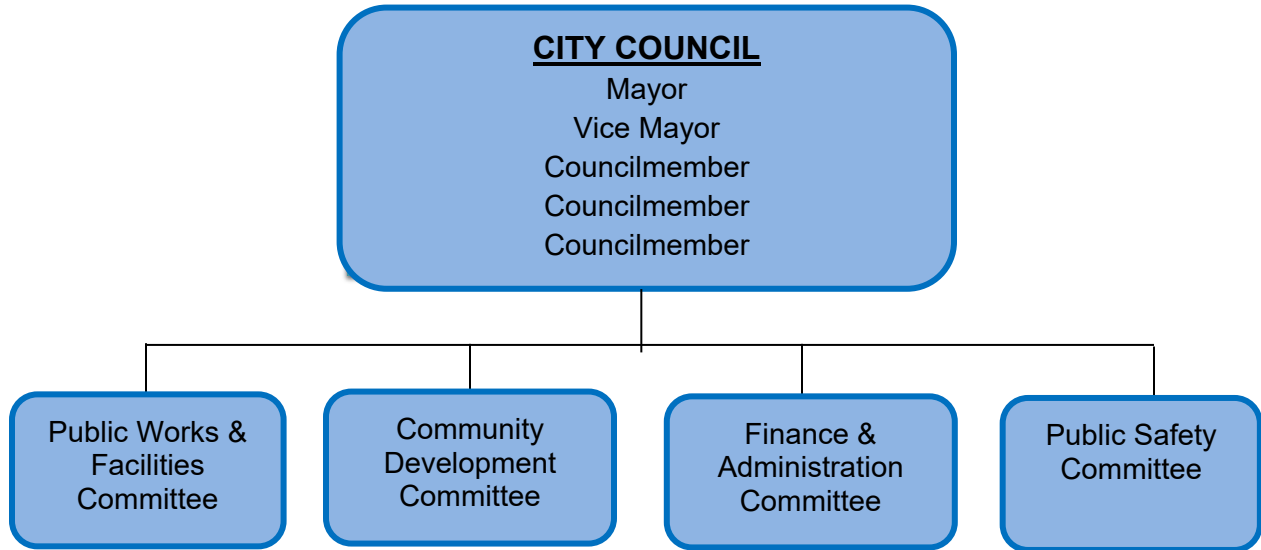


Marcia Rafanan
Councilmember



Lindy Peters
Councilmember

CITY COUNCIL



A five-member elected City Council provides governance over the City of Fort Bragg’s services to approximately 7,000 residents. Each Councilmember is elected at large and serves a four-year term. The members of the City Council elect the Mayor and serves a two-year term. The Council convenes in regular session on the 2nd and 4th Mondays of each month. All regular meetings are held in Fort Bragg Town Hall and are open to the public.



SUMMARY OF SERVICES

As the primary Legislative body for Fort Bragg, the City Council's authority is to provide fiscally responsible leadership that protects and promotes Fort Bragg's unique quality of life for the full enjoyment of its residents, visitors, and business owners.

The City of Fort Bragg is a general law city under California State law. The State constitution and law establish its rights, powers, privileges, authority, and functions. Operating under a Council-Manager form of government, the five Fort Bragg City Council members are elected at large by the community and, therefore, residents of the entire community. The council-manager form of local government combines the strong policy and political leadership of the City Council with the City Manager's professional experience. Power and authority are concentrated in the elected City Council, while the City Manager implements its policies.

While being a City Council member is considered a part-time job, the actual time commitment is significant. In addition to City Council and Council Committee meetings, council members hold special local and regional committee assignments, meet frequently with residents, business owners, and City staff to discuss issues and projects, and regularly attend a variety of community events. The Council establishes policies for City operations, approves all budgets, and ensures appropriate representation and responses to community interests. The City Council appoints the City Manager who supports the City Council in its policy development functions and ensures that the City Council's policies, programs, and priorities is addressed through the work of City staff.

FY 2022/23 TOP ACCOMPLISHMENTS

Pilot project partnership with ONEKA that is testing a wave-powered desalination system to make oceans a sustainable and affordable source of drinking water.

Support the Police Department's Care Response Unit (CRU) program and the two Social Services Liaisons that work in the Police Department side-by-side with officers to immediately assist people in a mental health crisis, people experiencing homeless, and those with substance abuse disorders. CRU also coordinated the Emergency Weather Shelter program, housing over 60 people during nights with rain and extreme cold.

The purchase of 580-acre property to design and build three new reservoirs for increased water storage and sustain the City during periods of extreme drought.

Established Housing Mendocino Coast - a community land trust incubated by the City for the purpose of providing workforce home ownership and rental opportunities.

FY 2023/24 TOP PRIORITIES

- Infrastructure projects:
 - Affordable housing in City.
 - Continued expansion of the City’s water system.
- Financial resiliency
 - Initiate new revenue sources.
 - Pay down PERS unfunded liability.
 - Economic development and growth.
 - New park play equipment and new playing fields.

BUDGET OVERVIEW

The City Council Budget for Fiscal Year 2024 is \$185K, a decrease of 13% from the prior year. The decrease is due to election costs of \$10k budgeted last fiscal year, with only \$5K this year- for a special election if needed to bring forward the Special Sales Tax Ballot Measure in November 2023.

Included in the Proposed Budget is a \$25K Council Goals Budget. Council members are paid a small stipend. The Budget for FY 2024 is based on the maximum number of meetings anticipated for the year.

CITY COUNCIL DEPARTMENTAL BUDGET SUMMARY FUND 110 DEPARTMENT: 4110

Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Expenditure Summary					
Personnel Services	\$ 133,245	\$ 143,818	\$ 148,679	\$ 146,814	-1%
Non-Personnel Services	81,031	78,500	63,805	38,500	-40%
Total Departmental Expenditure	214,276	222,318	212,484	185,314	-13%
Cost Allocation Summary					
Expense - Cost Allocations	(38,116)	(65,069)	(65,069)	(65,069)	100%
Revenue - Personnel Allocations	(176,201)	(105,911)	(105,911)	176,201	
Net Cost Allocation	(214,317)	(170,980)	(170,980)	111,132	-165%
Net Expenditure	\$ 41	\$ (51,338)	\$ (41,504)	\$ 5,801,574	-14078%

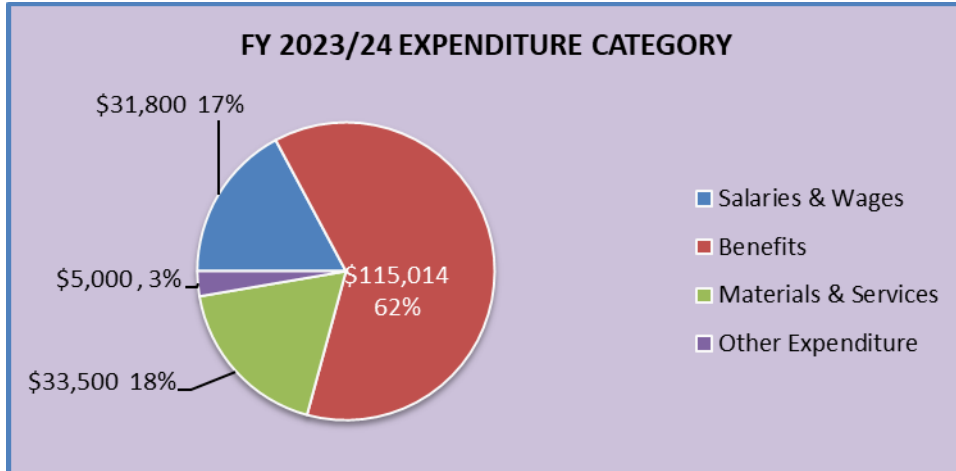
Expenditure Line Item Detail

Fund #110 Department: 4110		Account Detail	Category Detail	FY 2023/24 Proposed Budget
Personnel Costs				
		Salaries & Wages, Regular	\$ 31,800	
		Employee Benefits	115,014	
		Total Personnel Costs		\$ 146,814
Materials & Services				
110-4110-0319		Professional Services	25,000	
110-4110-0366		Training/Travel Reimbursement	8,000	
110-4110-0371		Meetings/City Business	500	
		Total Material & Services		33,500
110-4110-0315		Election costs	5,000	
		Total Other Expenditures		5,000
		Total - City Council		\$ 185,314

EXPENDITURE BUDGET DETAIL:

Fund #110
Department: 4110

Object	Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
0101	Salaries & Wages, Regular	23,500	27,600	25,336	30,600	17%
0109	Other Pay	259	1,200	677	1,200	44%
0100	Salaries & Wages	\$ 23,758	\$ 28,800	\$ 26,013	\$ 31,800	18%
0200	Employee Benefits	109,486	115,018	122,666	115,014	-7%
	Personnel Services	133,245	143,818	148,679	146,814	-1%
0315	Election Costs	3,000	10,000	11,478	5,000	100%
0319	Professional Services	68,148	60,000	41,800	25,000	100%
0366	Training/Travel Reimbursement	9,052	8,000	10,277	8,000	-22%
0371	Meetings/City Business	832	500	250	500	100%
	Non-Personnel Services	81,031	78,500	63,805	38,500	-40%
	Total City Council	\$ 214,276	\$ 222,318	\$ 212,484	\$ 185,314	-13%



COST ALLOCATION DETAIL

Fund #110

Department: 4110

Object	Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
0801	Salary/Benefit Allocation	82,477	118,426	118,426	118,426	0%
0802	Cost Allocation contra exp	(187,554)	(238,509)	(238,509)	(238,509)	0%
0396	Allocation to ISF-IT	58,839	47,129	47,129	47,129	0%
0397	Allocation to ISF-Facilities	8,123	7,885	7,885	7,885	0%
3499	Personnel Cost Allocation - Revenue	(176,201)	(105,911)	(105,911)	176,201	-266%
Net Cost Allocation		(214,317)	(170,980)	(170,980)	111,132	-165%





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**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget

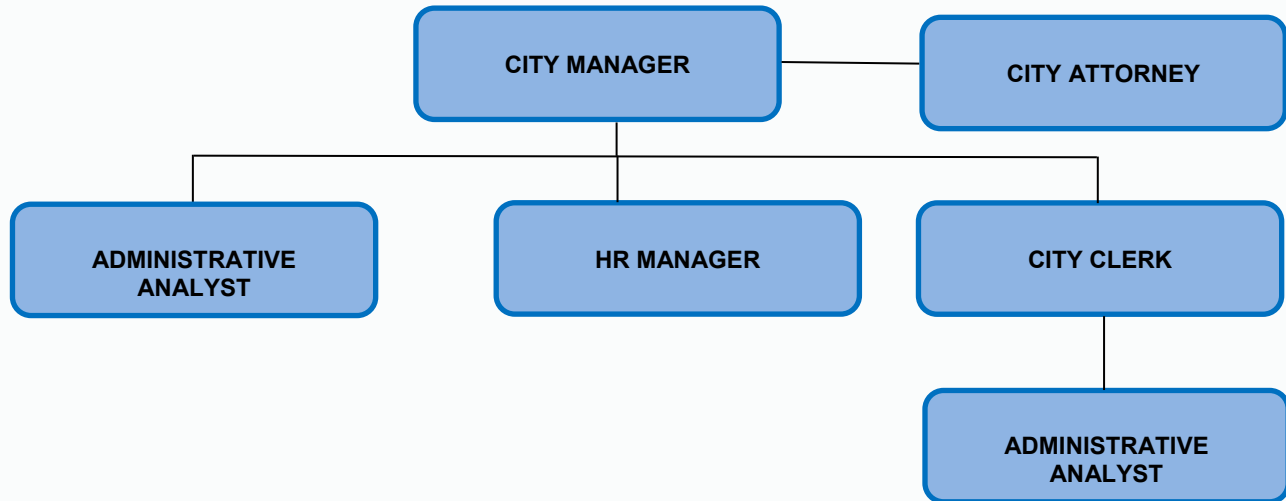


**ADMINISTRATION
DEPARTMENT**



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ADMINISTRATION DEPARTMENT



AUTHORIZED FTE	FY15	FY16	FY17	FY18	FY19	FY20	FY 21	FY 22	FY 23	FY 24
Administration Dept.	6	6.5	7	7	6	6	6	7	7	5

The City's Administration includes the City Attorney, City Manager, and the Administrative Services Department. Each entity contributes to the professional leadership of the organization, implementation of City Council policy objectives, and administration of City services and programs. The City's Administration works closely and provides support to other City departments with the goals of ensuring the professional delivery of quality public services; an efficient, responsive, and accountable government; fiscal stability; economic vitality; quality of life; and effective citizen engagement.

SUMMARY OF SERVICES

The City of Fort Bragg is a Council-Manager form of government. Our five elected city councilmembers serve as the City's primary legislative body, which sets City policy and establishes goals. They also appoint a chief executive officer, the City Manager to oversee day-to-day municipal operations and implements the Council policy direction. The City Manager oversees the Administrative Services Department which includes the contract City Attorney, the City Clerk, and Human Resources. The Department has five full-time staff:

- City Manager
- City Clerk
- Administrative Analysts (2)
- Human Resources Manager

The City Manager also serves our broader community, bringing the benefits of advanced public administration education, professional training, and wide-ranging municipal management experience to allocate local government resources and develop programs that meet the needs of our residents. In cooperation with the Finance Director, the Manager prepares the annual budget for the Council's consideration; serves as the City Council's chief advisor; and carries out the Council's policies. Councilmembers count on the Manager to provide complete and objective information, pros and cons of policy alternatives, and long-term planning for programs that meet our community needs and ultimately ensures sound and effective management practices over City staff and resources.

The Administrative Services Department is responsible for a wide array of support services including:

CITY ATTORNEY

The City contracts with Jones & Mayer, a firm specializing in municipal law, for City Attorney services. The City Attorney, appointed by the City Council, is the chief legal advisor and provides professional legal services to the City Council, the City Manager, City departments, and the Planning Commission. Services include advising Council and staff during public meetings, providing legal opinions, reviewing and drafting legal documents and contracts, providing advice regarding public officials' conflicts of interest, personnel and labor law issues, and representing the City in litigation. The City Attorney is also responsible for assigning legal work to various specialists in the firm or to outside counsel, as needed.

CITY CLERK

The City Clerk's Office provides one-on-one service and staff support to the Mayor and City Council. As the Office of Record, the City Clerk is responsible for maintaining official records of City Council actions in accordance with the legal requirements for public meetings. The Clerk maintains and preserves municipal archival records and materials as well as records of adopted municipal codes, general bylaws and zoning bylaws, resignations, appointments, petitions, publications, budgets, election results and minutes for public meetings. The City Clerk also acts as Secretary for all City Council meetings.

HUMAN RESOURCES

Human Resources (HR) provides professional services and support to the City Council, City management, employees, and the public. HR provides organizational strategy and analytical information to the City Manager to accomplish key Council goals, promote organizational transparency, and plan for future workforce demands. HR is committed to offering sound, diversified training opportunities to its employees, which not only builds employee capabilities, but also addresses current and future community needs. In its efforts to minimize the City's risk exposure, HR continues to be a valuable resource with employment law and best practices,

including such areas as workers' compensation, safety, liability prevention, employee discipline, hiring protocols and benefits administration.

STRATEGIC GOALS AND OBJECTIVES

- Exercise overall responsibility for sound and effective management by City government. Recommend administrative, fiscal and operational policies to the City Council to improve the efficiency and effectiveness of the City's operations.
- Ensure agenda items for the City Council's agenda are complete and sufficient for Council decision-making, and make appropriate recommendations on each item.
- Implement the City Council's goals and objectives by assuring that the actions and programs necessary to achieve the Council's priorities are integrated into the day-to-day work programs of City departments.
- Ensure that sound fiscal management policies are implemented throughout the organization.
- Direct administration of City personnel policies and administrative procedures including employee recruitment, retention, examination, appointment, and dismissal.
- Encourage the professional development and training of all employees in order to develop competency to perform in accordance with the values of leadership, performance excellence, team building and customer service.
- Monitor and work with other City Departments to ensure the City's safety programs are deployed and compliant with requirements.
- Ensure that the City is prepared for natural, civil and other emergencies and disaster by coordinating planning, training and emergency operations drills.

FY 2022/23 TOP ACCOMPLISHMENTS

- Oversaw the Visit Fort Bragg Committee and destination marketing team to implement special events and seasonal marketing campaigns, such as the Magic Market, Holiday Gift Guide, Winter Wonderland, and more.
- Visit Fort Bragg managed on-going public relations and marketing campaign to promote tourism by advertising Fort Bragg's unique qualities statewide.
- Human Resources created database components to assist Finance with bringing CV Starr payroll in-house and now handles payroll related transactional activity for the CV Starr.
- Human Resources conducted 15 recruitments, 15 new hires, and eight internal promotions.
- To support public agency transparency, City Clerk reviewed over 6,000 public documents in response to over 200 Public Records Requests.

- City Clerk individually prepared over 50 complex contracts for various Consultant contracts for City projects.

PERFORMANCE / WORKLOAD MEASURES

INDICATORS	FY19	FY20	FY21	FY22
HUMAN RESOURCES				
Number of job posting	10	16	17	15
Number of applications received and reviewed	110	365	217	110
Open Enrollment Compliance and Meetings held	95% - 3	100%	100%	100%
Number of new hires	10	8	17	15
Safety Meetings	4	2	3	2
CITY CLERK				
Ordinances Processed	6	8	13	6
Resolutions Processed	118	122	148	145
Contracts Processed	75	61	97	57
City Council Meeting Agenda Packets	46	53	42	53
PRAs Processed / Records Reviewed	78 / 2,041	146 / 12,027	294 / 8,868	212* / 6,137
Weddings Performed	2	2	4	12
				*Estimate

FY 2023/24 TOP PRIORITIES

- Research and implement City-wide technical automation of current manual tasks that will increase staff productivity as well as accuracy.
- Create new recruitment video for the City to better reflect the unique opportunity living and working in the City offers to potential future hires.
- Research and work with various technical experts to update Personnel Rules and Regulations for the City.
- Explore and develop new revenue sources to support and expand necessary services.

BUDGET OVERVIEW

The Administration Department for Fiscal Year 2024 is \$1.04 million, a decrease of 9% from the prior year. Most of the reduction occurred in salary and benefits because of the restructuring of the Specials Projects Manager and Grants Coordinator to the Public Works and Community Development Department during the last fiscal year. This variance was offset by Cost of Living Adjustments of 2% and aligned with merit increases in the Department. Two promotions were approved during the prior fiscal year.

The City Attorney's Proposed Budget is \$300K, a decrease of 6%, reflective of the estimated year-end costs in FY 2023. Additionally, Professional services decreased by \$35k upon completing the Salary and Compensation Survey. The survey results will be brought forward to the Finance and Admin meeting at the next meeting.

ADMINISTRATION DEPARTMENTAL BUDGET SUMMARY

FUND 110

DEPARTMENT: 4130

Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Expenditure Summary					
Personnel Services	\$ 759,797	\$ 786,107	\$ 721,461	\$ 681,845	-5%
Non-Personnel Services	465,862	455,500	419,119	355,660	-15%
Total Departmental Expenditure	1,225,659	1,241,606	1,140,580	1,037,505	-9%
Revenue Summary					
Charges for services	2,116	1,800	2,200	2,200	0%
Miscellaneous Revenue	11,772	11,000	13,500	15,000	11%
Reimbursements	14,492	137,809	2,500	8,000	220%
Total Departmental Revenue	28,379	150,609	18,200	25,200	38%
Net Rev/Exp	(1,197,280)	(1,090,998)	(1,122,380)	(1,012,305)	-10%
Cost Allocation Summary					
Expense - Cost Allocations	(544,793)	(343,183)	(332,077)	(332,077)	0%
Revenue - Personnel Allocations	(333,341)	(189,190)	(189,190)	(333,341)	76%
Net Cost Allocation	(878,134)	(532,373)	(521,267)	(665,418)	28%
Net Expenditure	\$ (319,146)	\$ (558,625)	\$ (601,113)	\$ (346,887)	-42%

BUDGET EXPENDITURE DETAIL:

Fund #110

Department: 4130

Object	Description	FY 2021/22		FY 2022/23		FY 2023/24		% + /-	
		Audited		Amended Budget		22/23 FYE Projected	Proposed Budget		
0100	Salaries & Wages	\$ 583,776	\$	576,821	\$	513,387	\$	502,052	-2%
0200	Employee Benefits	176,021		209,286		208,074		179,793	-14%
	Personnel Services	759,797		786,107		721,461		681,845	-5%
0311	Legal	327,624		353,494		320,000		300,000	-6%
0316	Pre-Employment Costs	16,496		10,000		10,000		10,000	0%
0317	Recruitment Costs	44,416		10,000		10,000		5,000	-50%
0319	Professional Services	56,616		60,395		60,000		25,000	-58%
0320	Dues & Memberships	2,125		2,710		2,000		1,960	-2%
0364	Legal Notices	9,816		4,000		2,500		2,000	-20%
0366	Training/Travel Reimbursement	6,212		12,000		12,000		10,000	-17%
0375	General Supplies	833		500		700		300	0%
0371	Meetings/City Business	617		200		200		200	0%
0376	Medical/Safety Supplies	292		1,000		500		-	0%
0381	Small Tools & Equipment	622		1,000		1,000		1,000	100%
0384	Books & Subscriptions	194		200		219		200	-9%
	Non-Personnel Services	465,862		455,500		419,119		355,660	-15%
Total - Administration Expenditure		\$ 1,225,659	\$	1,241,606	\$	1,140,580	\$	1,037,505	-9%

BUDGET EXPENDITURE DETAIL:

Fund #110

Department: 4130

Object	Description	FY 2021/22		FY 2022/23		FY 2023/24		% + /-	
		Audited		Amended Budget		22/23 FYE Projected	Proposed Budget		
0100	Salaries & Wages	\$ 583,776	\$	576,821	\$	513,387	\$	502,052	-2%
0200	Employee Benefits	176,021		209,286		208,074		179,793	-14%
	Personnel Services	759,797		786,107		721,461		681,845	-5%
0311	Legal	327,624		353,494		320,000		300,000	-6%
0316	Pre-Employment Costs	16,496		10,000		10,000		10,000	0%
0317	Recruitment Costs	44,416		10,000		10,000		5,000	-50%
0319	Professional Services	56,616		60,395		60,000		25,000	-58%
0320	Dues & Memberships	2,125		2,710		2,000		1,960	-2%
0364	Legal Notices	9,816		4,000		2,500		2,000	-20%
0366	Training/Travel Reimbursement	6,212		12,000		12,000		10,000	-17%
0375	General Supplies	833		500		700		300	0%
0371	Meetings/City Business	617		200		200		200	0%
0376	Medical/Safety Supplies	292		1,000		500		-	0%
0381	Small Tools & Equipment	622		1,000		1,000		1,000	100%
0384	Books & Subscriptions	194		200		219		200	-9%
	Non-Personnel Services	465,862		455,500		419,119		355,660	-15%
Total - Administration Expenditure		\$ 1,225,659	\$	1,241,606	\$	1,140,580	\$	1,037,505	-9%

DEPARTMENT DETAILS – ADMINISTRATION

Line Item Detail			FY 2023/24
Fund #110		Account	Category
Department: 4130		Detail	Proposed Budget

Personnel Costs

Salaries & Wages, Regular		\$	502,052
Employee Benefits			179,793
			<hr/>
	Total Personnel Costs		\$ 681,845

Materials & Services

110-4130-0311	City Attorney Services		300,000
110-4130-0316	Pre-Employment Costs		10,000
	Live Scan	\$	1,000
	Occu-Med		7,500
	Polygraph & Background		<hr/> 1,500
110-4130-0317	Recruitment Costs		5,000
110-4130-0319	Professional Services		25,000
110-4130-0320	Dues & Memberships		1,960
	American Planning Assoc.	\$	360
	International Foundation of Employee Benefits-HR		325
	International Institute of Municipal Clerks- CC		290
	City Clerks Association of California- CC		200
	CA League of Economic Development		350
	International Public Management Assoc.- HR		156
	Cal GOVHR		60
	Society of Human Resources Management		<hr/> 219
110-4130-0364	Legal Notices		2,000
110-4130-0366	Training/Travel Reimbursement		10,000
	City Clerk	\$	2,000
	City Manager		2,000
	Human Resource Manager		2,000
	Administrative Assistant		2,000
	Administrative Analyst		<hr/> 2,000
110-4130-0371	Meetings/City Business	\$	200
110-4130-0375	General Supplies		300
110-4130-0381	Small Tools & Equipment		1,000
110-4130-0384	Books & Subscriptions		<hr/> 200
	Total Material & Services		\$ 355,660
	Total - Administration Expenditure		<hr/>\$ 1,037,505

BUDGET REVENUE DETAIL:

Fund #110

Department: 4130

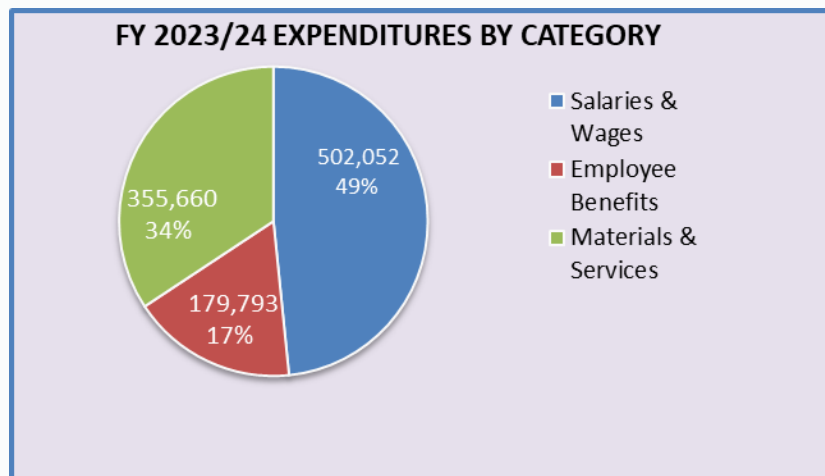
Object	Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Charges for Services						
3419	Document Copies	\$ 2,116	\$ 1,800	\$ 2,200	\$ 2,200	0%
Total Charges for Services		2,116	1,800	2,200	2,200	0%
Reimbursements						
3201	Training Reimbursements	-	-	-	2,000	100%
3415	City Reimb-DDA	3,927	5,000	500	1,000	100%
3318	Grant Staff Time Reimb	10,564	132,809	2,000	5,000	150%
Total Reimbursements		14,492	137,809	2,500	8,000	220%
Miscellaneous Revenue						
3998	Miscellaneous Fines	5,535	5,000	2,500	5,000	100%
3905	Rents & Concession	6,237	6,000	11,000	10,000	-9%
Total Miscellaneous Revenues		11,772	11,000	13,500	15,000	11%
Total - Administration Revenue		\$ 28,379	\$ 150,609	\$ 18,200	\$ 25,200	38%

COST ALLOCATION DETAIL

Fund #110

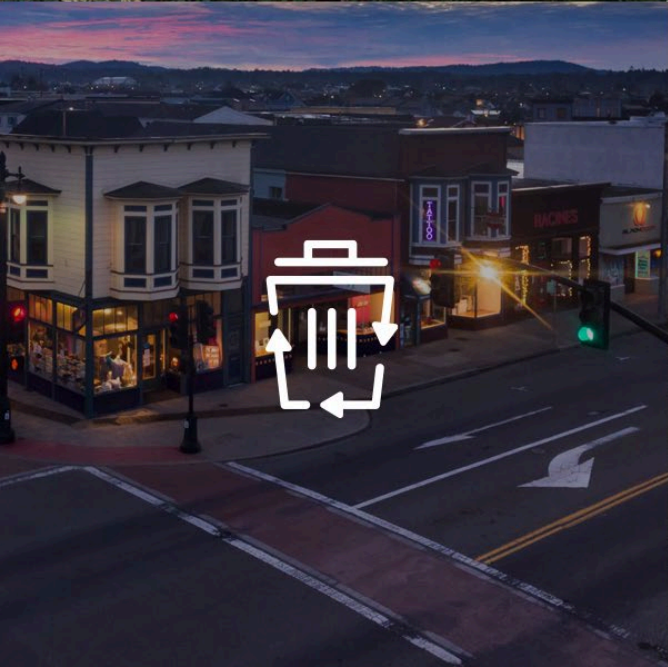
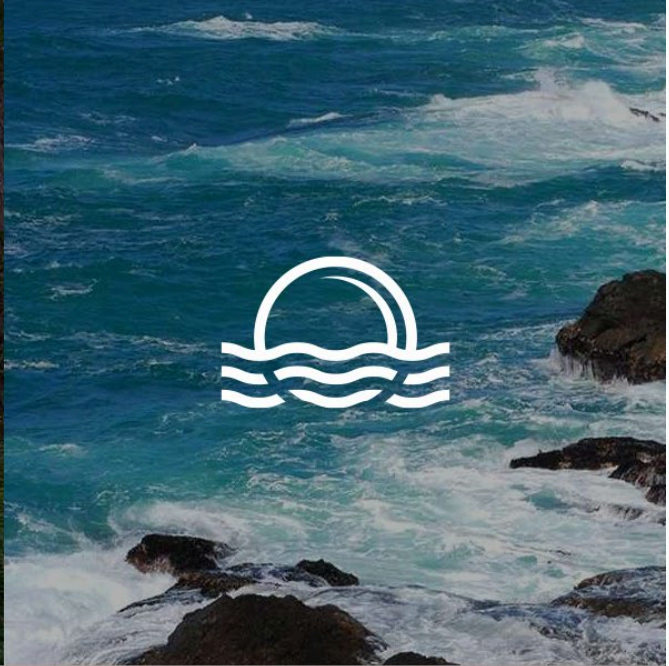
Department: 4130

Object	Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
0801	Salary/Benefit Allocation	\$ 84,677	\$ 27,464	\$ 27,464	\$ 27,464	0%
0802	Cost Allocation contra exp	(695,545)	(428,605)	(428,605)	(428,605)	0%
0396	Allocation to ISF-IT	37,443	26,931	37,443	37,443	0%
0322	Allocation to Fleet Int Serv Fund	8,357	11,346	11,346	11,346	0%
0397	Allocation to ISF-Facilities	20,275	19,681	20,275	20,275	0%
3499	Personnel Cost Allocation - Revenue	(333,341)	(189,190)	(189,190)	(333,341)	43%
Net Cost Allocation		\$ (878,134)	\$ (532,373)	\$ (521,267)	\$ (665,418)	28%



FORT BRAGG TOURISM MARKETING & PROMOTIONS

Promote Fort Bragg's vibrant tourism economy; strengthen the Fort Bragg tourism experience; and Increase Transient Occupancy Tax and Sales tax revenues.





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**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget

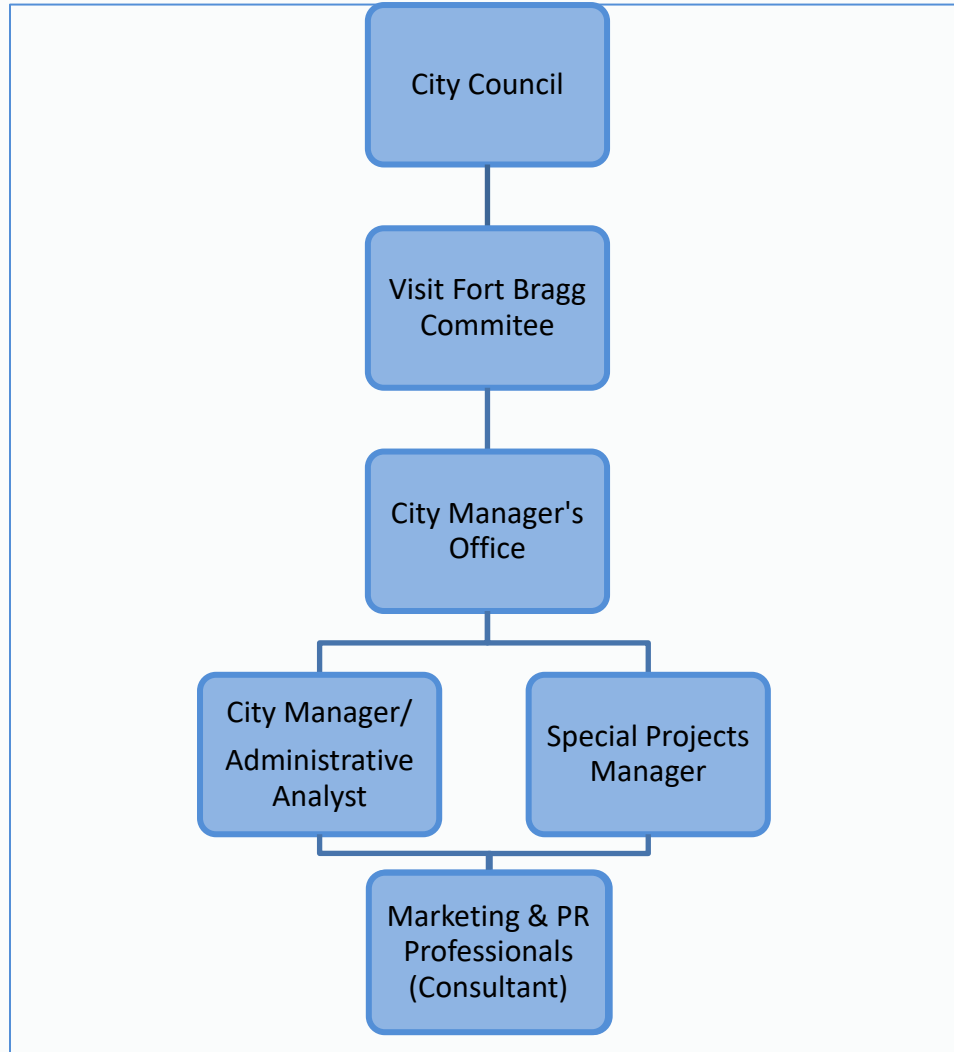


VISIT FORT BRAGG



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FORT BRAGG TOURISM MARKETING & PROMOTIONS



The City Manager's Office will oversee the implementation of Fort Bragg's Visit Fort Bragg/Marketing & Promotion Plan, which is funded from the increased Transient Occupancy Tax (TOT) revenues per the Measures AA and AB. The Marketing & Promotion Plan includes the following primary tasks which have been undertaken through contracts with consultants and partner agencies:

- Branding
- Advertising
- Public Relations & Media Outreach
- Website Development
- Interactive & Social Media Marketing
- Collateral & Visitor Information
- Content Development (word/photo/video)
- Creative Support Visit Fort Bragg Committee Special Events

FY 2022/23 ACCOMPLISHMENTS

- Increased site traffic and engaged subscribers to social media and e-newsletter through ongoing promotions, including digital campaigns and television reach campaigns.
- Direct merchant support through events and promotions such as Magic Market, Winter Wonderland, Holiday Gift Guide, Whale Fest and Restaurant Week.
- The Great Photo Collection campaign garnered over 400 original entries and increased social following and engagement. Five winners were selected, and all photos were available for marketing purposes.
- Creation and promotion of original website/microsite for Fort Bragg Arts and Culture featuring a wide range of artists along with the creation of the Fort Bragg Alleyway Art Project website. Continued, ongoing creation and promotion of multiple art and culture features and stories.
- Shoulder season video campaign featuring two: 30 TV commercials shot on location in Fort Bragg. The campaign generated over 300,000 impressions, 2,000 hours of video interaction, and an unprecedented 87% online Viewed in Full rate.
- Sacramento Magazine print and newsletter campaign.
- Mendocino Film Festival sponsorship with program and preens at Coast Cinemas.
- Continued creative identity and promotion of key events:
 - Magic Market Holiday Gift Guide, including first-time artist pop-ups
 - Winter Wonderland with extensive local and visitor outreach
 - Whale Fest + Restaurant Week, Beer Fest
- Landing Page: newsletter sign up promotions creates 5,000 subscribers
- Google Display Campaign with 39,000 clicks @ \$0.11/click
- Organic Social unites merchants, restaurants, wineries, and breweries.

FY 2023/24 TOP PRIORITIES

- Continue to grow to Visit Fort Bragg’s marketing subscriber base on social media and e-newsletter, encouraging visitation and maintaining an affinity for Fort Bragg.
- Continue to support Fort Bragg merchants through directly-measurable marketing promotions that drive engagement and customer traffic.
- Continue to reach and engage with younger audiences in driving distance regions (SF, East & South Bay) outside of Northern Central Valley.
- Currently involved in Social Media restructuring to highlight and differentiate creative brand identity, align social content categories, solidify use of local stories and reels and support robust event promotion.
- Promote and cultivate Fort Bragg’s role in a regional Blue Economy effort with targeted campaigns focused on the marine environment, environment and technology.
- Maintain successful, popular annual promotions such as Photo Collection, Gift Guide, etc., using past years as foundations for increased engagement.
- Develop a mountain biking campaign in partnership with CAL FIRE and Jackson State Demonstration Forest to encourage discovery, visitation and responsible use of state forest.

BUDGET OVERVIEW

A voter-approved Measure AA in 2016 increased the City’s Transient Occupancy Tax (TOT) with a companion advisory measure (Measure AB), which allocates one-half of the TOT proceeds to Marketing Fort Bragg as a visitor destination. TOT revenue has recorded year-over-year growth since 2017, which is to some degree related to the increase in marketing efforts.

The Marketing and Promotions Budget is \$241K for FY 2024, a 9% increase from budgeting for the July 4th Fireworks in the current budget rather than splitting the budgets during two fiscal years. Additionally, the Visit Fort Bragg Committee has a budget increase of \$24K for local events. Professional services of \$180k are costs for Idea Cooperative, the contracted marketing firm.

BUDGET EXPENDITURE DETAIL:

Fund #110

Department: 4321

Object	Description	FY 2021/22	FY 2022/23	22/23 FYE	FY 2023/24	% + /-
		Audited	Amended Budget	Projected	Proposed Budget	
0319	Professional Services	\$ 193,880	\$ 200,000	\$ 200,000	\$ 180,000	-10%
0320	Dues & Memberships	150	-	150	150	0%
0371	Meetings/City Business	-	500	250	500	100%
0619	Fireworks	32,803	20,000	20,000	35,000	75%
0382	Visit Fort Bragg Committee	-	-	-	25,000	100%
Total Marketing & Promotion Budget		\$ 226,875	\$ 220,500	\$ 220,400	\$ 240,650	9%

VISIT FORT BRAGG MARKETING & PROMOTIONS BUDGET SUMMARY

FUND 110

DEPARTMENT: 4321

Description	FY 2021/22	FY 2022/23	22/23 FYE	FY 2023/24	% + /-
	Audited	Amended Budget	Projected	Proposed Budget	
Expenditure:					
Material and Services	\$ 226,875	\$ 220,500	\$ 220,400	\$ 240,650	9%
Total Departmental Expenditure	\$ 226,875	\$ 220,500	\$ 220,400	\$ 240,650	9%



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**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget



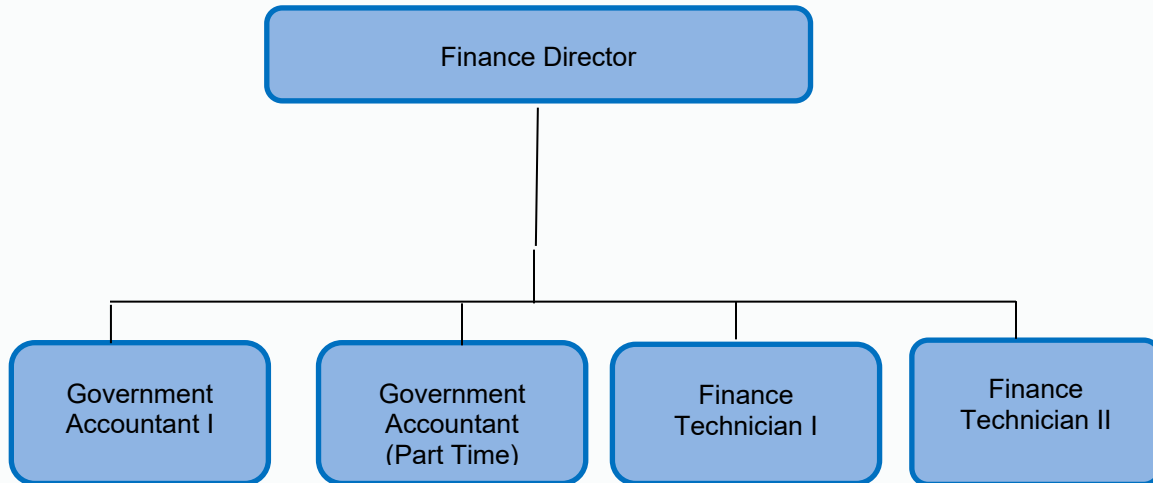
**FINANCE
DEPARTMENT**



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FINANCE DEPARTMENT

The Finance Department is responsible for maintaining the City's financial integrity by providing oversight to the City's fiscal management, maintaining accurate financial records and reports, and providing advice regarding fiscal policies and transactions.



AUTHORIZED FTE	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Finance Department	4	4	4	4	4	4	3	4.8	4	5

SUMMARY OF SERVICES

The Finance Department is a General Government support function. In FY 2023, the Department had four full-time staff members, including: a Finance Director, one Government Accountant, two Finance Technicians. In March 2023, the department added a second part-time Government Accountant.

The Finance Department coordinates and directs all fiscal operations of the City. This includes directing, monitoring, and controlling all assets and financial operations and providing a framework for financial planning and analysis to support the operation and management of City departments. The functions of the Finance Department include utility billing, business licensing, transient occupancy tax collections, accounts payable, accounts receivable, payroll, purchase orders, financial reporting to federal, state, and other outside agencies, treasury and cash management, budget preparation, budgetary control, audit liaison and oversight of other fiscal activities of the City, CV Starr, Municipal Improvement District #1, and the Successor Agency to the Fort Bragg Redevelopment Agency.

STRATEGIC GOALS AND OBJECTIVES

- Maintain the City's fiscal health and ensure the provision of adequate resources to fund City services for the community.
- Perform financial responsibilities in accordance with statutory regulations and standards required by State and federal regulatory agencies as well as with the Government Finance Officers Association Code of Professional Ethics.
- Account for the City's fiscal activities in an accurate and timely manner within generally accepted accounting principles (GAAP) and other legal requirements.
- Ensure completion of the City's financial statements in a timely manner.
- Assist the City Manager in preparing a balanced budget and implementing fiscal and budget policies established by the City Council.
- Safeguard the City's assets and invest available cash in accordance with the City Council's adopted investment policy.
- Provide financial services such as accounts payable, payroll, cash receipts.
- Accurately bill utility customers and provide friendly and helpful customer service.

FY 2022/23 TOP ACCOMPLISHMENTS

- Took charge of CV Starr financial activities, including setting up of Cash Receipts, Accounts Payable, and Budgeting and Payroll systems in our software system (Springbrook).
- Implement Paypad Credit Card machine to accept payments for services other than Utility Billing.
- Continued cross training of staff to ensure coverage.
- Took charge of operation for Mendo Recycle.
- Processed New Business Licenses:
 - Processed 102 new business licenses and/or business transfers in 2022
 - Mailed 836 business license renewals in 2023, most of which have been processed.
- Restructure Finance Department to make room for new employee. (Major move in coordination with IT and Public Works.)
- Invoice Mendocino County for Emergency Winter Shelter reimbursable costs.
- Resumed water shut-offs for non-payment after two years, ensuring compliance with SB 998. Implemented door hangers to ensure customers are notified.
- Water meters change-out project, ensuring that meters are correctly entered into software system.
- Leak Letters to notify customers of leaks (60/month)
- Coordinate with Public Works to promote Water Conservation awareness.
- Launch WaterSmart Customer Interface in March 2023.
- Promote Financial Hardship Water Assistance Programs.
- Developed procedure for property owners/managers to have utilities automatically transferred when a tenant closes an account.
- Successfully set-up Section 115 Trust.

- Move to a 4/10 works schedule to promote a work/life balance for employees.
- Launched Calm App encouraging Employee Wellness.

PERFORMANCE / WORKLOAD MEASURES

INDICATORS	FY 2020/21	FY 2021/22	FY 2022/23
BUDGET/CAFR/AUDIT			
Receive GFOA Distinguished Budget award	Yes	Yes	Yes
Receive GFOA Award for Excellence in Financial Reporting	Yes	Yes	Yes
Audit Findings	Nil	Nil	Nil
REVENUE COLLECTION & UTILITY BILLING			
Ave.number open Water/Sewer Accounts	2859 / 2786	2871 / 2792	2868
Total Amount Billed(Water/Sewer)	\$3.2 m/\$3.6m	\$3.0m/\$3.5m	\$2.8m/ \$3.3m
% of payments processed through external automated/electronic process (Ebox,lockbox,ACH/CC)	75.7%	72.7%	64.2%
Business licenses renewals notices mailed	866	890	895
% of business licenses processed within 30 days of receipt	100%	100%	100%
Avg. number monthly pmts processed internally	630	725	956
Avg. number monthly water delinq. notices mailed	404	424	433
Avg. Monthly Number of Turn Offs – Non Payment	0	0	9
ACCOUNTS PAYABLE/PAYROLL			
Average days for Invoices to be Paid (turned into Finance)	2 days	2 days	14 days
% of Staff cross-trained in Payroll process	100%	60%	60%
% of Staff cross-trained in AP process	100%	100%	80%
% of employees signed up for direct deposit	98.5%	98.5%	98.5%



FY 2023/24 TOP PRIORITIES

Utility Billing/Business License

- Water Smart: Continue with city-wide launch. Promote software to customers
- Continue Meter Change of ¾ inch meters. Over 2,700 Meters remaining.
- Launch Municipal Pay system- for customers to improve business license filling and payments.

Financial Operating, Budgeting, and Reporting

- Open local bank account for CV Starr
- Train Government Accountant
- Launch Municipal Pay interface
- Cost Allocation & Indirect cost Study
- Water & Wastewater Rate Study
- Complete Request for Proposal and selection of external Auditor

Financial Transparency & Reporting

- Increase the number and variety of published financial reports on the City's website to increase financial transparency
- Continue developing annual long-term planning and forecasting document and presentation
- Assist City Manager and City Council in the establishment of new or enhanced revenue sources
- Assist City Manager to address Long-term Financial challengers for the City

Training & Mentorship

- Maintain continuing education plan for Finance staff
- Train and mentor staff to support professional advancement.
- Increase departmental meetings and team-building activities to encourage a “team” culture.



BUDGET OVERVIEW

The Finance Department Proposed budget is \$635K, an increase of 13% from the prior year. Besides MOU increases of 2% and merit increases, the most significant change is the

addition of one part-time Government Accountant in the fourth quarter of the prior fiscal year. The Proposed Budget includes funds to transition the Part-time position to full-time.

Moreover, non-personnel costs are expected to increase by \$10K, due to increase in Courier services costs and bank fees by 5% and an increase of \$3k for training for newer employees.

FINANCE DEPARTMENTAL BUDGET SUMMARY

FUND 110

DEPARTMENT: 4150

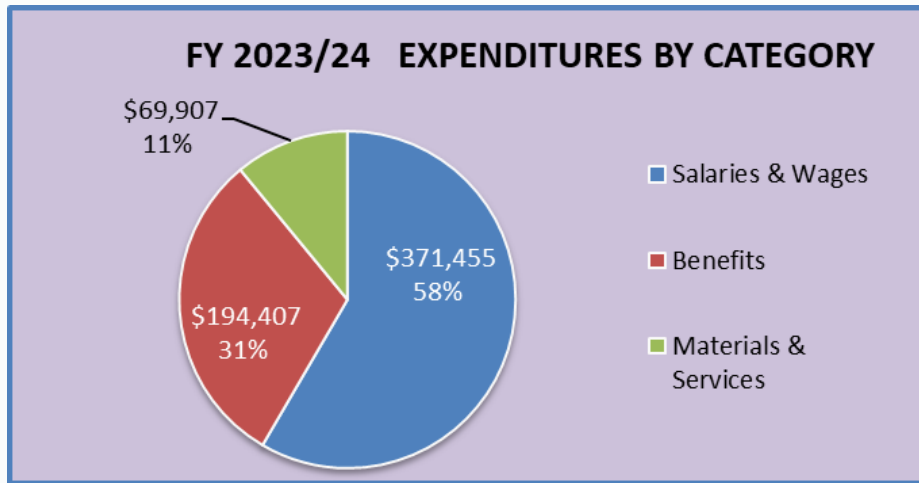
Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Expenditure Summary					
Personnel Services	\$ 459,496	\$ 557,124	\$ 502,500	\$ 565,863	13%
Non-Personnel Services	77,638	60,347	60,519	69,907	16%
Total Departmental Expenditure	537,133	617,471	563,019	635,770	13%
Revenue Summary					
Charges for services	37,818	8,046	4,960	34,828	602%
Reimbursements	344,305	342,832	342,832	342,832	0%
Licenses & Permits	60,704	66,213	60,000	61,800	3%
Fines & Forfeitures	5,104	1,500	17,975	10,000	-44%
Total Departmental Revenue	447,931	418,591	425,767	449,460	6%
Net Rev/Exp	(89,203)	(198,879)	(137,251)	(186,309)	36%
Cost Allocation Summary					
Expense - Cost Allocations	132,717	(66,607)	(66,607)	(66,425)	100%
Revenue - Personnel Allocations	(344,305)	(342,832)	(342,832)	(342,832)	0%
Net Cost Allocation	(211,588)	(409,439)	(409,439)	(409,257)	0%
Net Expenditure	\$ 122,386	\$ 210,560	\$ 272,188	\$ 222,947	-18%

BUDGET REVENUE DETAIL:

Fund #110

Department: 4150

Object	Description	FY 2022/23			FY 2023/24		% + / -
		FY 2021/22 Audited	Amended Budget	22/23 FYE Projected	Proposed Budget		
Charges for Services							
3415	City Exp-Reimb	\$ 1,607	\$ 1,500	\$ 1,500	\$ 2,000	33%	
3318	Grant Staff Time Reimb	34,300	5,000	2,200	31,528	1333%	
3711	Return Check Fee	1,911	1,546	1,260	1,300	3%	
Total Charges for Services		37,818	8,046	4,960	34,828	602%	
Reimbursements							
3499	Overhead/Admin Cost Recovery	344,305	342,832	342,832	342,832	100%	
Total Reimbursements		344,305	342,832	342,832	342,832	100%	
Licenses & Permits							
3701	Business License Fee	60,704	66,213	60,000	61,800	3%	
Total Licenses & Permits		60,704	66,213	60,000	61,800	3%	
Fines & Forfeitures							
3519	Miscellaneous Fines	5,104	1,500	17,975	10,000	-44%	
Total Fines & Forfeitures		5,104	1,500	17,975	10,000	-44%	
Total Finance Revenue		\$ 447,931	\$ 418,591	\$ 425,767	\$ 449,460	6%	



Line Item Detail

Fund #110 Department: 4150	Account Detail	Category Detail	FY 2023/24 Proposed Budget
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Personnel Costs

Salaries & Wages	\$ 371,455
Employee Benefits	194,407
Total Personnel Costs	\$ 565,863

Materials & Services

110-4150-0312 Auditing & Accounting		26,000
110-4150-0319 Professional Services		30,592
Armored Car Service	\$ 12,292	
Banking Fees	10,000	
Sales Tax Audit and Analysis	2,000	
Statistics for CAFR (MuniServices)	3,100	
State Controllers Office - Street Rpt	2,000	
SB90 Claims Consultant	1,200	
110-4150-0320 Dues & Memberships		315
GFOA	157	
CSMFO	158	
110-4150-0366 Training/Travel Reimbursement		12,000
110-4150-0381 Small Tools & Equipment		1,000
Total Material & Services		69,907

Total - Finance Department \$ 635,770





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**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget



**NON-
DEPARTMENTAL**



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NON-DEPARTMENTAL

The purpose of the Non-Departmental budget category is to record expenditures not associated with a specific City department.

SUMMARY OF SERVICES

The following expenses are included in the Non-Departmental budget: costs associated with the City's support of two Community Organizations: Public Education and Government (PEG) television services; Caspar Landfill closure and Caspar Transfer Station costs; retiree health benefits; liability and property insurance premiums; and materials and services procured for the benefit of all City departments. A true-up of budgeted vs. actual costs in Non-Departmental has undertaken annually, and budgeted cost allocations are adjusted accordingly.

BUDGET OVERVIEW

The FY 2024 Proposed Budget for City-Wide Non-Departmental (excluding transfers out) is \$1.1 million, an increase of 4% from the FY 2023 projected total. The increase was mainly a result of retiree medical cost increases at 3%, property and general liability cost increases of about 15% from CIRA and a budget for Cost Allocation and Indirect Cost Study of \$16K

Included in the proposed budget is an additional \$150K contribution to the Section 115 Trust which was set-up in FY 2023 to absorb some of the future cost increases from Calpers unfunded liability (UAL). The Trust currently has \$1.6 million invested in a moderately conservative investment strategy.

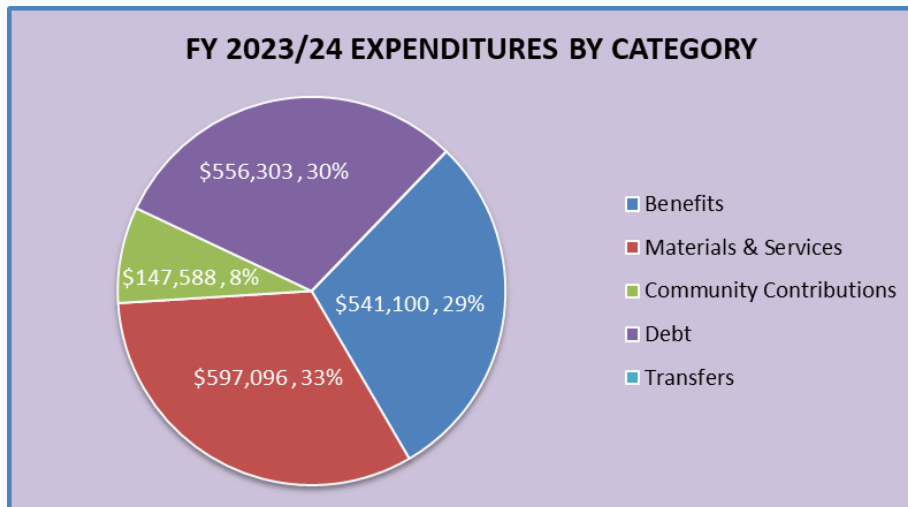
General Fund's Debt- 2021 Lease Revenue Bonds payment is \$440K. The City returned the \$3.5 million of additional funds received as part of the debt issuance to fund mill-site acquisition costs resulted in savings in interest in the long-term.

Additionally, the Caspar Landfill costs, which the City and the County of Mendocino share, are expected to increase by \$26k compared to FY 2022.

Community contributions include funding for the Noyo Center and Special Projects from Measure AB, approved in 2016.

NON-DEPARTMENTAL BUDGET SUMMARY
FUND: 110
DEPARTMENT: 4190, 4390, 4391, 4915, 4916

Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Intergovernmental	\$ 30,089	\$ -	\$ 30,000	\$ 30,000	0%
Events	4,750	2,000	8,000	5,000	-38%
Rents and Concessions	2,554	2,300	3,000	4,000	33%
Total Departmental Revenue	37,393	4,300	41,000	39,000	-5%
Personnel Services	362,100	399,775	397,609	541,100	36%
Non-Personnel Services	759,737	1,215,414	1,182,009	1,300,987	10%
Transfers	88,775	-	70,000	-	-100%
Total Departmental Expenditure	1,210,611	1,615,189	1,649,618	1,842,087	12%
Cost Allocation Summary					
Expense - Cost Allocations	(733,972)	(637,327)	(637,327)	(637,327)	100%
Revenue - Personnel Allocations	487,025	389,010	389,010	487,025	100%
Net Cost Allocation	(246,948)	(248,317)	(248,317)	(150,302)	-39%
Net Expenditure	\$ (926,270)	\$ (1,362,572)	\$ (1,360,301)	\$ 1,652,785	-222%



Line Item Detail

Fund #110		Account	Category	FY 2023/24
Department: 4190		Detail	Detail	Proposed Budget
Personnel Costs				
110-4190-0224	Retiree Medical Benefits		\$ 381,100	
110-4190-0225	OPEB Funding		5,000	
110-4190-0251	Unemployment Insurance		5,000	
110-4190-0387	CALPERS UAL Additional Payment		<u>150,000</u>	
Total Employee Benefits				\$ 541,100
Materials & Services				
110-4190-0319	Professional Services		49,372	
	Alarm monitoring	\$ 10,172		
	Cost Allocation Study	16,000		
	OPEB Actuarial Valuation	4,200		
	Property tax	5,000		
	Document shredding	672		
	PEPEB GASB 75 reporting	2,500		
	REMIF safety program	5,020		
	Emergency worker training	5,000		
	GFOA CAFR and Budget Awards	<u>808</u>		
110-4190-0320	Dues & Memberships		14,350	
	Chamber of Commerce	150		
	LAFCO	10,000		
	Leage of CA Cities	<u>4,200</u>		
110-4190-0355	Equipment Leases		30,000	
110-4190-0358	Liability Premium		293,553	
110-4190-0356	Rentals - Equipment & Vehicles		3,000	
110-4190-0359	Liability Deductible		5,000	
110-4190-0360	Property Premium		87,331	
110-4190-0361	Property Deductible		-	
110-4190-0362	Telephone & Communication		18,000	
110-4190-0365	Copying/Printing Bid Docs		4,000	
110-4190-0371	Meetings/City Business		6,000	
	Employee recognition	<u>6,000</u>		
		6,000		
110-4190-0372	Postage		1,000	
110-4190-0375	General Supplies		10,000	
110-4190-0383	Utilities		74,390	
110-4190-0384	Books & Subscriptions		100	
Total Material & Services				596,096
Other Expenditures				
110-4190-0619	Other Expenditures		1,000	
	Graffiti removal	<u>1,000</u>		
Total Other Expenditures				1,000
Total - Non-Departmental				<u>\$ 1,138,196</u>

Line Item Detail

Fund #110		Account	Category	FY 2023/24
Department: 4915 & 4916		Detail	Detail	Proposed Budget
Other Expenditures				
110-4915-0319	Professional Services		\$ 112,890	
110-4915-0607	Caspar Landfill Property Tax		900	
Total Other Expenditures			<u>\$ 113,790</u>	
Debt Payment				
110-4916-0911	Principal		195,000	
110-4916-0912	Interest		245,513	
110-4916-0913	Fees		<u>2,000</u>	
Total Debt Service				442,513
Total - Caspar Closure and General Fund Debt				<u><u>\$ 556,303</u></u>

Line Item Detail

Fund #110		Account	Category	FY 2023/24
Department: 4390 & 4391		Detail	Detail	Proposed Budget
Community Organizations				
110-4390-0621	Chamber of Commerce		\$ 2,000	
110-4390-0619	Community Contributions		145,588	
	EDFC		\$ 5,000	
	Leadership Mendocino Scholarships		500	
	Otsuchi Sister City Program		5,000	
	Noyo Center - Measure AA/AB Funding		70,231	
	Special Projects - Measure AA/AB Funding		<u>70,231</u>	
Total - Community Organization Support				<u><u>\$ 147,588</u></u>

COST ALLOCATION

Fund #110

Department: 4190,4390

Object	Description	FY 2021/22	FY 2022/23	22/23 FYE	FY 2023/24	% + /-
		Audited	Amended Budget	Projected	Proposed Budget	
0802	Cost Allocation contra exp	\$ (733,972)	\$ (637,327)	\$ (637,327)	\$ (637,327)	100%
3499	Personnel Cost Allocation - Revenue	487,025	389,010	389,010	487,025	100%
	Net Cost Allocation	<u>\$ (246,948)</u>	<u>\$ (248,317)</u>	<u>\$ (248,317)</u>	<u>\$ (150,302)</u>	-39%



**CITY OF
FORT BRAGG**

Fiscal Year **2024** Proposed Budget

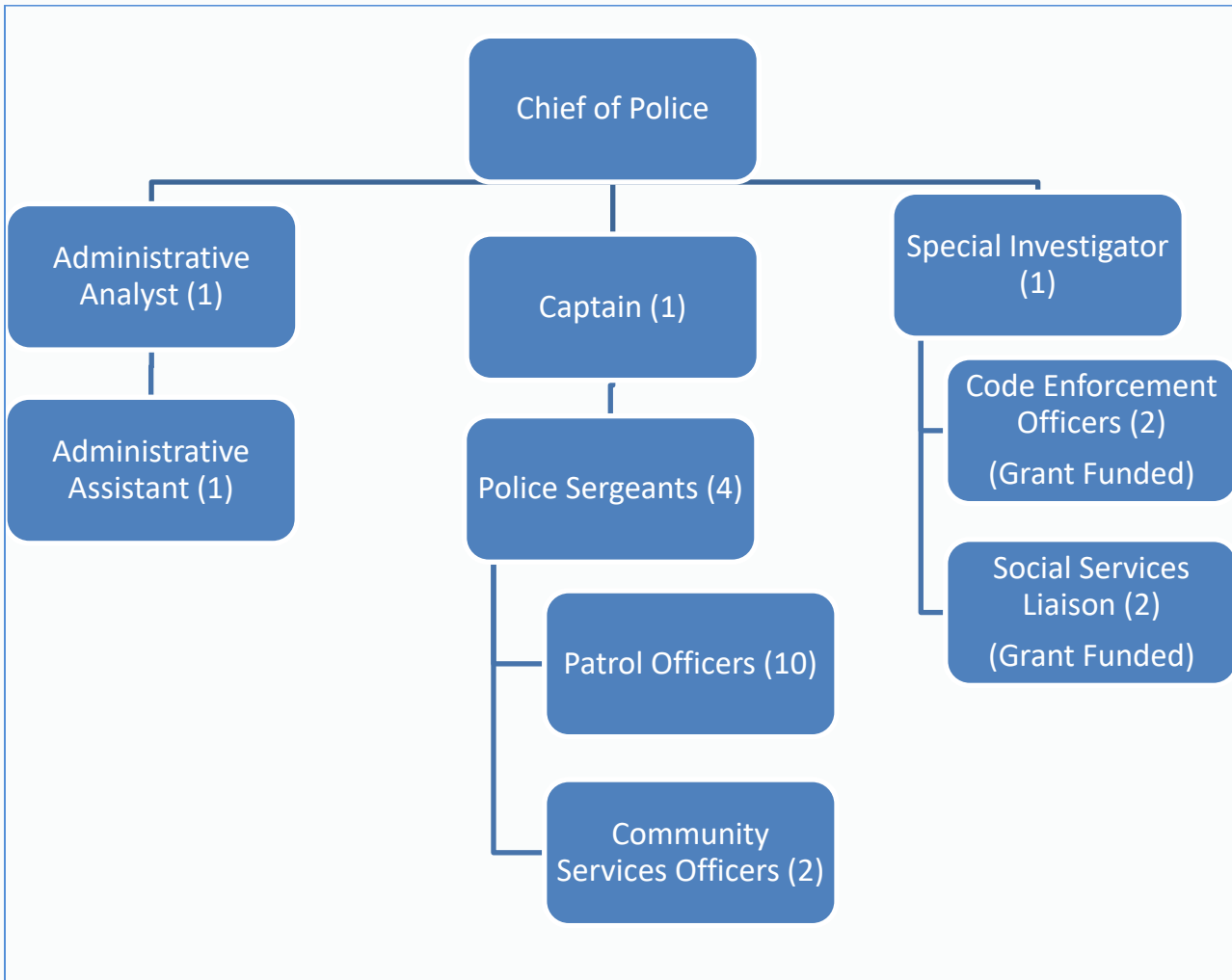


**POLICE
DEPARTMENT**



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PUBLIC SAFETY – POLICE DEPARTMENT BUDGET



AUTHORIZED FTE	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Police Department	22	22	22	22	22	22	22	22	26	25

DEPARTMENT DESCRIPTION

The Fort Bragg Police Department functions with two divisions consisting of an Administrative Division and a Patrol Division. The Administrative Division is comprised of the Chief of Police, one Administrative Analyst, one Administrative Assistant, one Special Investigator, two Social Services Liaisons, and two Code Enforcement Officers. The Patrol Division is comprised of one Captain, four Sergeants, ten patrol officers, and two Community Service Officers.

The Chief of Police serves as the liaison between the City Hall administration, City Council, and other state and local agencies as well as acting as the head administrator of the Department.

The Administrative Division handles multiple tasks including the Department's Evidence Room, lost and found property, staff member's training files to insure compliance with various oversight authorities including the California Peace Officer Standards and Training regulations (POST) and the Department of Justice, as well as maintaining all records both generated and sent to the Department, while following the strict guidelines of maintaining and providing copies to the general public upon record requests. The Administrative Division also handles and recovers revenue for the Department through fingerprinting services, stored vehicle releases, and the processing of parking citations. The Administrative Analyst handles Human Resources duties of police personnel.



A newly formed position of Special Investigator was created this year. The Special Investigator handles Internal Investigations involving police misconduct, background investigations for new employees, and is the Training Manager, FTO Supervisor, Ranger master, and Armorer. He also supervises the Social Services Liaisons and Code Enforcement. This position allowed FBPD to bring many areas back in house instead of contracting them out, which saves time and money.

Under the Administrative Division, the Administrative Analyst and Assistant provide a variety of services to the public through both front office visits and phone calls. All written and electronic records are managed by this unit as well as Public Records Act requests, bills, requests for information, fingerprinting, sex registrants, and personnel files.



The Care Response Unit comprised of two Social Services Liaisons provide services including providing information and resources supporting homelessness and mental health problems, but more importantly they will follow-up with mental health person(s) providing proper monitoring, guidance and resources to curtail any further police calls. With this type of program our Department hopes to see a reduction in calls for service while also providing another service to our

community's most vulnerable individuals. Their efforts have reduced arrests of homeless individuals by 47%. This year we added a collateral duty of maintaining the Emergency Winter Shelter where they provided vouchers and record keeping for reimbursement of funds. The Care Response Unit has gained national attention for its unique approach and success. On April 1, 2023, FBPD received a \$345,000 grant from the Youth Opioid Resistance fund to pay for one of the SSL's and another Success Coach. This new program is titled Project Right Now and will provide immediate assistance for rehabilitation and wrap-around follow up care for youth ages 12-24 suffering from opioid dependence in an effort to reduce the overdose death and injury rate as well as divert them from the criminal justice system. Project Right Now is a

revolutionary way of approaching this epidemic and has been recognized by UCLA to be used as a framework nationally.

Code Enforcement was transferred to the Police Department for oversight. A second Code Enforcement Officer was added early in 2023. This doubled their ability to address concerns throughout the community. In the Police Department, Code Enforcement gained new vision and direction. They also had an advantage of being part of a much larger team to support their efforts. Many processes were streamlined, creating efficiency.

The Patrol Division is divided into four defined 12 hours shifts of service; which when fully staffed are comprised of one Sergeant and two Patrol Officers. One other Patrol Officer is assigned to a “cover shift” for continuity in operations during shift change and to allow Dayshift to catch up on reports. One Community Service Officer is assigned to each Dayshift as well. The Captain serves as Patrol Commander. The Patrol Division does not currently have a dedicated Detective for major crimes, requiring all Patrol members to remain proficient in all aspects of law enforcement investigations. Also, unlike larger agencies, Patrol officers here write and serve many search warrants. It should be noted the Patrol Division, during the last two years, has been operating at only one half to three quarters staffing levels. In June 2022, Patrol was at full staff for the first time in the last ten years. This lasted only two months, however, due to an officer not completing the field training, one officer lateraling to a nearby agency, and a Sergeant being reassigned to the new Special Investigator position.

The Patrol Division Captain works as both the Division Commander and in some cases a relief Sergeant assisting in covering shift vacancies and normal patrol duties during times of increased calls for service. The Patrol Division Captain is responsible for preparing training plans for the Patrol Division and auditing all patrol activities to ensure compliance with state and local standards. The Patrol Captain additionally has written and managed several grants including.

The Department’s Wellness Program has grown considerably. One of the main points is the Mind Health Checkup program, which mandates all PD employees to see a contracted psychologist twice per year for a checkup. This model is used by only a few other departments nationwide, but has gained a lot of attention recently. We have also begun a virtual yoga program for public safety and the Cordico Officer Wellness app. They all allow police employees to partake in wellness anonymously, without fear of stigma or work action. Additionally, a Peer Support team was started with three employees who all attended advanced peer support and Critical Incident Stress Management training. This tool allows staff the opportunity to talk to trained co-workers instead of a professional in person instead of virtually. The intent is to offer a robust wellness system that satisfies everyone’s needs.

The Department provides public safety services 24-hours a day, seven-days a week, and prides itself on its dedicated approach to community policing and enhancing quality of life for the community. The Department handles all law enforcement investigations within their jurisdiction ranging from animal control complaints to the reporting of traffic collisions. While the population of Fort Bragg is roughly only 7,000 people, being a notable service hub for the surrounding rural

community combined with the bustling tourist economy means that the Department is often policing up to 30,000 people during the busy summer months.

FY 2022/23 TOP ACCOMPLISHMENTS

- Hired a permanent Chief
- Promoted an Officer to Sergeant
- Hired a new Community Service Officer
- Reorganization of Department structure
- All policies reviewed, updated and disseminated
- A full audit and inventory of the Armory
- A full audit, inventory, and purge of Evidence
- Began the conversion to an electric fleet with four electric and one hybrid truck ordered
- New and innovative Wellness programs
- New and innovative Opioid programs
- 277% increase in DUI arrests
- 25% decrease in collisions
- Purchase of five new vehicles – four are fully electric
- First Employee Awards
- Most successful National Night Out event involving the entire community
- Award of CIBHS grant to hire two new personnel to assist with youth and substance abuse
- 47% reduction in arrests of homeless
- Developed strategy to address homeless camps involving Patrol, Code Enforcement, and CRU
- Took Code Enforcement into PD and increased by one
- Providing financial support for many youth activities through Asset Forfeiture
- Chief Cervenka graduated from POST Command College, awarded with Most Inspirational Student
- Updated Mission Statement; Motto; patch; and vehicle graphics to better represent the Department, City, and community
- Established Social Media Team and greatly increased communications with the community
- Produced a recruitment video in house, saving thousands of dollars
- Purchased more Axon Body Cameras to equip each officer with their own



Figure 1 The Chief's Award – presented to Captain O'Neal and Acting Sergeant Ferris for lifesaving acts

PERFORMANCE/WORKLOAD METRICS

INDICATORS	FY 16	FY 17	FY 18	FY 19	FY 20	FY21	FY 22	FY23 (YTD)*
PUBLIC SAFETY								
Incident Cases (I Cases)	-	-	1,505	3,624	4,271	3,481	4,103	3,578
Calls for Service	14,731	14,494	14,532	19,893	12,106	11,579	14,248	14,246**
Crime Reports	1,487	1,534	1,554	1,320	1,268	1,131	1,147	829
Traffic Citations	813	918	941	648	508	362	392	245
Bookings	587	732	793	496	521	520	660	616
DUI	42	39	49	35	24	41	113	87
Traffic Accidents	183	147	145	145	141	152	139	81

*7/01/22 – 4/13/23**Includes CRU and Code Enforcement

FY 2023/24 TOP PRIORITIES

- Create and maintain a Volunteers in Police Services (VIPS) program intended to increase the use of volunteers for public safety activities
- Partner with Adventist Hospital for Chaplaincy Program
- Begin Police Cadet Program to both increase the use of volunteers in public safety activities and create an immediate recruiting pool from the local community
- Re-build the Department's Neighborhood Watch Program with the goal of creating more community participation to include Spanish-speaking meetings.
- Redesign of front office for booking/fingerprint area
- Establish a Virtual Reality based training system, using cutting edge technology
- Streamline Code Enforcement Complaint process
- Purchase new handguns and rifles with the latest technology for the safety of the community
- Hire and retain personnel with the goal of full staffing
- Establish full-time SRO program with FBUSD
- Increase low or no cost training for all staff
- Review of all processes and procedures seeking cost efficient alternatives through the use of technology
- Establish an annual “Community Academy” for community members to learn more about the Police Department and Government





BUDGET OVERVIEW

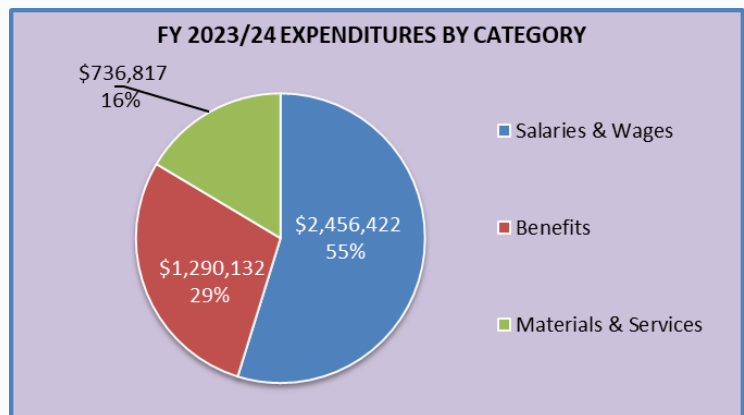
The Police Department Proposed Budget is \$4.9 million, an increase of 12% from the prior year. Salaries and Benefits was the most significant increase, besides the MOU increases of 3%, in the prior fiscal year, the Code Enforcement Program was moved to the Police Department, increasing the overall Budget by \$224K annually.

A shortage of police officers locally and nationally has driven wages up every year for the last several years. The Fort Bragg City Code Chapter 2.68 provides for an annual salary survey of Mendocino County law enforcement positions. It establishes that Fort Bragg's salaries will, at a minimum, be set at the average of the other local entities. As of the latest survey held in January 1, 2023, there were no increases, confirming that the City's salaries and benefits were competitive when compared to other local law enforcement entities, however, a 3% Cost of living adjustment is being included in the Fiscal year 2024 Budget per the Fort Bragg Police Association MOU and the realized annual costs of the four vacation positions (three officers and one community service position) resulted in budget savings in last fiscal year. The department transitioned from an interim chief in FY 2022 to hiring a new full-time Police Chief in FY 2023 and will be fully staffed once the three recruits graduates from the Academy by the end of Q2. A budget of \$40k has been included for Police Academy costs for the three recruits.

The CE two positions are funded by the Community Development Block Grants (CDBG) which expires in April 2024. Depending on the Notice of Funding expected in June 2023 from Housing and Community Development (HCD), the City may request for an extension of the Grant through the end of the fiscal year or apply for new round of funding if permissible.

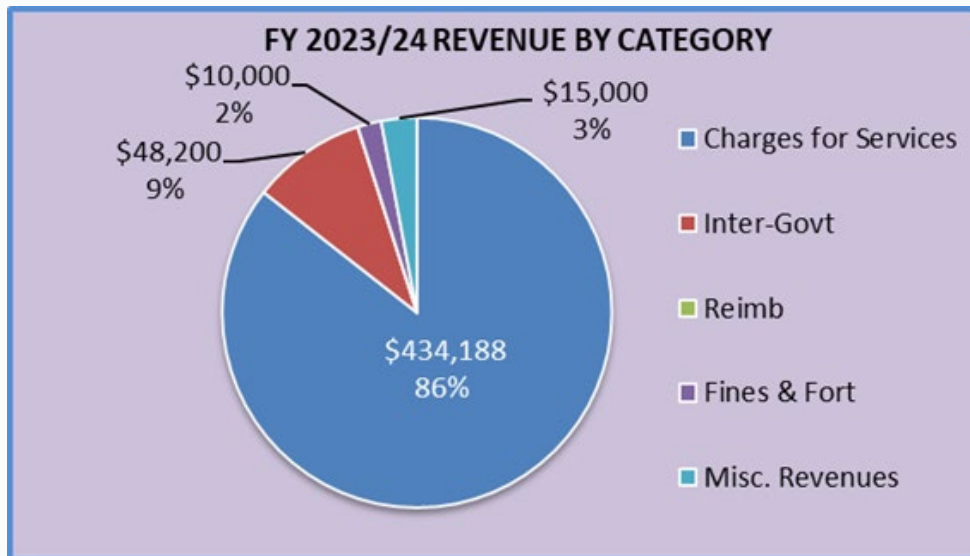
Moreover, the Care Response Unit comprised of two Social Services Liaisons provide services including providing information and resources supporting homelessness, mental health problems and maintained the Emergency Winter Shelter where they provided vouchers and record keeping for reimbursement of funds. On April 1, 2023, department received a \$345,000 grant from the Youth Opioid Resistance fund to pay for one of the SSL's and another Success Coach through April 2024. The second SSL's position, which was funded by the Social Services Grant from FY 2022 was extended to December 2023. The proposed Budget includes funding for the second SSL position for the rest of the fiscal year once the Grant period ends.

Dispatch services are set to increase by 5% year-over-year provided by the City of Ukiah which were offset by decreases in general supplies and small tools and equipment.



POLICE DEPARTMENTAL BUDGET SUMMARY
FUND 110
DEPARTMENT: 4200, 4202

Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Revenue					
Charges for services	\$ 102,719	\$ 512,207	\$ 459,317	\$ 434,188	-5%
Intergovernmental	35,178	34,200	70,000	48,200	100%
Fines & Forfeitures	41,988	28,000	10,250	10,000	-2%
Miscellaneous Revenue	(4,201)	25,500	68,079	15,000	-78%
Total Departmental Revenue	175,685	599,907	607,646	507,388	-16%
Expenditure					
Personnel Services	3,201,762	3,545,242	3,228,180	3,746,554	16%
Non-Personnel Services	689,230	770,816	779,112	736,817	-5%
Total Departmental Expenditure	3,890,992	4,316,057	4,007,292	4,483,371	12%
Net Expenditure	(3,715,307)	(3,716,150)	(3,399,646)	(3,975,983)	17%
Cost Allocation Summary					
Expense - Cost Allocations	1,453,691	1,258,037	1,258,037	1,256,983	100%
Revenue - Interfund Cost Reimb	145,424	159,066	165,271	170,229	3%
Net Cost Allocation	1,599,115	1,417,103	1,423,308	1,427,212	
Net Expenditure	\$ (5,314,423)	\$ (5,133,253)	\$ (4,822,954)	\$ (5,403,196)	12%



DEPARTMENT DETAILS – PUBLIC SAFETY

Object	Description	FY 2022/23		FY 2023/24		% + /-
		FY 2021/22 Audited	Amended Budget	22/23 FYE Projected	Proposed Budget	
0100	Salaries & Wages-Operations	\$ 1,948,543	\$ 2,322,756	\$ 2,092,201	\$ 2,297,796	10%
0100	Salaries & Wages-Social Services	-	77,802	85,431	158,626	85.7%
0200	Employee Benefits - Operations	1,253,219	1,118,399	1,023,933	1,223,636	19.5%
0200	Employee Benefits - Social Services	-	26,285	26,615	66,496	149.8%
	Personnel Services	3,201,762	3,545,242	3,228,180	3,746,554	16.1%
	Public Safety, Administration and Operations					
0313	Laboratory	3,430	2,500	2,730	2,800	3%
0314	Animal Care & Control	32,333	34,000	34,000	34,000	0%
0318	Investigative Medical Serv	765	1,500	-	1,500	100%
0319	Professional Services	41,460	25,000	25,000	25,000	0%
0320	Dues & Memberships	397	600	1,699	2,000	18%
0351	Equipment Repair & Maint	45	2,000	1,000	1,000	0%
0356	Rental-Equip & Vehicles	2,450	2,500	2,500	1,600	-36%
0357	Rentals - Space	4,585	4,900	4,900	4,900	0%
0362	Telephone & Communication	22,581	23,000	23,000	23,000	0%
0365	Copying/Printing	1,035	2,800	2,800	2,800	0%
0366	Training/Travel Reimbursement	32,225	35,000	35,000	35,000	0%
0367	PD Recruit Training	27,159	-	-	40,000	100%
0371	Meetings/City Business	383	500	300	500	67%
0372	Postage	1,052	800	800	800	0%
0374	Evidence Supplies	1,224	1,400	1,500	1,500	0%
0375	General Supplies	6,718	8,000	8,000	1,000	-88%
0376	Medical/Safety Supplies	6,548	5,000	5,000	2,500	-50%
0380	Wellness	-	-	24,000	15,000	-38%
0381	Small Tools & Equipment	24,974	30,000	30,000	1,000	-97%
0383	Utilities	6,953	5,500	7,500	7,500	0%
0384	Books & Subscriptions	1,413	750	750	750	0%
0619	Miscellaneous	28,482	29,110	29,110	28,482	-2%
0386	Dispatch Services	394,765	386,011	395,662	415,445	5%
	Non-Personnel Services	689,230	606,272	639,112	648,077	1%
	Public Safety, Social Services					
0319	Professional Services	-	164,544	140,000	83,740	-40%
0379	Supplies	-	-	-	5,000	100%
	Non-Personnel Services	-	164,544	140,000	88,740	-37%
	Total Police Department	\$ 3,890,992	\$ 4,316,057	\$ 4,007,292	\$ 4,483,371	12%



DEPARTMENT DETAILS – PUBLIC SAFETY

Line Item Detail

Fund #110		Account	Category	FY 2023/24
Department: 4200		Detail	Account	Proposed
			Detail	Budget
Personnel Costs:				
	Salaries & Wages		\$ 2,297,796	
	Employee Benefits		<u>1,223,636</u>	
Total Personnel Costs				\$ 3,521,432
Materials & Services				
110-4200-0313	Laboratory		2,800	
110-4200-0314	Animal Care & Control		34,000	
110-4200-0318	Investigative Medical Service		1,500	
110-4200-0319	Professional Services		<u>25,000</u>	
	Car washing	\$ 300		
	DOJ Livescan	10,800		
	Evidence towing	500		
	Integrity shred	700		
	Investigative services	1,000		
	MMCTF Annual donation	4,500		
	Reporting Subscriptions	2,709		
	Whispering Pines water	500		
	RIPALog	<u>3,991</u>		
110-4200-0320	Dues & Memberships		2,000	
110-4200-0351	Equipment Repair & Maintenance		1,000	
110-4200-0356	Rentals - Equipment		1,600	
110-4200-0357	Rentals - Off Site Storage		4,900	
110-4200-0362	Telephone & Communication		23,000	
110-4200-0365	Copying/Printing		2,800	
110-4200-0366	Training/Travel Reimbursement		35,000	
110-4200-0371	Meetings/City Business		500	
110-4200-0372	Postage		800	
110-4200-0374	Evidence Supplies		1,500	
110-4200-0375	General Supplies		1,000	
110-4200-0376	Medical/Safety Supplies		2,500	
110-4200-0380	Wellness		15,000	
110-4200-0381	Small Tools & Equipment		1,000	
110-4200-0383	Utilities		7,500	
110-4200-0384	Books & Subscriptions		750	
110-4200-0386	Dispatch services		415,445	
110-4200-0619	Miscellaneous		<u>28,482</u>	
Total Material & Services				648,077
Total - Police Department - Operations				<u>\$ 4,169,509</u>

DEPARTMENT DETAILS – PUBLIC SAFETY

Social Service Liason
Line Item Detail:

Fund #110	Account Detail	Category Account Detail	FY 2023/24 Proposed Budget
Department: 4202			

Personnel Costs:

Salaries & Wages	\$ 158,626	
Employee Benefits	66,496	
Total Personnel Costs	\$ 225,122	

Materials & Services

110-4202-0319 Professional Services	83,740	
110-4202-0375 Supplies - CRU	5,000	
Total Material & Services	88,740	

Total - Police Department - Operations **\$ 313,862**

BUDGET REVENUE DETAIL:

Fund #110
Department: 4200, 4202

Object	Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Charges for Services						
3318	Grant Staff Time Reimb	\$ 23,168	\$ 432,707	\$ 77,894	\$ 214,542	175%
3318	Grant Staff Time Reimb- Social Services	-	-	\$ 313,174	\$ 146,623	-53%
3419	Police Copies	4,220	5,000	4,500	4,800	7%
3422	Police Fingerprints	33,578	42,000	42,448	42,872	1%
3425	Stored Vehicle Release	10,130	10,000	10,000	10,000	0%
3426	Abandoned Vehicle Abatement	31,490	22,000	11,000	15,000	36%
3718	Police Witness Fee	134	500	300	350	17%
	Total Charges for Services	102,719	512,207	459,317	434,188	-5%
Intergovernmental						
3200	DNA Reimbursements	2,581	4,200	3,000	3,200	7%
3719	Booking Fee Reimbursement	17,025	14,000	29,000	25,000	-14%
3201	Training Reimbursement	15,257	16,000	38,000	20,000	-47%
	Total Intergovernmental	35,178	34,200	70,000	48,200	-31%
Fines & Forfeitures						
3511	Parking Fines	37,518	20,000	10,000	10,000	0%
3513	DUI Cost Recovery	4,470	8,000	250	-	-100%
	Total Fines & Forfeitures	41,988	28,000	10,250	10,000	-2%
Miscellaneous						
3998	Miscellaneous revenues	(4,201)	25,500	68,079	15,000	-78%
	Total Miscellaneous	(4,201)	25,500	68,079	15,000	-78%
	Total Police Dept. Revenue	\$ 175,685	\$ 599,907	\$ 607,646	\$ 507,388	-16%

COST ALLOCATION

Fund #110
Department: 4200

Object	Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
0800	Overhead Allocation	\$ 1,120,681	\$ 882,500	\$ 882,500	\$ 882,500	0%
0802	Cost Allocation contra exp	(4,761)	(1,629)	(1,629)	(4,761)	192%
0396	Allocation to ISF-IT	171,168	178,416	178,416	178,416	0%
0322	Allocation to ISF-Fleet	95,699	129,924	129,924	129,924	0%
0397	Allocation to ISF-Facilities	70,904	68,826	68,826	70,904	3%
3497	Interfund Cost Reimbursement - Rev	145,424	159,066	165,271	170,229	3%
	Net Cost Allocation	\$ 1,599,115	\$ 1,417,103	\$ 1,423,308	\$ 1,427,212	0%



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**CITY OF
FORT BRAGG**

Fiscal Year **2024** Proposed Budget



FIRE DEPARTMENT



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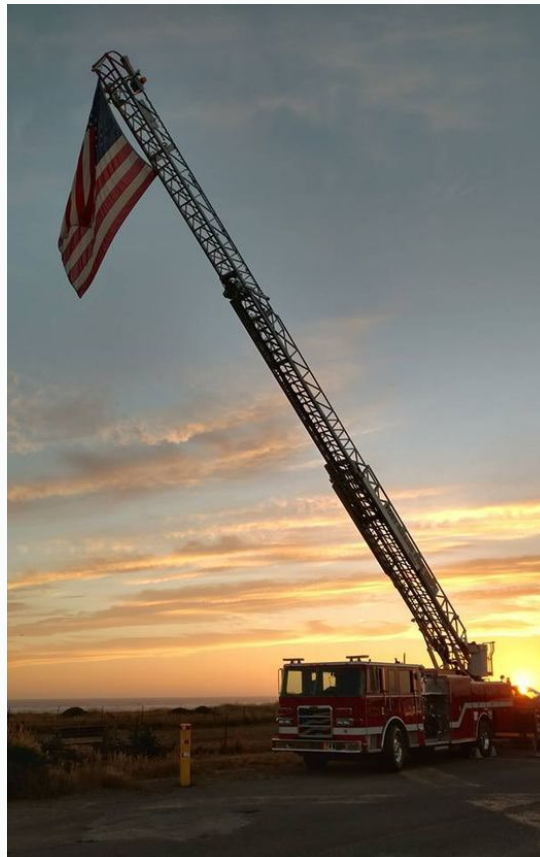
PUBLIC SAFETY – FIRE

PURPOSE

The City of Fort Bragg and the Fort Bragg Rural Fire Protection District (Rural Fire District) jointly provide fire services within their respective boundaries under a Joint Powers Agency (JPA) known as the Fort Bragg Fire Protection Authority (FBFPA). The JPA was formed in FY 1989/90. The FBFPA is a public entity that is separate and apart from both the City and the Rural Fire District. FBFPA has all of the powers relating to fire protection, fire suppression and emergency rescue authorized by law and has the power to contract for the purchase, lease or rental of whatever services or equipment it deems appropriate for its mission. Debts, liabilities, or other obligations of the FBFPA do not accrue to the two agencies that entered into the JPA.

The FBFPA's budget is approved by the FBFPA Board of Directors, the Fort Bragg City Council, and the Rural Fire District Board of Directors. Funding responsibility is shared by the City and the Rural Fire District with the breakdown of operating costs based on a three-year average call ratio. Typically, the City averages a higher percentage of calls and therefore pays a higher percentage of the FBFPA's budget.

The paid staff of the FBFPA is comprised of a Fire Chief, Fire Prevention Officer, Maintenance Engineer and Office Manager. The FBFPA has 29 volunteer firefighters who are also considered employees. Neither the Rural Fire District nor the City has employees whose job responsibilities include the provision of fire services.



PERFORMANCE / WORKLOAD METRICS

INDICATORS	FY 18	FY 19	FY 20	FY21
PUBLIC SAFETY - FIRE				
Total Number of Calls	626	752	579	579
Structure Fires	10	37	29	29
Vehicle Fires	5	4	3	3
Vegetation Fires	23	40	31	31
Medical Aid	197	248	36	36
Rescue	11	80	150	150
Traffic Accidents	115	100	133	133
Service Calls	99	126	91	91
Mutual Aid/Agency assist	23	18	12	12

BUDGET OVERVIEW

The FY 2024 Proposed Budget for the Fire Department is \$453K, an increase of 3% due to increases in operational costs for the department.

BUDGET DETAIL:

Fund #110

Department: 4220

Object	Description	FY 2022/23			FY 2023/24	% + /-
		FY 2021/22 Audited	Amended Budget	22/23 FYE Projected	Proposed Budget	
0220	Pers	\$ 13,988	\$ 13,630	\$ 14,162	\$ 14,587	3%
0319	Professional Services	420,435	426,332	426,331	439,121	3%
Total Fire Department		\$ 434,423	\$ 439,962	\$ 440,493	\$ 453,708	3%

Line Item Detail

Fund #110	Account Detail	Category Detail	FY 2023/24 Proposed Budget
Department: 4220			

Personnel Costs

110-4220-0220	Pers	\$ 14,587	
Total Employee Benefits		\$ 14,587	

Materials & Services

110-4220-0319	Professional Services	439,121	
Contribution to the Fire Protection District			
Total Material & Services		439,121	

Total - Fort Bragg Fire Protection District \$ 453,708



**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget

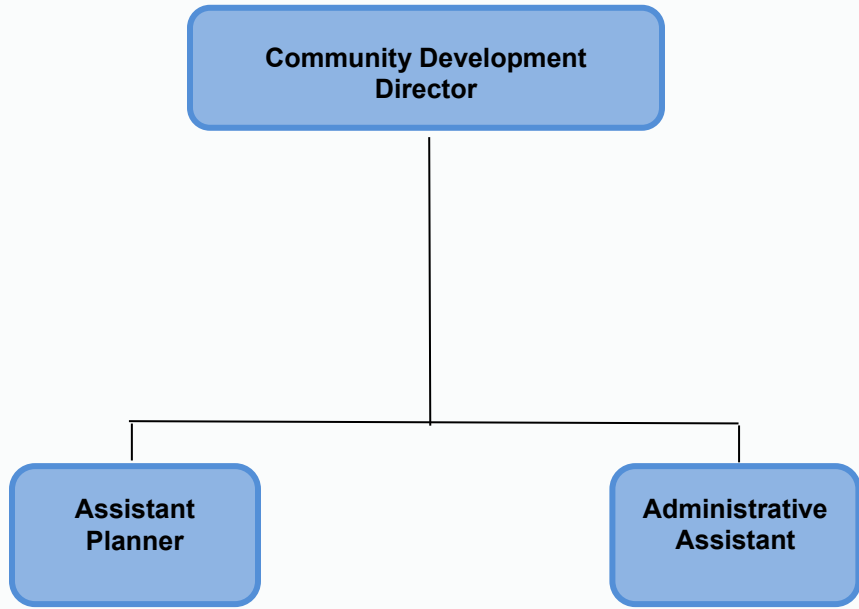


**COMMUNITY
DEVELOPMENT**



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COMMUNITY DEVELOPMENT DEPARTMENT



AUTHORIZED FTE	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
CDD Department	4	4.3	4.8	4.8	3	3.5	4	4	3

Support the sustainable development of a vibrant economy, an attractive and functional built environment, and top-notch public and private development projects by providing exemplary:

- (i) Long-range planning;*
- (ii) Current project permitting;*
- (iii) Housing & economic development;*
- (iv) Grant writing.*

SUMMARY OF SERVICES

The Community Development Department is currently comprised of two staff positions, including an Assistant Planner and an Administrative Assistant. A Director has been hired and is anticipated to start in early June. Staffing is supplemented with the use of Consultants as needed. The Community Development Department serves the community by planning for Fort Bragg’s future, facilitating housing and economic development, guiding and regulating development, and helping to plan and implement City projects. The Department’s work spans a wide range of activities, including:

- **Long-Range Planning:** The Department engages the community, Planning Commission and Council to prepare and implement long-range planning projects such as: Rezoning and LCP Amendments, Formula ordinance and land use code updates, and other projects.
- **Special Projects:** The Department seeks funding for, and oversees the planning and design process, permitting and environmental review, and engineering and construction management for special projects such as the Fort Bragg Coastal Trail and other projects.
- **Current Planning:** The Department works with developers, business owners, and property owners to ensure that new development proposals comply with the City’s planning and zoning regulations, through our permitting process.
- **Permitting:** CDD processes and approves all building, sign and Limited Term Permits.

FY 2022/23 STRATEGIC GOALS AND OBJECTIVES

- Continue to work on the implementation of the Housing Element through code modifications in the inland and coastal zone and residential code enforcement to preserve affordable housing.
- Process all permits in a timely manner and with exceptional customer service.
- Implementation of the Central Business District Revitalization Effort.
- Seek grants for priority City projects and activities.
- Continue to undertake and implement new City projects.

PERFORMANCE / WORKLOAD MEASURES (Calendar Year, not Fiscal Year)

INDICATORS	2019	2020	2021	2022
Development Permits (Use Permits, CDPs, Design Review, Subdivisions, Limited Term Permits, etc.)	70	33	63	83
CEQA Documents (EIR’s, MNDs, ND’s)	2	2	1	2
Building Permits	71	76	146	136
Housing – SFR, ADU, JADU, Apartments & Conversions				38
Solar – No. Addresses Approved for				18
Code Enforcement Cases*	77	50	131	176
Ordinance Amendments	2	2	4	4
Draft Work/On-Going Tasks			2	1
Grants	1	3	3	1
Business Licenses-New Awarded	111	93	92	90
Sign Permits	9	8	20	10
No. Planning Commission Staff Reports	14	9	23	21
No. Community Development Committee Staff Reports	3	3	10	12

FY 2022/23 ACCOMPLISHMENTS

- Timely permit processing with exceptional customer service (see chart above).
- Entitlements approved included those for C&S Waste Transfer Station, Tall Man Brewery, SIP Wine Bar and Fort Bragg Transmission among others.
- 38 housing applications were processed and approved. These included Single Family Residences, Accessory Dwelling Units, and Apartments.
- 18 solar installation applications were approved.
- Ordinance amendments adopted included a Citywide Design Guidelines update; an amendment to regulate commercial cannabis cultivation and cannabis businesses in commercial zones; and the addition of a movable tiny homes ordinance which was a goal of the 2019 Housing Element;
- Implementation of Central Business District Revitalization efforts.
- Implementation of a structured Code Enforcement program, followed by successful transition of the program to the Police Department.

FY 2023/24 TOP PRIORITIES

- Rebuild Community Development Department to full staffing levels.
- Continue to work on the implementation of the 2019 Housing Element.
- Process development, building, and sign permits efficiently and with exceptional customer service.
- Continue to work on the implementation of the Central Business District Revitalization Effort.
- Seek grants for priority City projects and activities.
- Continue to undertake and implement new City projects.

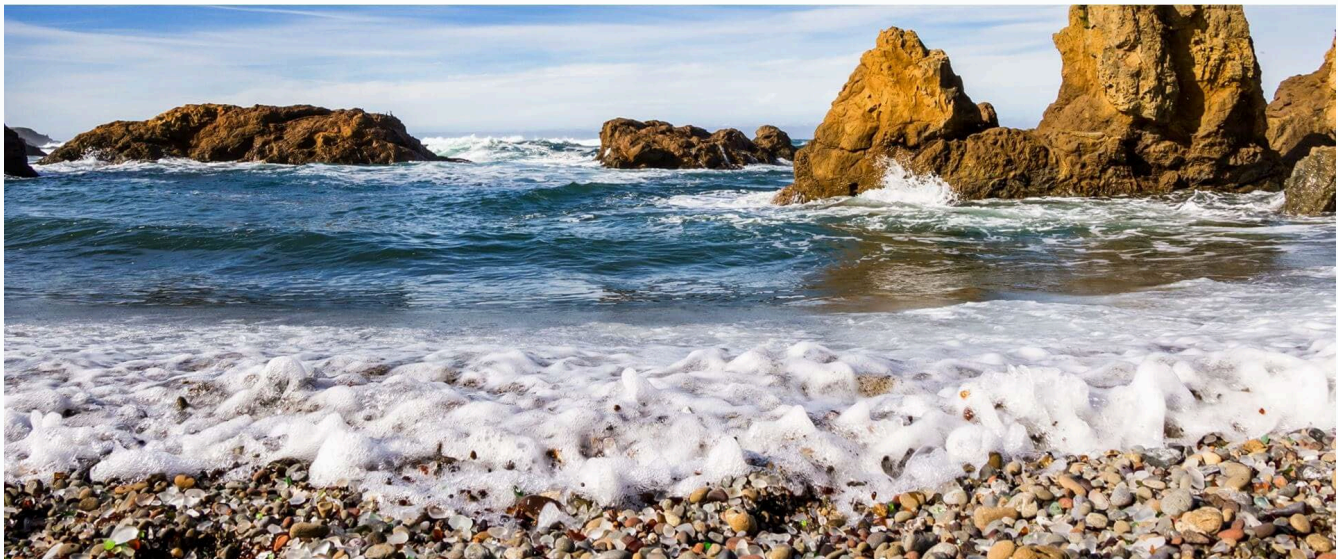
BUDGET OVERVIEW

The Community Development Proposed Budget is \$443K, an increase of 4%. Besides MOU increases of 2%, the most significant change was hiring a full-time Community Development Director in June 2023. The full cost of this position will be realized in the new fiscal year. The Department will be fully staffed in FY 2024 having being without a full-time Director for the last four years.

Non-personnel costs will decrease by approximately \$22K as the Department contracted out planning work in FY 2023 due to staffing issues.

COMMUNITY DEVELOPMENT DEPARTMENT BUDGET SUMMARY
FUND 110
DEPARTMENT: 4320

Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Expenditure Summary					
Personnel Services	\$ 339,751	\$ 440,794	\$ 384,609	\$ 423,948	10%
Non-Personnel Services	25,666	42,323	42,323	19,950	-53%
Total Departmental Expenditure	365,418	483,117	426,932	443,898	4%
Revenue Summary					
Charges for services	83,175	12,700	117,100	260,792	123%
Fines & Forfeitures	8,706	10,000	2,000	5,000	150%
Licenses & Permits	16,205	19,000	18,290	19,293	5%
Intergovernmental	-	67,690	-	-	-
Reimbursements	62,154	34,000	33,831	35,831	6%
Total Departmental Revenue	170,240	143,390	171,221	320,915	87%
Net Rev/Exp	(195,178)	(339,727)	(255,712)	(122,982)	-52%
Cost Allocation Summary					
Expense - Cost Allocations	311,188	293,585	235,120	304,012	100%
Revenue - Personnel Allocations	10,831	-	10,831	10,831	-
Net Cost Allocation	322,019	293,585	245,951	314,843	28%
Net Expenditure	\$ (517,197)	\$ (633,312)	\$ (501,662)	\$ (437,825)	-13%



BUDGET REVENUE DETAIL:

Fund #110

Department: 4320

Object	Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Charges for Services						
3318	Grant Staff Time Reimb	\$ 53,102	\$ -	\$ 100,000	\$ 228,671	129%
3415	City Exp Reimb - Developers	29,073	12,000	15,000	30,000	100%
3424	Ordinance Fees	1,000	700	2,100	2,121	1%
Total Charges for Services		83,175	12,700	117,100	260,792	123%
Reimbursements						
3497	Interfund Reimb - CDD	37,176	20,000	500	5,000	900%
3734	Community Dev Fees	13,606	14,000	22,500	20,000	-11%
3998	Miscellaneous	541	-	-	-	0%
3499	Overhead/Admin Cost Recovery	10,831	-	10,831	10,831	0%
Total Reimbursements		62,154	34,000	33,831	35,831	6%
Licenses & Permits						
3715	Sign Application	30	500	90	100	11%
3732	Grading Permits	1,200	1,000	1,100	1,000	-9%
3733	Building Permit Surcharge	12,455	15,000	14,000	15,000	7%
3702	Business License Surcharge	2,520	2,500	3,100	3,193	3%
Total Licenses & Permits		16,205	19,000	18,290	19,293	5%
Fines & Forfeitures						
3735	Code Enforcement Fees	8,706	10,000	2,000	5,000	150%
Total Fines & Forfeitures		8,706	10,000	2,000	5,000	150%
Intergovernmental						
3205	Intergovernmental	-	67,690	-	-	-
Total Intergovernmental		-	67,690	-	-	-
Total CDD Revenue		\$ 170,240	\$ 143,390	\$ 171,221	\$ 320,915	87%

COST ALLOCATION DETAIL

Fund #110

Department: 4320

Object	Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
0801	Salary/Benefit Allocation	\$ -	\$ (3,263)	\$ (3,263)	\$ (3,263)	0%
0800	Overhead Allocation	336,668	257,129	257,127	336,668	31%
0802	Cost Allocation contra exp	(69,294)	-	(69,294)	(69,294)	-
0396	Allocation to ISF-IT	26,745	33,663	33,663	33,663	0%
0397	Allocation to ISF-Facilities	6,238	6,056	6,056	6,238	3%
3499	Personnel Cost Allocation - Rev	10,831	-	10,831	10,831	0%
		\$ 311,188	\$ 293,585	\$ 235,120	\$ 314,843	34%

BUDGET EXPENDITURE DETAIL:

Fund #110

Department: 4320

Object	Description	FY 2022/23			FY 2023/24	% + /-
		FY 2021/22 Audited	Amended Budget	22/23 FYE Projected	Proposed Budget	
0100	Salaries & Wages	\$ 254,131	\$ 328,889	\$ 304,879	\$ 317,969	4%
0200	Employee Benefits	85,620	111,904	79,730	105,979	33%
	Personnel Services	339,751	440,794	384,609	423,948	10%
0319	Professional Services	20,142	33,073	33,073	12,000	0%
0320	Dues & Memberships	99	300	300	300	0%
0364	Legal Notices	3,573	4,000	4,000	3,000	-25%
0366	Training/Travel Reimbursement	1,815	3,000	3,000	4,000	33%
0371	Meetings/City Business	-	250	250	250	100%
0381	Small Tools & Equipment	37	1,500	1,500	200	-87%
0384	Books & Subscriptions	-	200	200	200	0%
	Non-Personnel Services	25,666	42,323	42,323	19,950	-53%
	Total CDD Expenditure	\$ 365,418	\$ 483,117	\$ 426,932	\$ 443,898	4%

Line Item Detail			FY 2023/24
Fund #110	Account	Category	Proposed
Department: 4320	Detail	Detail	Budget

Personnel Costs

Salaries & Wages	\$ 317,969
Employee Benefits	105,979
Total Personnel Costs	\$ 423,948

Materials & Services

110-4320-0319 Professional Services	12,000
110-4320-0320 Dues & Memberships	300
110-4320-0364 Legal Notices	3,000
110-4320-0366 Training/Travel Reimbursement	4,000
110-4320-0371 Meetings/City Business	250
110-4320-0381 Small Tools & Equipment	200
110-4320-0384 Books & Subscriptions	200
Total Material & Services	19,950

Total - Community Development Department \$ 443,898



**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget

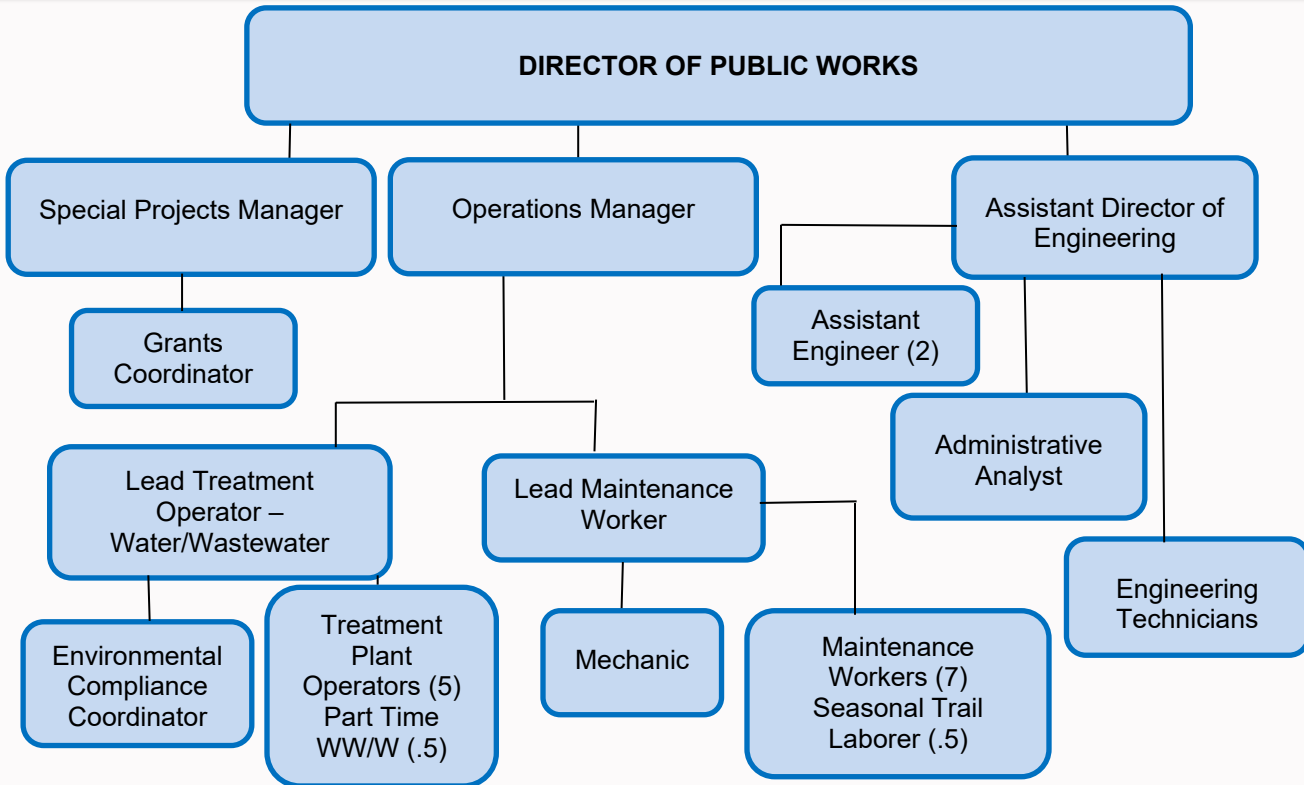


**PUBLIC WORKS
DEPARTMENT**



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PUBLIC WORKS DEPARTMENT



AUTHORIZED FTE	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Public Works Department	12	12.6	14	14	15.8	19	21.5	28	18.5
Enterprise Department	8	8	8	8	8	8	7	7.5	7.5

MISSION STATEMENT: Provide, operate and maintain essential public infrastructure, facilities and services to make everyday life as safe and convenient as possible for Fort Bragg residents, businesses, and visitors. The basic services provided by the Public Works Department include surveying, mapping, drafting, capital project inspection and management, City-owned facility and park maintenance, infrastructure and street maintenance and repair, traffic signage, water intake, treatment and distribution, storm water runoff management, and wastewater collection, treatment and discharge.

DEPARTMENTAL DESCRIPTION

The Public Works Department is organized in six divisions - Administration/Engineering, Parks & Facilities, Corporation Yard & Fleet, Street Maintenance, Water Enterprise, and Wastewater Enterprise. The Administration/Engineering Division provides administrative support, fiscal management, and engineering services to the Public Works Department. It is also responsible for the implementation of the City’s Capital Improvement Program and works closely with various regulatory agencies to maintain permit compliance. The Parks & Facilities Division provides maintenance and repairs for City facilities and grounds, parks, and street trees and assists with capital projects as needed. The Corporation Yard & Fleet Division is responsible

for maintenance of city streets including painted curbs, crosswalks, and signage; maintenance and repairs of the City’s wastewater collection lines, storm drains, water distribution system, utility meters, and, fire hydrants. The Public Works crew also responds to sewage overflows and water service line leaks. Fleet is responsible for the maintenance of all City vehicles, heavy equipment, and other large pieces of equipment owned by the City. The Public Works field crew also provides support for many civic and community events. Water and Wastewater Enterprises are operated as separate funds and are presented in separate sections of this budget. In the past year, housing and environmental review capabilities have been added to further strengthen the Department’s skills base.

STRATEGIC GOALS AND OBJECTIVES

- Provide coordinated oversight and management of six divisions within the Public Works Department.
- Ensure that employees are given essential safety training and job-skills training. Provide employees with adequate resources to safely and effectively complete their work.
- Implement employee policies and procedures in accordance with all federal, State, and local rules and regulations.
- Perform necessary physical and operational activities at each City-owned facility and City infrastructure to stay current with constantly evolving regulatory requirements.
- Directly or through the use of consultants, manage and inspect the City's capital projects to ensure quality of workmanship, timeliness, and conformance with plans and technical specifications and budgetary constraints.
- Pursue additional revenue sources, strive for cost-efficiencies, and reduce costs to the General Fund and Enterprise Funds.
- Strive for energy efficiency in operating all City-owned facilities and continue innovating sustainability measures.
- Enhance public travel by providing a safe, durable, multi-modal road network that fully includes pedestrians, bicycling, transit, and other modes of transportation. Provide for a smooth flow of traffic throughout the City.
- Maintain customer satisfaction and continue to be responsive to citizen inquiries and concerns.

FY 2022/23 MAJOR ACCOMPLISHMENTS

- **Reservoir Property Purchase:** On March 31, 2023, the City finalized the purchase of six (6) parcels totaling 582 acres (the Property), located adjacent to Highway 20 and abutting the Summers Lane Reservoir property. The primary objective of the purchase is to construct three (3) reservoirs of the approximate size of Summers Lane Reservoir, which is 45 acre-feet. A solicitation for hiring a design engineer and completion of the environmental and permitting documents will be released this fiscal year, aiming to construct the reservoirs in 2025.

- **2022 Streets Project:** The final design of this project was received in April 2023, pending final authorization of State funding, the Project will be let to bid in June and Construction will begin in July of 2023. This project will rehabilitation eight (8) streets, stretching more than one (1) mile using either overlay, dig-out repair, or full depth reconstruction and includes sidewalk as needed for ADA compliance along this project route. This project will rehabilitate the stamped crosswalks in the downtown and improve safety for pedestrian crossing at Oak and Harold Street. Additionally includes an additional 9 streets (mostly in the school zone) which extend approximately 3.5 miles where pavement markings, striping, and signage will be removed and replaced.
- **Oneka Seawater Desalination Buoy Design Pilot Study:** The City was awarded \$1,490,000 by the Department of Water Resources to complete studies to review potential impacts to the waters of the state in the use if this equipment. This is an opportunity to create another sustainable water source.
- **Bollards and Street Lights Project:** The Bollard and Street Light Project included the refurbishment of 71 light poles, replacement of three (3) missing light poles, and installation of 71 bollard sleeves for removal bollard installation throughout the Central Business District (CBD). The project was awarded to Fort Bragg Electric on December 12, 2022, constructed late winter/early spring, and a notice of completion was dated May 22, 2023.
- **Playground and Bainbridge Park Improvements:** The project scope includes purchase of the new playground equipment, demolition and disposal of the existing playground equipment, and installation of the new equipment. Council gave direction to proceed with the purchase in February and the playground was delivered in May 2023. The playground construction is set to begin in June 2023 and completed early July 2023.
- **CSL Speed Signs:** The School Zone Radar Speed Sign Replacement Project included the removal and replacement of seven (7) radar signs at within the school district between Redwood Elementary and Fort Bragg High School. A Notice of completion for this project was filed February 13, 2023
- **EV Fleet and Charging Station:** In September 2022, City Council gave direction to proceed with USDA Funding for the purchase of Electric Fleet Vehicles for the Police Department. The Police Department has purchased four Ford Lightning F-150 fully electric pickup trucks. In order for the vehicles to be Fleet ready, Electric Vehicle Charging Equipment (EVSE) needs to be installed at the Police Department. This project includes design of the stations, currently underway and the purchase and installation of the new charging equipment, which consist of two Level-II AC Chargers and two Level-III DC Fast Chargers from ChargePoint.

- **Facilities Lighting Project:** This project included the Installation of energy-saving lighting to reduce operating cost within City Facilities (Police Dept., City Hall, Corp Yard, and Wastewater Facility). Using EcoGreen Solutions, Inc. as the installation contractor and funding through PG&E no-interest loans and on-bill financing program. The City will achieve full saving from the installation after eight (8) years. The contract was awarded in April 2023 and completed in May 2023.
- **Fire Station Design:** This project is currently in the design phase; with a professional services agreement with Gutierrez/Associates Architects executed in October 2022. They have completed an analysis report that included recommendations to build a new station instead of rehabilitating existing structures. The City is actively working with the consultant to develop a revised scope of work and meet the CDBG funding cycle requirements.
- **Town Hall and Facilities:** The Town Hall and Facilities project will repair issues with the Town Hall building as well as retrofit the restrooms to make them more accessible. In addition to the work to be performed at Town Hall, this project scope will also include necessary access improvements at the Fort Bragg Police Department as well as reconstructing the bio solids dryer building at the City's wastewater treatment plant. Council awarded the design contract for this project on April 10, 2023 and the buildings should be under construction by the end of the 23/23 fiscal year.
- **Raw Water Line Design Engineering:** The raw water line is 15,000 LF of transmission line and appurtenances from the City's Water Treatment Facility to Summers Lane Reservoir and from Highway 20 to Waterfall Gulch. This pipeline is critical to the secure supply of raw water from the City's best quality sources, and the existing pipeline is nearing the end of its service life. In 2022/23 the City was awarded a grant in the amount of \$8,800,000, for completion of this project. Project design is complete and the permitting process has begun. Construction is anticipated in FY 2023-204.
- **Water Meter Replacement Project is still In-Progress:** The scope of work for this project included the removal of existing water meters and installation of new ultrasonic water meters using cellular-based, fixed-network meter reading system in and around the City of Fort Bragg. This project was funded by CDBG. Construction on this project is scheduled to begin as the fiscal year comes to a close.
- **Water Treatment Plant Overhaul Design:** The City's water treatment plant is undergoing design for significant rehabilitation. The rehab project consists of rehabilitation of the Filter Treatment Units (FTUs), Upgrades to the water plant piping, including flow meters and valves, Repair, upgrade, and construction of water treatment plant buildings, Rehabilitation of Tank #2, Demolition of the old clarifier, lining of the adjoining raw water and backwash ponds, upgrades to the Supervisory Control And Data Acquisition (SCADA) control system, Replacement of the chemical feed pumps,

relocation of the laboratory, and other miscellaneous site improvements. The City was awarded a grant in the amount of \$11,100,000.

- **Pudding Creek Water and Sewer Main Relocation in Construction:** This project will relocate the 10-inch water main serving the northern part of Fort Bragg to ensure water system resiliency and supply reliability from the Pudding Creek Dam to the Bridge. The sewer line currently affixed to the bridge needs to be moved as well in preparation for the new bridge layout. Construction on this project began in March 2023 and is expected to be complete by August 2023.
- **CV Starr Projects:** Several projects at the Starr Center including UV Disinfection and Domestic Boiler were let for contract this fiscal year.
- **Small Projects:** Other miscellaneous small projects completed this year include, replacement of the sign at Pomo Bluffs Park and the Guest House Museum, installation of flock cameras and surveillance system cameras, and hiring two grant writing firms to assist with generating Capital Project Grant funding.



PERFORMANCE / WORKLOAD MEASURES

INDICATORS	FY20	FY21	FY22	FY23
PUBLIC WORKS				
Total cost of Projects budgeted - CIP	\$9.4 M	\$5 M	\$20 M	\$24 M
Grading Permits	6	3	1	1
Encroachment Permits issued	48	41	35	57
Traffic Committee requests processed	19	25	27	17
MAINTENANCE				
Streets (miles)	27.5	27.5	27.5	27.5
Alleys (miles)	19	19	19	19
Storm drains (miles)	10	10	10	10
Street lights	592	592	592	744

BUDGET OVERVIEW

The Proposed Public Works budget for FY 2024 is \$1.5 million, an increase of 14% from the prior year, mainly due to the reorganization of the Special Projects Manager moving from Community Development to Public Works in addition to COLA adjustments of 2%.

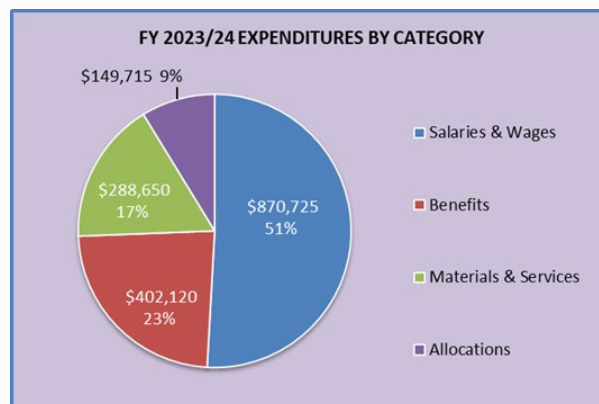
Streets and Maintenance costs, particularly utilities and general supplies, are expected to increase by \$16k. These increases were offset by decreases in Traffic and Safety from one-time purchases in the prior fiscal year. All other expenditure categories have insignificant changes year-over-year.

PUBLIC WORKS DEPARTMENTAL BUDGET SUMMARY

FUND 110

DEPARTMENT: 4330, 4392, 4520, 4522, 4570, 4840

Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Expenditure					
Personnel Services	\$ 1,148,043	\$ 1,086,136	\$ 1,085,865	\$ 1,272,845	17%
Non-Personnel Services	224,485	314,086	299,275	288,650	-4%
Total Departmental Expenditure	1,372,528	1,400,221	1,385,140	1,561,495	13%
Revenue					
Charges for services	33,380	28,326	31,000	48,398	56%
Licenses and Permits	9,147	10,000	12,000	13,000	8%
Reimbursements	457,294	449,200	507,284	492,824	-3%
Total Departmental Revenue	499,820	487,526	550,284	554,222	1%
Net Expenditure	(872,708)	(912,695)	(834,856)	(1,007,273)	21%
Cost Allocation					
Expense - Cost Allocations	162,327	159,793	181,147	149,715	-17%
Revenue - Personnel Allocations	900,590	777,229	891,744	891,744	0%
Net Cost Allocation	1,062,916	937,022	1,072,891	1,041,459	-3%
Net Expenditure	\$ 1,935,624	\$ 1,849,717	\$ 1,907,746	\$ 2,048,732	7%



BUDGET EXPENDITURE DETAIL:

Fund #110

Department: 4330, 4392, 4520, 4522, 4570, 4840

Object	Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% +/-
0100	Salaries & Wages	\$ 709,615	\$ 742,828	\$ 769,298	\$ 870,725	13%
0200	Employee Benefits	438,427	343,308	316,567	402,120	27%
	Personnel Services	1,148,043	1,086,136	1,085,865	1,272,845	17%
	Administration, Engineering, Corp Yard					
0319	Professional Services	17,663	26,683	23,000	20,000	-
0320	Dues & Memberships	969	700	2,631	3,000	14%
0366	Training/Travel Reimbursement	2,332	2,500	2,000	3,500	75%
0373	Licenses & Permits	1,617	2,300	2,350	2,600	-
0375	General Supplies	4,394	5,500	4,000	5,500	38%
0376	Medical/Safety Supplies	1,638	2,500	2,000	2,500	25%
0377	Boot Expense	2,242	3,000	1,500	3,000	-
0381	Small Tools & Equipment	4,121	1,150	1,150	1,350	-
0384	Books & Subscriptions	18	200	200	200	-
	Total Administration, Engineering, Corp Yard	34,994	44,533	38,831	41,650	7%
	Parks & Facilities					
0319	Professional Services	3,489	5,400	5,400	5,000	-7%
0353	Park Maintenance	13,495	12,000	13,892	13,000	-6%
0375	General Supplies	18,162	21,000	20,000	21,000	5%
0381	Small Tools & Equipment	1,333	1,500	600	1,000	-
	Total Parks & Facilities	36,479	41,100	39,892	40,000	0%
	Street Maintenance					
0319	Professional Services	24,539	15,000	15,000	15,000	0%
0375	General Supplies	5,355	12,000	6,000	12,000	100%
0376	Safety Maintenance	-	-	-	10,000	-
0383	Utilities	94,603	95,000	95,000	105,000	11%
	Total Street Maintenance	124,497	122,000	116,000	142,000	22%
	Storm Drains					
0319	Professional Services	2,453	5,000	4,000	5,500	38%
0373	Licenses & Permits	6,000	7,000	7,100	8,000	13%
0375	General Supplies	4,227	7,500	7,500	12,000	60%
	Total Storm Drains	12,681	19,500	18,600	25,500	37%
	Traffic & Safety					
0319	Professional Services	-	51,000	50,000	1,000	-98%
0375	General Supplies	8,923	28,452	28,452	30,000	5%
0383	Utilities	6,912	7,500	7,500	8,500	13%
	Total Traffic & Safety	15,835	86,952	85,952	39,500	-54%
	Non-Personnel Services	224,485	314,086	299,275	288,650	-4%
	Total Public Works Department	\$ 1,372,528	\$ 1,400,221	\$ 1,385,140	\$ 1,561,495	12.73%

Administration & Engineering Department Expenditure
Line Item Detail

Fund #110 Department: 4330		Account Detail	Category Detail	FY 2023/24 Proposed Budget
Personnel Costs				
	Salaries & Wages		\$	646,072
	Employee Benefits			264,240
				<u>910,312</u>
	Total Personnel Costs		\$	910,312
Materials & Services				
110-4330-0310	Engineering			12,000
110-4330-0319	Professional Services			7,000
110-4330-0366	Training/Travel Reimbursement			3,000
110-4330-0373	Licenses & Permits			400
110-4330-0377	Boot Expense			750
110-4330-0381	Small Tools & Equipment			350
110-4330-0384	Books & Subscriptions			200
				<u>23,700</u>
	Total Material & Services			23,700
	Total - Admin. & Engineering Department Expenditure		\$	<u>934,012</u>

Parks & Facilities Department Expenditure
Line Item Detail

Fund #110 Department: 4392		Account Detail	Category Detail	FY 2023/24 Proposed Budget
Materials & Services				
110-4392-0319	Professional Services		\$	5,000
	Parlin Fork work crew		\$	550
	Porta-potty maintenace			800
	Tree maintenance			<u>4,050</u>
110-4392-0353	Park Maintenance			13,000
110-4392-0375	General Supplies			21,000
110-4392-0381	Small Tools & Equipment			1,000
	Total Material & Services		\$	40,000
	Total - Parks & Facilities Department Expenditure		\$	<u>40,000</u>

Street Maintenance Department Expenditure
Line Item Detail

Fund #110 Department: 4520		Account Detail	Category Detail	FY 2023/24 Proposed Budget
Materials & Services				
110-4520-0319	Professional Services		\$	15,000
	Materials disposal	\$ 15,000		
110-4520-0375	General Supplies			12,000
110-4520-0376	Safety Maintenance			10,000
110-4520-0383	Utilities			105,000
Total - Street Maintenance Department Expenditure				\$ 142,000

Storm Drain Department
Line Item Detail

Fund #110 Department: 4522		Account Detail	Category Detail	FY 2023/24 Proposed Budget
Materials & Services				
110-4522-0319	Professional Services		\$	5,500
	Engineering	\$ 4,000		
	Outreach	1,500		
110-4522-0373	Licenses & Permits			8,000
	NPDES permit	7,000		
110-4522-0375	General Supplies			12,000
Total Materials & Services				\$ 25,500
Total - Storm Drain Department				\$ 25,500



Corporation Yard Department
Line Item Detail

Fund #110		Account	Category	FY 2023/24
Department: 4570		Detail	Detail	Proposed Budget
Personnel Costs				
	Salaries & Wages		\$ 224,653	
	Employee Benefits		137,880	
	Total Personnel Costs			\$ 362,533
Materials & Services				
110-4570-0319	Professional Services		1,000	
	DMV tests	\$ 700		
	Materials disposal	300		
110-4570-0320	Dues & Memberships		3,000	
	USA (Underground Service Alert)	3,000		
110-4570-0366	Training/Travel Reimbursement		500	
110-4570-0373	Licenses & Permits		2,200	
110-4570-0375	General Supplies		5,500	
110-4570-0376	Medical/Safety Supplies		2,500	
110-4570-0377	Boot Expense		2,250	
110-4570-0381	Small Tools & Equipment		1,000	
	Total Material & Services			17,950
	Total - Corporation Yard Department			\$ 380,483

Street Traffic & Safety Department
Line Item Detail

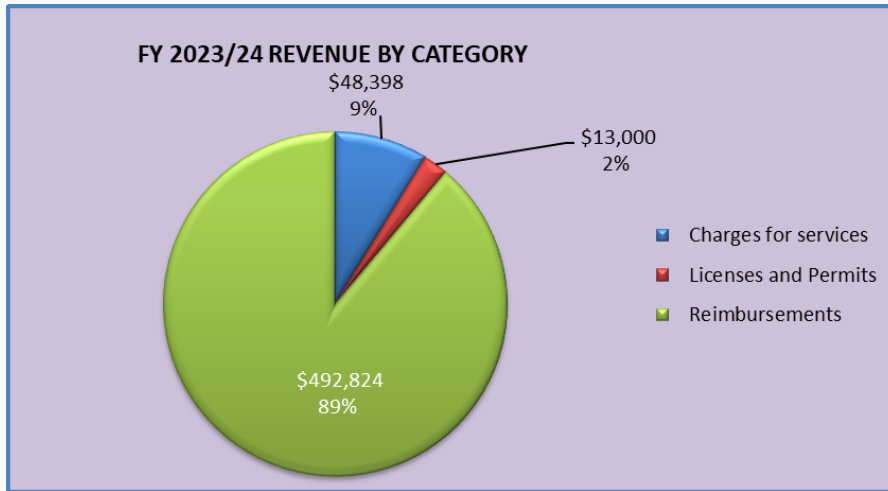
Fund #110		Account	Category	FY 2023/24
Department: 4840		Detail	Detail	Proposed Budget
Materials & Services				
110-4840-0319	Professional Services		\$ 1,000	
110-4840-0375	General Supplies		30,000	
110-4840-0383	Utilities		8,500	
	Total Material & Services			\$ 39,500
	Total - Street Traffic & Safety Department			\$ 39,500

BUDGET REVENUE DETAIL:

Fund #110

Department: 4520,4330,4570,4840

Object	Description	FY 2022/23			FY 2023/24		% + /-
		FY 2021/22 Audited	Amended Budget	22/23 FYE Projected	Proposed Budget		
Charges for Services							
3318	Grant: Staff Time Reimb	\$ 12,851	\$ 13,326	\$ 9,000	\$ 20,898	132%	
3415	City Exp- Reimb DDA	14,749	10,000	15,000	20,000	33%	
3734	Engineering Plan Review	5,780	5,000	7,000	7,500	7%	
Total Charges for Services		33,380	28,326	31,000	48,398	56%	
Licenses and Permits							
3731	Encroachment Permit	9,147	10,000	12,000	13,000	8%	
Total Licenses & Permits		9,147	10,000	12,000	13,000	8%	
Reimbursements							
3497	Interfund Reimbursements	130,469	138,000	181,557	135,105	100%	
3497	Interfund Reimbursements	324,841	311,200	325,727	357,719	10%	
Total Reimbursements		457,294	449,200	507,284	492,824	-3%	
Total Public Work Dept. Revenue		\$ 500,180	\$ 487,526	\$ 550,284	\$ 554,222	1%	



COST ALLOCATION DETAIL BY DEPARTMENT

Fund #110

Department: 4330,4392,4520,4522,4570,4840

Object	Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% +/-
Administration & Engineering						
0801	Salary/Benefit Allocation	\$ 2,370	\$ 2,974	\$ 2,974	\$ 2,370	100%
0802	Cost Allocation contra exp	(38,129)	(24,110)	(24,110)	(38,129)	100%
0396	Allocation to ISF-IT	85,584	20,198	85,584	85,584	100%
0397	Allocation to ISF-Facilities	4,679	4,542	4,542	4,679	100%
3499	Personnel Cost Allocation - Revenue	479,847	365,332	479,847	479,847	0%
	Total Administration & Engineering	534,350	368,936	548,837	534,350	-3%
Parks & Facilities						
0801	Salary/Benefit Allocation	215,264	242,287	242,287	215,264	100%
0800	Overhead Allocation	147,096	138,152	147,096	147,096	100%
0396	Allocation to ISF-IT	5,349	13,047	13,047	5,349	100%
0322	Allocation to Fleet Int Serv Fund	9,503	12,902	12,902	12,902	0%
0397	Allocation to ISF-Facilities	61,236	59,441	59,441	61,236	3%
	Total Parks & Facilities	438,447	465,829	474,773	441,846	-7%
Street Maintenance						
0801	Salary/Benefit Allocation	62,444	52,835	52,835	62,444	100%
0322	Allocation to Fleet Int Serv Fund	32,319	42,547	42,547	42,547	0%
0800	Overhead Allocation	105,509	109,126	109,126	105,509	100%
0396	Allocation to ISF-IT	-	5,219	5,219	5,219	100%
	Total Street Maintenance	200,272	209,727	209,727	225,719	100%
0800	Overhead Allocation	55,258	79,877	55,258	55,258	100%
0396	Allocation to ISF-IT	-	5,219	5,219	5,219	0%
0322	Allocation to Fleet Int Serv Fund	4,740	6,435	6,435	6,435	0%
	Total Storm Drain	59,997	91,531	66,912	66,912	0%
Corporation Yard						
0801	Salary/Benefit Allocation	138	831	831	138	100%
0802	Cost Allocation contra exp	(735,940)	(785,285)	(785,285)	(785,285)	100%
0396	Allocation to ISF-IT	16,047	27,010	27,010	27,010	100%
0397	Allocation to ISF-Facilities	23,266	22,584	22,584	23,266	100%
3499	Personnel Cost Allocation - Revenue	420,743	411,897	411,897	411,897	0%
	Total Corporation Yard	(275,746)	(322,963)	(322,963)	(322,974)	100%
Street Traffic & Safety Department						
0801	Salary/Benefit Allocation	43,514	31,895	31,895	31,895	100%
0800	Overhead Allocation	57,530	85,887	57,530	57,530	100%
0322	Allocation to Fleet Int Serv Fund	4,552	6,180	6,180	6,180	0%
	Total Street Traffic & Safety Department	105,596	123,962	95,605	95,605	0%
	Total Cost Allocation	\$ 1,062,916	\$ 937,022	\$ 1,072,891	\$ 1,041,459	-3%



**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget



FACILITIES



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FACILITIES REPAIR & MAINTENANCE INTERNAL SERVICE FUND

The Facilities Repair & Maintenance Internal Service Fund accounts for all costs associated with the maintenance of public buildings, including preventative maintenance and ongoing maintenance. These services are primarily performed by the City's Public Works staff.

DEPARTMENTAL DESCRIPTION

The Public Works Department serves City staff and the community by maintaining and repairing public facilities. Examples of tasks include repair and maintenance of heating and ventilation systems, repair and maintenance of plumbing systems; upgrades to ensure reliable electrical power, replacement of plumbing fixtures, light fixtures, carpentry, roofing, flooring and painting.

STRATEGIC GOALS AND OBJECTIVES

- The primary goal of the Public Works Department's Facilities Repair & Maintenance Internal Service Fund is to provide quality and efficient maintenance that fosters a safe and positive atmosphere for our employees and the citizens of Fort Bragg.
- Procure products and equipment that are safe to use and provide for long-term investment at a reasonable cost.
- Identify future needs and prioritize according to safety and available funding.
- Improve internal and external communications.
- Stay current with trends in technology.

BUDGET OVERVIEW

The FY 2024 Proposed Budget for the Facilities Repair & Maintenance Internal Service Fund (including transfers from the reserve to fund capital projects) is \$128K. Major Facility Maintenance includes City Hall (\$10k), Police Department Paint \$22k and Noyo Headlands Park \$18k.

According to the City's Fund Balance and Reserve Policy, the unrestricted fund balance is intended to help pre-fund large purchases and repairs and avoid big annual swings in funding needs. In FY 2024, the ISF- Fund balance will decrease from \$680K to \$3K based on the Fund's 10-Year Financial Plan. The proposed Projects over the \$50K threshold are listed here, a total of \$510K, budgeted in CIP.

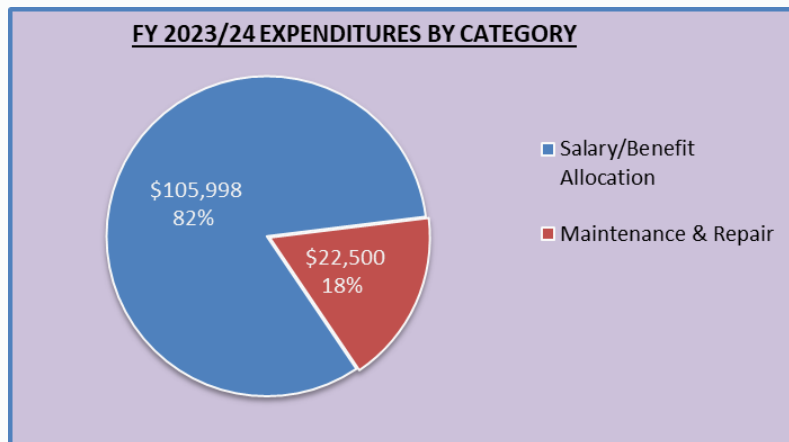
Fund No.	Funding Source/ Project Name	Prior FY(s)	FY 23/24 Proposed Budget
INTERNAL SERVICE FUNDED			
520	Guest House Rehabilitation - Foundation	-	
520	City Hall - Roofing - Solar		150,000
	City Hall - Siding Replace - East Side		70,000
	City Hall - Siding Replace - South Side		
520	East City Hall, Structural, Pool Bldg. & Other		-
520	Town Hall Bathrooms, Windows, Paint and wall repair	40,000	140,000
520	Police Dept. Roof Replacement - Solar		80,000
520	Police Dept. Paint and repairs		70,000
520	Corporation Yard Roofing	105,000	
Total ISF		\$ 145,000	\$ 510,000

FACILITIES REPAIR & MAINTENANCE DEPARTMENTAL BUDGET SUMMARY

FUND 520

DEPARTMENT: 4393

Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Non-Personnel Services	\$ 15,601	\$ 63,749	\$ 26,657	\$ 22,500	-16%
Total Departmental Expenditure	15,601	63,749	26,657	22,500	-16%
Revenue:					
Interest Earned	4,143	6,030	6,030	500	-92%
Total Departmental Revenue	4,143	6,030	6,030	500	-92%
Net Expenditure	(11,459)	(57,719)	(20,627)	(22,000)	7%
Cost Allocation					
Expense - Cost Allocations	105,998	93,568	93,568	105,998	13%
Revenue - User Fees	200,959	195,068	210,000	210,000	100%
Net Cost Allocation	306,957	288,636	303,568	315,998	4%
Net Expenditure	\$ (318,416)	\$ (346,355)	\$ (324,195)	\$ (337,998)	4%



BUDGET DETAIL:

Fund #520

Department: 4393

Object	Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
0801	Salary/Benefit Allocation	\$ 105,998	\$ 93,568	\$ 93,568	\$ 105,998	13%
	Personnel Services	105,998	93,568	93,568	105,998	13%
0353	Facilities Maint & Repair	15,601	63,749	26,657	22,500	-16%
	Non-Personnel Services	15,601	63,749	26,657	22,500	-16%
	Total - Facilities Maintenance	\$ 121,600	\$ 157,317	\$ 120,225	\$ 128,498	7%

DEPARTMENT DETAILS- ISF/FACILITIES REPAIR & MAINTENANCE

MAJOR PROJECTS/REPLACEMENT	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	Annual Average	General Fund	Water Enterprise	Wastewater Enterprise
City Hall	5,000	5,000	-	-	-	-	-	-	1,250	625	313	313
City Hall East	4,000	3,500	-	-	-	-	-	-	938	938	-	-
Fort Building	-	-	-	-	-	-	-	-	-	-	-	-
Town Hall	-	-	-	3,000	-	-	-	-	429	214	107	107
Fire Station, Main St	-	-	-	-	-	-	-	-	-	-	-	-
Fire Station, Hwy 20	-	-	-	-	-	-	-	-	-	-	-	-
Guest House	-	-	-	-	-	-	110,000	-	500	500	-	-
Police Department	-	-	-	-	-	-	-	-	3,143	3,143	-	-
Noyo Headlands Park	4,500	-	30,000	5,000	-	-	-	-	8,214	8,214	-	-
Pomo Bluffs Park	9,000	-	-	-	-	40,000	-	-	1,125	1,125	-	-
Noyo Beach	-	-	-	-	-	-	-	-	-	-	-	-
Corp Yard	-	-	-	-	-	-	-	-	-	-	-	-
Harbor Lite Trail	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL major projects	22,500	8,500	30,000	8,000	-	40,000	110,000	-	15,598	14,759	420	420
General Repairs Facilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL preventative maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL PROJECT FUNDING NEEDED	\$22,500	\$8,500	\$30,000	\$8,000	\$0	\$40,000	\$110,000	\$0	\$15,598	\$14,759	\$420	\$420

Note: CIP projects that are designated in the "Beyond CIP" category have all been placed in 6th year of the ISF, FY 2023/24

FUNDING REQUIREMENTS AND CONTRIBUTIONS

Reserve	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
ISF project work - projected	22,500	8,500	30,000	8,000	-	40,000	110,000	-
CIP Facilities Funded	510,000							
Overhead Allocation		-	-	-	-	-	-	-
Sal/Benefits Allocation	105,998	120,838	137,755	157,041	164,893	173,137	181,794	190,884
Projected Total Cost	638,498	129,338	167,755	165,041	164,893	213,137	291,794	190,884
Required Funds contribution	210,500	146,688	146,688	146,688	146,688	146,688	146,688	146,688
Beginning Reserve Balance	431,066	3,068	20,419	(648)	(19,000)	(37,205)	(103,654)	(248,759)
Reserve - increase (decrease)	(427,998)	17,351	(21,067)	(18,352)	(18,204)	(66,449)	(145,106)	(44,196)
Ending Reserve Balance	3,068	20,419	(648)	(19,000)	(37,205)	(103,654)	(248,759)	(292,955)
Contributed Funds:	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
General Fund	70,290	70,290	70,290	70,290	70,290	70,290	70,290	70,290
Water	38,199	38,199	38,199	38,199	38,199	38,199	38,199	38,199
Wastewater	38,199	38,199	38,199	38,199	38,199	38,199	38,199	38,199

DEPARTMENT DETAILS- ISF/FACILITIES REPAIR & MAINTENANCE

MAJOR PROJECTS/REPLACEMENTS		Notes	Fiscal Year							Total	
			23/24	24/25	25/26	26/27	27/28	28/29	29/30		30/31
City Hall:											
Flooring	New carpet		\$0			\$0				\$0	
Paint	Exterior		\$5,000					\$60,000		\$65,000	
Electric/Generator/ EV Charging Stations									\$20,000	\$0	
HVAC	4 units			\$5,000						\$5,000	
Roofing			\$0							\$0	
ADA Doors									\$8,000	\$0	
Electric Vehicle facility						\$0			\$15,000	\$0	
TOTAL City Hall			\$5,000	\$5,000	\$0	\$0	\$0			\$70,000	
City Hall East:											
Electric										\$0	
Lighting Gym				\$3,500						\$3,500	
Doors	Double doors/heater room									\$0	
Flooring	Hallway carpet		\$4,000							\$4,000	
Roofing	Pool and offices									\$0	
Bathrooms										\$0	
Heaters	3 units									\$0	
Pool	Incl structure									\$0	
Fire Sprinkler System										\$0	
TOTAL City Hall East			\$4,000	\$3,500	\$0	\$0	\$0	\$0	\$0	\$7,500	
Fort Building:											
Paint								\$0		\$10,000	
TOTAL Fort Building			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	
Town Hall:											
Paint	Exterior		\$0							\$0	
Bathrooms	Flooring/Fixtures/Misc									\$10,000	
Carpentry	Dais/Cabinets					\$3,000				\$3,000	
HVAC	Heater									\$0	
Doors/Windows										\$0	
Landscaping										\$0	
TOTAL Town Hall			\$0	\$0	\$0	\$3,000	\$0	\$0	\$0	\$13,000	
Guest House:											
Paint								\$60,000		\$0	
Carpentry/Windows/Siding/Fencing										\$0	
Roofing										\$0	
Foundation/Stain Glass Rehab/Sign			\$0	\$0						\$11,500	
Walkways and Signage								\$50,000		\$0	
TOTAL Guest House			\$0	\$0	\$0	\$0	\$0	\$110,000		\$11,500	
Police Department:											
Paint	Exterior/Interior		\$0							\$22,000	
Electric	Generator Shed									\$0	
HVAC	8 units									\$0	
Roofing				\$0						\$0	
Emergency Generator										\$0	
TOTAL Police Department			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,000	
Bainbridge Park											
Wiggly Giggly										\$90,000	
Tennis/Basketball										\$0	
TOTAL Bainbridge Park			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$90,000	
Noyo Headlands Park:											
Noyo Center											
Bathrooms	Hardware, locks, etc.		\$4,500			\$5,000				\$13,500	
Fencing	Fence fabric				\$30,000			\$16,000		\$44,000	
TOTAL Noyo Headlands Park			\$4,500	\$0	\$30,000	\$5,000	\$0			\$57,500	
Pomo Bluffs Park:											
Parking Lot	Resurface							\$40,000		\$0	
Bathrooms	Roof/Bollards		\$9,000							\$9,000	
TOTAL Pomo Bluffs Park			\$9,000	\$0	\$0	\$0	\$0	\$40,000	\$0	\$9,000	
Noyo Beach:											
General										\$0	
TOTAL Noyo Beach			\$0	\$0	\$0	\$0	\$0			\$0	
Harbor Lite Trail:											
Trail										\$0	
TOTAL Harbor Lite Trail			\$0	\$0	\$0	\$0	\$0			\$0	
TOTAL MAJOR PROJECT FUNDING NEEDS:			\$22,500	\$8,500	\$30,000	\$8,000	\$0	\$40,000	\$110,000	\$0	\$200,500



**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget

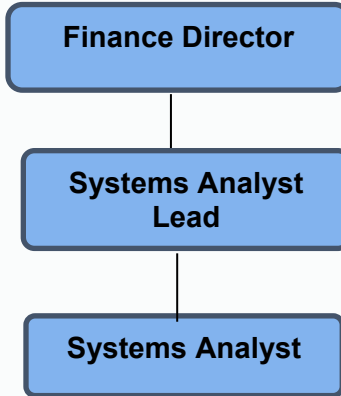


**INFORMATION
TECHNOLOGY (IT)**



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TECHNOLOGY MAINTENANCE & REPLACEMENT INTERNAL SERVICE FUND



The Technology Maintenance & Replacement Internal Service Fund, accounts for all costs associated with the internal computing and technological resources for all departments throughout the City.

SERVICE FUND DESCRIPTION

The Technology Maintenance & Replacement Internal Service Fund's costs include hardware, software, and service contracts associated with the City's computers and information technology infrastructure and personnel costs for the City's Information Technology division which resides in the Administrative Services Department. The Information Technology division is responsible for the following:

- Workstation administration
- Server administration
- Network infrastructure administration
- Layered CyberSecurity defense administration
- Telecommunication administration and installations
- Cloud services support
- Software maintenance and backups
- Asset tracking for IT equipment
- Social media and website maintenance
- Live streaming and AV production of City meetings
- Technical support for City/PD users and presenters at public meetings
- Public Wi-Fi administration and support
- Digital file archiving and distribution
- Public Access TV hardware allocation and administration

FY 2022/23 TOP ACCOMPLISHMENTS

COMMUNICATION:

- Implemented new High Definition video capture and streaming system at Town Hall for supporting “hybrid” meetings for both in-person and remote attendance via Zoom. This new system provides better video quality and decreases complexity in several ways, including automatically creating a live stream to CFB’s Facebook page.
- Implemented both a new IT Ticketing system for internal use, as well as rolling out a new remote support / PC visibility capability.
- Completed decision and acquisition process for new, easy-to-use, and managed internal phone system. Implementation is on track for completion by the end of the FY 2023.
- Completed audit of all telephone numbers that the City is being billed for.

DATA / NETWORK SECURITY:

- Implemented government-approved, cloud-based server backups, with *secure isolation* of data from malware such as ransomware.
- Implemented Penetration testing and Vulnerability scanning automated tools so we can have visibility to previously hidden weaknesses and prioritize addressing them.
- Implemented vastly improved critical infrastructure Log storage with 1 Year retention times.
- Tightened Email “anti-spoofing” security to ensure that only we (and our approved third-party agents) can send mail from “fortbragg.com.”
- Implemented automated weekly email anti-“phishing” training campaigns via KnowBe4.
- Implemented automated quarterly CyberSecurity online training campaigns, also via KnowBe4.
- Implemented MFA for critical accounts’ access to Springbrook.
- Implemented new Windows Active Directory servers (replacing EOL hardware), including up-to-date Windows Server 2022 operating system. (Older OSes have many, many known and exploited security holes.)
- Acquired a new Next-Gen Firewall for installation at City Hall, properly sized to support all City traffic as needed.
- Acquired and provisioned small, portable, easy-to-use cellular hotspots for employees to use with laptops while traveling or for other remote work needs. (Avoids risks of using possible unsecured/unencrypted public Wi-Fi.)

INFRASTRUCTURE & SERVICES PERFORMANCE AND RESILIENCY:

- Completed Phase One of hardware upgrades required to maximize internal LAN switch availability and ability to prioritize Voice over IP traffic.
- Implemented Starlink low-orbit satellite connectivity for Internet and (soon) voice connectivity in case of local fiber damage or primary ISP outages.
- Began implementation of a new Network Management / Visibility System that will vastly improve our ability to detect problems with the network before they affect users (expected to be complete by the end of the FY).

- Replaced 13 of the City’s PCs that were not meeting the performance needs of employee job requirements.
- Configured 11 “Toughbook” laptops (with built-in cellular connectivity) to be deployed in Police cars.
- Completed decision and acquisition process for higher security and higher performance internal Wi-Fi system.
- Completed decision and acquisition process for replacing additional EOL servers (File Servers and Hyper-V), expected by the end of the FY 2023.

PERFORMANCE / WORKLOAD MEASURES

Indicators	FY 2021/22	FY 2022/23
Number of requests for repairs and/or technical assistance	1,398	1,064
Spam messages blocked	197,728	148,679
Computer viruses blocked	9,752	8173
Views of Broadcasted meetings	52,782	9,648

FY2023/24 TOP PRIORITIES

COMMUNICATION:

- As part of the Town Hall physical improvement and upgrade project, we plan to expand and rebuild the TH Tech Room and replace/upgrade the audio and video cabling infrastructure.
- Cancel all unused/unneeded telephone lines.
- Save per-minute call charges by directing most outbound calling from the new telephone system to be completed via VoIP.

DATA / NETWORK SECURITY:

- Begin formal work against a security framework with a partner and tool that will result in a continuous process of detecting and addressing both possible existing and newly emerging security risks.
- Create formal Incident Response, Disaster Recovery, and Business Continuity Plans. Test all three of these by holding “tabletop exercises.”
- Work with City Attorney and City Administration to create Surveillance Technology Policy.
- Work with City Attorney and City Administration to add cybersecurity indemnification language to all contracts.
- Replace our first-level Email protection / SPAM / Malware filter solution with one better able to meet current threats and SPAM filter evasion techniques.

- Since we now have several Firewalls, we will implement a F/W management system that will automate keeping our security policies up-to-date on all of them at once.
- Continue to improve our implementations and use of our new security “layers”.
- Once our new switches have arrived and been installed, we will add Net Flow monitoring to our newly implemented NMS / SIEM. This will give us a much deeper ability to “see” the traffic on our network.
- Implement MFA for VPNs.
- Continue to roll out MFA across the organization.
- Isolate any remaining old OS devices behind F/W DMZs.
- Complete implementation of new LiveScan system at PD.
- Set up Radius services on AD servers, and integrate Firewalls with them for *automatic*, fine-tuned VPN access to resources based on User Groups.
- Set up old servers as “sandbox” environment. Use to determine time to restore entire servers from backups, and for use in case of malware attack.
- Develop process to address annual Identity Cert renewal/update requirements.
- Set up new CH Firewall as alternate VPN login path in case of a primary (PD) path outage.

INFRASTRUCTURE & SERVICES PERFORMANCE AND RESILIENCY:

- Provide Solutions Architect level participation in the FttP (Broadband) project.
- Work with Police Dept. to plan and roll-out new infrastructure for Police patrol connectivity and efficiency (VPNs over cellular service to laptops in patrol vehicles).
- Support the roll-out of new security cameras and new card reader door access control to the Police Dept. and certain other locations.
- Complete re-design of CFB IP addressing / subnetting space, and implement.
- Complete Phase 2 roll-out of hardware upgrades required to maximize internal LAN availability and improve internal traffic visibility/security by implementing new LAN switches at all locations.
- Implement new Next-Gen Firewall for installation at City Hall (purchased in FY2022-23, and properly sized to support all City traffic as needed). Once in place, will configure for higher performance connection to PD over a VPN, rather than the current Wi-Fi point-to-point connection.
- Once all hardware/software upgrades are in place, implement programming changes that will provide for auto-failover around certain current single points of failure.
- Design and implement a new, higher-performing Public Wi-Fi system for the downtown area.
- Implement new File Servers and Hyper-V servers.
- Rework how DHCP is set up to improve resiliency.

BUDGET OVERVIEW

The Information Technology's (IT) FY 2024 Proposed Budget is \$701K, an increase of 15% from the prior fiscal year. Salaries and Benefits increased by 31% from Cost of Living Adjustments and step increases. The IT Systems Analyst lead was hired in November 2022. The annual cost will be realized in the new fiscal year.

In FY 2022, the City undertook various Network Systems, Office 365, and Firewall upgrades as Worldwide cyber threats increased against organizations of all sizes and types. These necessary deferred upgrades have increased the IT Budget year over year is necessary for secure, resilient operations in the current environment. The proposed budget will focus on Data/Network security, infrastructure & service performance, resiliency, and communications.

In FY 2023/24, the Proposed IT Budget for non-personnel costs is \$479K, increasing 8% from the prior year. According to the City's Fund Balance and Reserve Policy, the unrestricted fund balance in the Technology Maintenance & Replacement Internal Service Fund is intended to help pre-fund large purchases and repairs and avoid big annual swings in funding needs. At the end of FY 2024, the fund balance is estimated to be under \$9K, based on the Fund's 5-year plan and the substantial increases in operating expenditures during the last fiscal year.



IT DEPARTMENTAL BUDGET SUMMARY
FUND 521
DEPARTMENT: 4394

Description	FY 2021/22		FY 2022/23		FY 2023/24	
	Audited		Amended Budget	22/23 FYE Projected	Proposed Budget	% + /-
Expenditure:						
Personnel Services	\$ 93,977	\$ 197,640	\$ 168,275	\$ 220,806		31%
Non-Personnel Services	433,312	450,632	443,376	479,838		8%
Total Departmental Expenditure	527,290	648,272	611,652	700,644		15%
Revenue:						
Charges for services - Allocation ISF	497,457	471,859	612,088	612,088		0%
Transfers	-	-	135	6,884		4999%
Total Departmental Revenue	497,457	471,859	612,088	618,972		1%
Net Revenue/Expenditure	(29,833)	(176,412)	436	(81,672)		-18829%
Cost Allocation						
Expense - Cost Allocations	7,992	(8,212)	-	7,992		100%
Revenue - User Fees	(497,457)	(471,859)	(612,088)	(612,088)		0%
Net Cost Allocation	(489,465)	(480,071)	(612,088)	(604,096)		-1%
Net Expenditure	\$ 459,631	\$ 303,659	\$ 612,524	\$ 522,424		-15%

BUDGET DETAIL:

Fund #521

Department: 4394

Object	Description	FY 2021/22		FY 2022/23		FY 2023/24	
		Audited		Amended Budget	22/23 FYE Projected	Proposed Budget	% + /-
0100	Salaries & Wages	\$ 69,056	\$ 140,145	\$ 124,966	\$ 170,065		36%
0200	Employee Benefits	24,922	57,495	43,309	50,741		17%
	Personnel Services	93,977	197,640	168,275	220,806		31%
0319	Professional Services	390	-	-	50,000		100%
0351	Equipment Repair & Maint	1,964	4,100	3,000	4,200		100%
0366	Training/Travel Reimbursement	1,629	2,000	3,481	4,260		22%
0381	Small Tools & Equipment	6,627	3,500	4,784	5,000		5%
0382	Hardware	32,130	108,068	100,000	55,329		-45%
0383	Software	16,430	9,838	8,459	28,025		231%
0384	Hardware/Software Support	358,693	316,826	316,826	313,673		-1%
0619	Misc Exp/ PEG	-	5,000	5,000	19,351		287%
	Non-Personnel Services	433,312	450,632	443,376	479,838		8%
	Sub Total - Costs	527,290	648,272	611,652	700,644		15%
	Total Information Technology Services	\$ 527,290	\$ 648,272	\$ 611,652	\$ 700,644		15%

ISF – INFORMATION TECHNOLOGY

Information Technology Maintenance & Repair Internal Service Fund Detail						
	FY 22-23 Adopted Budget	FY 23-24 PROPOSED BUDGET	FY 24-25 Projected Budget	FY 25-26 Projected Budget	FY 26-27 Projected Budget	FY 27-28 Projected Budget
521-4394-0384						
Licensing & Software Support & Maintenance						
Cisco Capital and Port 53 for endpoint security licensing & monitoring	18,139	\$ 18,139	\$ 18,139	\$ 18,139	\$ 18,139	\$ 18,139
CDO-Cisco Firewall Cloud Management	2,021	\$ 2,041	\$ 2,061	\$ 2,081	\$ 3,001	\$ 3,031
MCN/AT&T - Fusion Internet at CH	2,000	\$ 1,907	1945	2120.05	2310.8545	2518.83141
Cisco LAN Switches Annual Licenses and SmartNet						
Springbrook Maintenance Contract Due July 1	47,479	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Auto CAD Subscription Due in October	4,400	\$ 3,700	\$ 3,700	\$ 3,700	4,000	4,000
Parcel Quest	5,000	\$ 5,000	5,000	5,000	5,100	5,100
Budget Software		\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000	\$ 27,000
PD IBM Maintenance TracNet	14,500	\$ 17,976	19,774	21,751	23,926	26,318
DLB Associates - IBM Server Maintenance	3,000	\$ 3,450	3,968	4,563	5,019	5,520
App River / Spam Filter	1,600	\$ 5,520	\$ 5,520	\$ 5,520	6,072	6,072
Granicus/Legistar Annual Maintenance Website and Gov Message	17,000	\$ 18,791	\$ 18,791	\$ 18,791	20,000	20,000
Granicus Encoder Maintenance - Addition for new HD	4,400	\$ -				
Granicus Encoder New	4,068	\$ -				
Schedule Anywhere - PD Maintenance	600	\$ 600	600	600	600	600
APBnet-TRAK-CriticalReach-Crime Bulletin Software - PD	600	\$ 600	600	600	600	600
Adobe Enterprise agreement	4,000	\$ 4,000	4,000	4,000	4,400	4,400
PD - Training TMS Annual Fees	2,400	\$ 2,400	2,400	2,400	2,640	2,904
HWA UPS Maintenance and Warranty (four years)						
Civic Plus Site	-	\$ -				
Code Publishing Company - Muni Code	2,500	\$ 2,500	2,500	2,500	2,750	3,025
ESRI - ARC GIS concurrent users	10,000	\$ 2,500	2,500	2,500	2,750	3,025
Knowbe4			7,514			8,000
Password Manager		\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Munimatrix Maintenance Due annually on July 28 / PaperVision	1,800		1,800	1,800	1,980	2,178
Comcast For City at PD MDF	5,000	\$ 5,000	5,000	5,000	5,500	5,500
Comcast Town Hall	2,200	\$ 1,604	\$ 1,604	\$ 1,604	\$ 1,800	\$ 1,800
WT/CY Internet / VPN to PD		\$ 2,667	2,667	2,667	2,800	2,800
PD Netmotion		\$ 1,525	1,677	1,844	2,028	2,230
PD Netmotion Server						
PD Vision Mobile Software		\$ 15,054	3,312	3,477	3,824	4,206
MCN - Fortbragg.com registration	240	\$ 240	240	240	240	240
Beacon Read Center support (Water billing software) Paid in May	6,860	\$ -				
CLIPs Annual Maintenance-PD	800	\$ 1,001	\$ 1,001	\$ 1,001	\$ 1,001	\$ 1,001
Dude Solutions (DBA: Brightly) Maint Software	6,000	\$ 6,000	6,000	6,000	6,000	6,000
Next Request	4,850	\$ 4,850	4,850	4,850	4,850	4,850
SSL Certificate - Go Daddy	600	\$ 600	600	600	600	600
StarLink	7,320	\$ 7,320	7,320	7,320	7,320	7,320
Zoom	660	\$ 816	\$ 860	\$ 860	\$ 860	\$ 860
Windows 365-Emails	9,600					
Archive Social	5,988	\$ 5,990	6,589	7,188	7,188	7,188
Druva - Backup System - Cloud back ups	8,000	\$ 7,666	8,000	8,000	8,000	8,000
Net-File FPPC Filing - City Clerk	2,900	\$ 2,900	2,900	2,900	3,000	3,000
Kiosk - Connected sign	700	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Firewall Licensing & VPN	2,175	\$ 2,671	4,021	4,250	4,675	5,142
Cisco SmartNet Maintenance Contract & VPN -Firewalls	880	\$ 1,600	1,625	1,650	1,675	1,700
DUO Multifactor Authentication	2,412	\$ 1,710	1,800	1,845	1,895	1,945
Cloud-based Logs retention	11,000	\$ 11,379	12,289	13,000	13,000	13,000
vPen Testing annual software	7,500	\$ 7,500	7,500	7,500	7,500	7,500
Cisco LAN Switches Licensing and SmartNet (Maintenance)	13,855	\$ 13,855	13,855	14,000	14,140	14,281
Licensing for proposed new Wireless Access Points Internal Network- inc. security integration	14,173			5,100		
DocuSign	300	\$ 1,725	1,725	1,725	1,725	1,725
Nor-Cal Telephone Repair Service	4,000	\$ -				
New Telephone System Licensing & Maintenance	8,150	\$ 12,240	-	-	-	3,000
TeamViewer	\$466.80	\$466.80	\$466.80	\$466.80	\$466.80	\$466.80
Mailgun	1,080	\$ 1,080	1,080	1,080	1,080	1,080
Trello Project Tracking	120	\$ 120	\$ 120	\$ 120	140	140
MCN/AT&T Internet at CH (already purchased)	\$1,889	\$ 1,889	\$1,889	1,889	1,889	1,889
MDM - Mobile Device Manager		\$5,300	\$4,800	\$4,800	\$4,800	\$4,800
Verkada Door Access Control Install & 10-Yr Licensing - CH, TH			\$50,484			
Verkada Additional Cameras Install & Licensing - TH, GHM				\$36,093		
Verkada Additional Cameras Install & Licensing - CH					\$54,580	
MS 365 Government G3 Plan		\$28,080	\$28,080	\$28,080	\$28,080	\$28,080
Sub-total- Software/Hardware Support Maintenance	\$ 275,226	\$ 313,673	\$ 354,866	\$ 342,914	\$ 365,645	\$ 327,475

ISF – INFORMATION TECHNOLOGY

Information Technology Maintenance & Repair Internal Service Fund Detail						
	FY 22-23 Adopted Budget	FY 23-24 PROPOSED BUDGET	FY 24-25 Projected Budget	FY 25-26 Projected Budget	FY 26-27 Projected Budget	FY 27-28 Projected Budget
521-4394-0381						
Small Tools & Equipment						
Miscellaneous Small Tools - Cables, batteries, tools, ect.)	3,500	\$ 5,000	5,000	5,000	5,100	5,200
Sub-total- Small Tools & Equipment	\$ 3,500	\$ 5,000	\$ 5,000	\$ 5,000		
521-4394-0351						
Equipment repair						
UPS Batteries	200	\$ 500	500	500	750	750
Network Cabling	1,500	\$ 1,500	1,500	1,500	1,500	1,500
Charging cables and bricks	200	\$ 200	200	200	200	200
Video Cards 'Boards Cameras	2,200	\$ 2,000	2,000	1,200	2,000	2,000
Sub-total- Equipment Repair	\$ 4,100	\$ 4,200	\$ 4,200	\$ 3,400	\$ 4,450	\$ 4,450
521-4394-0382						
Hardware - upgrades/infrastructure improvements						
Hardware						
IT Office Flooring Repair						
IT Office Ergonomic improvements						
User WorkStation Replacement 20 units @900 each	15,000	\$ 18,000	\$ 18,000	\$ 18,000	20,000	20,000
Laptops		\$ 1,800	\$ 1,800	\$ 1,800	2,000	2,000
User Monitor Replacements	3,000	\$ 3,600	3,000	3,000	3,000	3,000
Plotters/Printers	2,000	\$ 2,000	2,000	2,000	2,000	2,000
iPads for Council/Planning Commission	1,500	\$ -	1,230	1,230	1,230	1,230
Granicus Encoder New	4,068	\$ -				
TownHall Cables	-	\$ 600	500	500	500	500
55 Inch Monitor for WWTF SCADA	-	\$ -	1,200			1,200
Security Cameras - BBP	12,000		6,000	6,000		
Laptops for Toughbook replacement		\$ 3,500		-		
SCADA Computer with Video Cards	-			3,000		3,000
Security Camera Monitoring for CH	6,000					
Public Use Kiosk PC - Connected Signs License Fee		\$ -				
Wireless Access Points Internal Network	23,000	\$ -	-	-		
Mixing board Town Hall	-	\$ -	-	-		
HyperV Server	60,000					
Microphone Equipment		\$ 2,000	2,000	-	1,500	1,500
Environmental Controls and Racking	500	\$ 500	300	300	300	300
Email Server Dell R730 Hyper V	-					
UPS for PD & CH server rooms	3,000	\$ 7,000	3,500	3,500		
Replace all EOL LAN switches with New or Refurbished current models	15,214	\$ 15,929	15,929	-		
Replacement and new Firewall	2,041	\$ -	-	-		
New Backup Harddrives	1,500	\$ -	-	-		
PD - UPD Connection	3,000		3,000	3,000	3,000	3,000
Phone System	35,682	\$ 400	400	400	400	400
Verkada Door Access Control H/W - CH, TH			\$ 32,274			
Verkada Cameras H/W - TH, GHM				17,949		
Verkada Additional Cameras H/W - CH					33,280	
Sub-total- Hardware	\$ 187,505	\$ 55,329	\$ 91,133	\$ 60,679	\$ 67,210	\$ 38,130
521-4394-0383						
Software - upgrades/infrastructure improvements						
Software						
Windows Server Software 2022	1,000	\$ 24,025	-	-	25,000	
Windows 11 Pro OS	1,000	\$ 4,000	4,000	4,000	4,000	4,000
Office Standard 80 @ 239						
Sub-total- Software	\$ 2,000	\$ 28,025	\$ 4,000	\$ 4,000	\$ 29,000	\$ 4,000

ISF – INFORMATION TECHNOLOGY

Information Technology Maintenance & Repair Internal Service Fund Detail						
	FY 22-23 Adopted Budget	FY 23-24 PROPOSED BUDGET	FY 24-25 Projected Budget	FY 25-26 Projected Budget	FY 26-27 Projected Budget	FY 27-28 Projected Budget
521-4394-0366						
Training and Conferences						
Training Budget						
Storm Wind - Distance Learning	2,580	\$ -	2,580	-	2,750	
Training/Travel	2,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
MISAC Fee	260	\$ 260	260	260	260	260
Sub-total- Training & Conference	\$ 4,840	\$ 4,260	\$ 6,840	\$ 4,260	\$ 7,010	\$ 4,260
521-4390-0741						
Public Wi-Fi Upgrades and Maintenance						
13DB Antenna	-					
Wireless station	1,000		1,000	1,000		
Cables and other hardware	-					
Equipment repair	300		300	300		
Mesh Radio						
ESTIMATE to replace /upgrade Public WiFi for all of downtown	-		25,000			8300
Sub-total- Public Wi-Fi	\$ 1,300		\$ 26,300	\$ 1,300	\$ -	\$ 8,300
521-4394-0319						
PROFESSIONAL SERVICES						
NIST 800-171 & Other Security Consultants		\$ 45,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Unexpected Consultancy		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Sub-total- Professional Services	\$ -	\$ 50,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
No Acct Number						
Information Technology Paid by other accounts						
Treatment SCADA Systems software update to 64bit	510		3,000	3,000	3,000	3,000
DownHome Loan Manager (CDBG Funds)	1,500		1,200	595	650	700
Water Treatment IPad Covers			426	426	450	450
Public Works Phone Covers			80	80	80	80
PD Smart Phone Covers			260	260	260	260
Part Time AV Tech PEG Work (see Payroll)	26,500		25,291	25,291	25,291	25,291
Half of CLIPS CAD (Ukiah PD)	774		774	774	774	774
Live Scan Machine TO BE PAID FOR WITH AF FUNDS 22-23	21,764	\$ 3,600	3,960	4,356	4,791	5,270
Conference Call Bridge	336		336	336	336	336
PD Cogent - Criminal (booking) LiveScan Machine						
PD Netmotion Server - AF	\$ 5,000		\$ -	\$ -		
Additional Verkada Cameras and Door Access Control - WT			\$ -	\$ 25,500		
Additional Verkada Cameras and Door Access Control - WWT			\$ -	\$ -	10,000	
Additional Verkada Cameras - BBP -- ESTIMATE			\$ 25,000	\$ -		
BlueBeam software		\$ 1,150	\$ 1,150	\$ 1,150	1,250	1,250
FirstNet		\$ 25,943	\$19,869	\$19,869	\$19,869	\$19,869
Other information (Not Calculated to IT Budget)	\$ 56,384	\$ 30,693	\$ 81,346	\$ 81,637	\$ 66,751	\$ 57,280
521-4394-0619						
PEG						
Franklin Studio Internet / Wi-Fi	1,800	\$ 2,551	2,551	2,551	2,750	2,750
TH Camera Replacement	2,700		2,700	2,700		
Small Circuit Replacement	500		750	750		
Replacement Tricaster Server						
Replacement Mac Server		\$ 8,000				
Softron Software		\$ 2,800				
Replace speakers and recable audio / video		\$ 6,000				
Sub-total- PEG	\$ 5,000	\$ 19,351	\$ 6,001	\$ 6,001		
Total Information Techonology	\$ 483,471	\$ 479,838	\$ 513,340	\$ 442,554	\$ 488,315	\$ 401,615

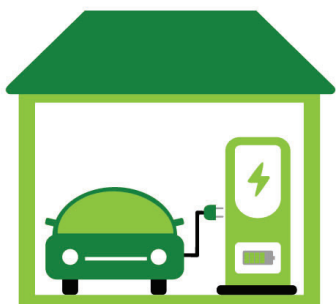


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**CITY OF
FORT BRAGG**

Fiscal Year **2024** Proposed Budget

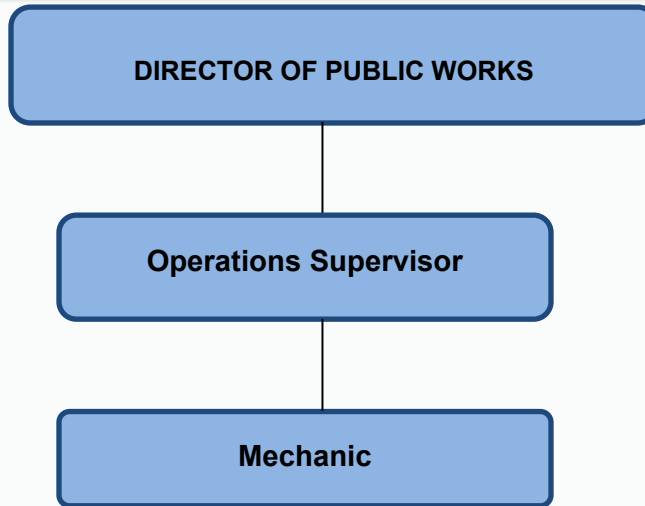


FLEET - ISF



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FLEET & EQUIPMENT SERVICES INTERNAL SERVICE FUND



The Fleet & Equipment Services Internal Service Fund is responsible for acquisition, maintenance and repair of the City's fleet vehicles and equipment. Services include scheduled preventive maintenance, welding and fabrication, diagnostic and emissions testing and inventory functions. The City's Mechanic performs these services.

DEPARTMENTAL DESCRIPTION

Fleet & Equipment Services is responsible for ensuring functional, reliable and economical vehicles and equipment necessary for the conduct of City operations; providing vehicle and equipment specifications for bidding purposes, assisting with vehicle and equipment auctions, and preparing and administering the annual fleet budget. In addition, Fleet & Equipment Services coordinates the following external services: paint and body repair, engine and transmission repair/rebuild, heavy duty suspension service, air conditioning service, and glass replacement.

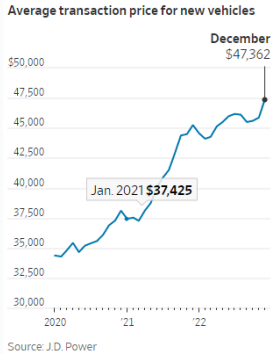
STRATEGIC GOALS AND OBJECTIVES

- Provide necessary maintenance and repair to City's fleet vehicles and equipment, including electrical repairs, engine tune-up, tire replacements, brake replacements and adjustments and other general maintenance work.
- Account for and track all costs and assist Finance Department with preparation of year-end cost allocations.
- Provide recommendations to reduce vehicle miles traveled, fleet vehicle emissions, use of petroleum-based fuels, including the purchase of alternative fuel vehicles and hybrids whenever possible.

- Provide regular inspection and maintenance of the City's fleet and equipment. City staff maintained 29 public work vehicles, 21 police vehicles, two city hall vehicles and six trailers. Vehicles include forklifts, backhoes, a dump truck, mobile generators, and a street sweeper. Small equipment is also included in the maintenance program, such as small and large generators, mobile pumps, mowers, and 30 small engines on equipment to name a few.

BUDGET OVERVIEW

The FY 2024 Proposed Budget for the Fleet & Equipment Services is \$472k, a decrease of 44%.



In FY 2023, new-car prices since the pandemic have caused significant increases nationwide caused by the supply chain disruption (in global semiconductors shortage, supply of chips, and other disruptions caused by the pandemic) that has created new-vehicle scarcity in recent years, resulting in a seller's market. According to research firm J.D. Power, the average price paid for a new vehicle hit a record of \$47,362 in December.

In the long-term vehicle plan, seven cars were replaced in FY 2023 (2 Public Works and 5 Police vehicles), with three vehicles carried forward from the prior year due to long wait times (8 months+) for a new vehicles. The United States Department of Agriculture (USDA) Grant will reimburse the City \$205K for vehicles purchased..



In FY 2024 Budget, three vehicles are being proposed to be replaced for \$195K – see the replacement plan on the next page. The City's Fund Balance and Reserve Policy, the unrestricted fund balance, is intended to help pre-fund large purchases and repairs and avoid big annual swings in funding needs.

Personnel and Benefits costs are expected to decrease by 5%, mainly due to the mechanic retiring at the start of the fiscal year, the replacement personnel benefits and CALPERS costs are miscellaneous rather than Classic- causing the fund to realize savings. Also included is the retirement costs payout of vacation/sick leave.

FLEET & EQUIPMENT SERVICES DEPARTMENTAL BUDGET SUMMARY
FUND 522
DEPARTMENT: 4550

Description	FY 2021/22		FY 2022/23		FY 2023/24		% + /-
	Audited		Amended Budget		22/23 FYE Projected	Proposed Budget	
Expenditure:							
Personnel Services	\$ 150,409	\$	128,390	\$	139,900	\$ 132,280	-5%
Non-Personnel Services	442,525		570,300		698,305	340,300	-51%
Total Departmental Expenditure	592,934		698,690		838,205	472,580	-44%
Revenue:							
Misc Revenues	-		-		(1,000)	(5,000)	100%
Allocation - Int Serv Fund	-		-		(1,000)	(479,513)	100%
Total Departmental Revenue	-		-		(1,000)	(484,513)	48351%
Net Expenditure	(592,934)		(698,690)		(839,205)	(11,933)	-99%
Cost Allocation							
Revenue - Personnel Allocations	(342,307)		(409,513)		(458,000)	(479,513)	5%
Net Cost Allocation	(342,307)		(409,513)		(458,000)	(479,513)	5%
Net Expenditure	\$ (250,627)	\$	(289,177)	\$	(381,205)	\$ (491,446)	29%

BUDGET DETAIL:

Fund #522

Department: 4550

Object	Description	FY 2021/22		FY 2022/23		FY 2023/24		% + /-
		Audited		Amended Budget		22/23 FYE Projected	Proposed Budget	
0100	Salaries & Wages	\$ 71,443	\$	70,519	\$	82,055	\$ 79,488	-3%
0200	Employee Benefits	69,129		45,991		45,967	40,913	-11%
0801	Salary/Benefit Allocation	9,837		11,879		11,879	11,879	0%
	Personnel Services	150,409		128,390		139,900	132,280	-5%
0319	Professional Services	439		2,000		500	1,000	100%
0351	Equipment Repair & Maint	6,676		6,000		13,207	12,000	-9%
0352	Vehicle Repair & Maint	45,310		32,000		48,000	40,000	-17%
0366	Travel/Training Reimbursement	30		500		250	500	100%
0375	General Supplies	1,149		1,200		800	1,200	50%
0381	Small Tools & Equipment	2,536		600		-	600	100%
0382	Fuel & Lubricants	94,979		90,000		91,548	90,000	-2%
0742	Vehicles	221,526		438,000		544,000	195,000	-64%
	Non-Personnel Services	442,525		570,300		698,305	340,300	-51%
	Total Fleet Services	\$ 592,934	\$	698,690	\$	838,205	\$ 472,580	-44%

Vehicle Replacement Plan														
Unit No.	Make	Yr.	Model	Hours/Miles	FY 22/23 YE	FY 23/24 Proposed	FY 24/25 Projected	FY 25/26 Projected	FY 26/27 Projected	FY 27/28 Projected	FY 28/29 Projected	FY 29/30 Projected	FY 30/31 Projected	FY 31/32 Projected
New	New	2021	Generator											
New	New	Dump Truck (10Yard)												
WWT31	NISSAN	2007	FRONTIER	64,414		\$37,000	\$ 225,000							
48	FORD	2008	Ranger	80,830	\$ 37,000									
WT1	Dodge	2005	1500 Q. CAB	60,618				\$30,000						
PW8	JOHNDE	1985	BACKHOE	5,949										
PW16	FORD	2006	F-150 X-TRA	73,402			\$30,000							
PW46	STERLING	2020	Vactor	2,576										
PW1	CHEV.	2000	3500 Flatbed	44,143	\$104,000									
CHE121	FORD	2006	ESCAPE	59,407				\$38,000						
PW5	FORD	2006	F-250 SERV.	81,415		\$75,000								
			Public Works Sub-Total		\$141,000	\$112,000	\$255,000	\$30,000	\$38,000					
PD745	FORD	2020	Ford Van	9,000							\$40,000			\$70,000
PD735	FORD	2005	GROWN VIC	89,424	\$83,000						\$40,000			
PD747	FORD	2009	ESCAPE	140,000	\$83,000									
PD744	FORD	2008	RANGER	65,000	\$71,000									
PD1403	FORD	2014	INTERCEPTOR	95,000	\$83,000						\$40,000			
PD501	FORD	2015	INTERCEPTOR	74,000		\$83,000					\$40,000			
PD500	FORD	2015	INTERCEPTOR	84,000	\$83,000		\$75,000							
PD509	FORD	2015	TAURUS	167,000			\$45,000							
PD503	FORD	2015	INTERCEPTOR	76,000				\$70,000						
PD510	FORD	2015	TAURUS	62,000				\$45,000						
PD502	FORD	2015	INTERCEPTOR	52,000					\$70,000					
PD507	FORD	2016	INTERCEPTOR	45,000							\$73,000			
PD508	FORD	2016	INTERCEPTOR	44,000							\$62,000			
PD513	FORD	2018	INTERCEPTOR	30,000							\$75,000			
			Police Sub-Total		\$403,000	\$83,000	\$120,000	\$115,000	\$70,000	\$70,000	\$295,000	\$75,000	\$80,000	\$70,000
			Total Replacement Costs		\$544,000	\$195,000	\$375,000	\$145,000	\$108,000	\$70,000	\$295,000	\$75,000	\$80,000	\$70,000



**CITY OF
FORT BRAGG**

Fiscal Year **2024** Proposed Budget



DEBT



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CITY OF FORT BRAGG

DEBT MANAGEMENT POLICY

INTRODUCTION

The City of Fort Bragg and the Fort Bragg Municipal Improvement District No. 1 (collectively referred to as the “City”) have adopted the following “Debt Management Policy” which is intended to guide decisions related to debt issued by the City. Debt issuance should be evaluated on a case-by-case basis as well as within the context of the City’s overall capital structure and policy objectives. Adherence to the Debt Management Policy is necessary to ensure that the City maintains a sound debt position and that it protects the credit quality of its debt obligations.

GOALS AND OBJECTIVES

The Debt Management Policy formally establishes parameters for issuing debt and managing a debt portfolio which recognizes the City’s specific capital improvement needs, ability to repay financial obligations, and legal, economic, financial and capital market conditions. Specifically, the Debt Management Policy is intended to assist the City in the following:

- Promoting sound financial management through accurate and timely information on financial conditions,
- Evaluating critical debt issuance options,
- Protecting and enhancing the City's credit rating.

The policies outlined in the Debt Management Policy are a tool to help ensure that adequate financial resources are available to support the City’s long-term capital needs.

PRINCIPLES OF DEBT MANAGEMENT AND DEBT ISSUANCE

Factors to be considered when evaluating issuance or refunding of debt will include:

- Intergenerational equity,
- Compliance with the City’s reserve policies,
- Cost of on-going maintenance of new projects,
- Forgone interest earnings from the use of cash reserves or investments,
- Debt service requirements and affordability.
- The City will manage its debt to ensure high credit quality, access to capital markets, and financial flexibility.
- The City will seek to fund a portion of its overall capital program from current resources (pay-as-you-go) and reserves, depending upon the specific projects, annual budgetary constraints and availability and rate of investment earnings.
- The City will consider the use of debt in those cases where public policy, equity, and

economic efficiency favor debt over cash (pay-as-you-go) financing.

- The City will not construct or acquire a facility or capital improvement if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility.
- The City will not fund working capital (general fund) reserves, or operating and maintenance costs through the issuance of debt.
- The City will utilize a multi-year capital financing plan to determine the affordability of debt. The capital financing plan will provide a multi-year forecast which shall include, but not be limited to; description of sources of funds; availability of current revenues, timing of capital projects, and debt service requirements.

STANDARDS FOR USE OF DEBT FINANCING

City Council Consideration. The City Council shall endeavor to receive sufficient information about debt financing to understand the short- and long-term ramifications of each debt issuance. The Council shall meet as necessary with the City Manager, Finance Director and other appropriate advisors, if deemed necessary, for the purpose of reviewing and making a final determination related to each debt issuance.

Long-Term Capital Projects. The City Council will consider the use of debt to finance long-term capital projects only when paying for the facilities or equipment over their useful life and concurrent with the benefits derived from the use of such facilities, and when project revenues or specific resources will be sufficient to service the long-term debt. The final maturity of the bonds shall not exceed the expected useful life of each project.

Special Circumstances for Debt Issuance. Debt may be used in special circumstances for projects other than long-term capital projects (as an example, for pension obligations) only after careful policy evaluation by the City.

Debt Financing Mechanisms. The City will seek to utilize the most cost advantageous financing alternative available, taking into consideration policy objectives. The Finance Director shall evaluate the use of all financial alternatives available, including, but not limited to long-term debt, pay-as-you-go, joint financing, reserve fund releases, lease-purchase, special districts, special assessments, state and federal aid, tax-exempt leasing, public/private partnerships, and State revolving loan programs. The recommendation of the Finance Director shall be submitted to the City Manager and a staff recommendation shall be submitted to the Council.

Methods of Issuance. The City will determine, on a case-by-case basis, whether to sell its bonds competitively or through negotiation.

Credit Quality. All City debt management activities will be conducted to receive the highest credit ratings possible, consistent with the City's financing objectives and, at a minimum, to maintain current credit ratings assigned to the City's debt by the major credit rating agencies.

Debt Capacity. The City will carefully monitor its level of general purpose debt. Because the City's general purpose debt capacity is limited, it is important that the City only use general purpose debt financing for high-priority projects where other financing methods cannot be used. In evaluating debt capacity, general purpose annual debt service payments shall not exceed 10% of General Fund revenues. The City's Enterprise Fund debt capacity will be

evaluated as an integral part of the City's rate review and setting process. The City will set Enterprise Fund service rates at levels needed to fully cover debt service, operations, maintenance, administration and capital improvement requirements.

FINANCING CRITERIA

When the City determines that the use of debt is appropriate, the following criteria will be utilized to evaluate the type of debt to be issued:

Pay-As-You-Go Financing. The City will consider Pay-As-You-Go Financing if current revenues and adequate fund balances are available or project phasing can be accomplished. Other factors to be considered include: current debt levels, the effect of additional debt on the City's credit rating, anticipated difficulties in marketing debt, and stability of market conditions.

Long-Term Debt. The City may issue long-term debt, when required capital improvements cannot be financed from current revenues or reserves without having an impact on the City's financial stability and/or operating flexibility. Long-term borrowing should not be used to finance current operations or normal maintenance and repairs.

Variable Rate Debt. To maintain a predictable debt service burden and rate structure, the City may give preference to debt that carries a fixed interest rate. The City, however, may consider variable rate debt, especially in periods of high interest rates, or when the revenue stream for repayment is variable.

Interfund or Short-Term Debt. Interfund or short-term borrowing may be utilized for temporary funding of operational cash flow deficits or anticipated revenues. Short-term debt may be used when it provides an interest rate advantage or as interim financing until market conditions are more favorable.

TERMS AND CONDITIONS OF BONDS

The City shall establish all terms and conditions relating to the issuance of bonds, and will control, manage, and invest all bond proceeds. Unless otherwise authorized by the City Council, the following shall serve as bond requirements.

Maturity/Term. All capital improvements financed through the issuance of debt will be financed for a period not to exceed the useful life of the improvements, but in no event will the term exceed 40 years.

Debt Service Structure. Debt issuance shall be planned to achieve relatively rapid repayment of debt while still matching debt service to the useful life of facilities. The City shall avoid the use of bullet or balloon maturities except in those instances where these maturities serve to meet aggregate debt service structuring objectives. Debt service should be structured primarily on an aggregate level annual basis, as opposed to on an escalating or deferred basis.

Coupon Structure. Debt may include par, discount, premium and capital appreciation bonds. Discount, premium, and capital appreciation bonds must be demonstrated to be advantageous relative to par bond structures.

Call Provisions. The City's securities should include an optional call feature, which typically is no later than 10 years from the date of delivery of the bonds. The City will avoid the sale of

non-callable bonds absent careful evaluation by the City and its financial advisor with respect to the value of the call option.

Bond Insurance / Credit Enhancement. The City shall have the authority to purchase bond insurance or credit enhancement when such purchase is deemed prudent and advantageous. The determination shall be based on the net present value debt service cost comparison of insured/enhanced bonds versus uninsured/unenhanced bonds.

Debt Service Reserves. A reserve fund shall be funded from the proceeds of each series of bonds, subject to federal tax regulations and in accordance with the requirements of credit enhancement providers, rating agencies, and investor demands. The reserve fund shall be treated as a Restricted Reserve as defined in the City Reserve Policy. The City shall have the authority to purchase reserve equivalents (i.e., the use of a reserve fund surety) when such purchase is deemed prudent and advantageous. Such equivalents shall be evaluated in comparison to cash funding of reserves on a net present value basis, taking into account the impact of investments and arbitrage rebate considerations.

REFINANCING OUTSTANDING DEBT

The Finance Director shall analyze outstanding bond issues for refunding opportunities that may be presented by underwriting firms. The City will consider the following issues when analyzing possible refunding opportunities:

Debt Service Savings. The City will refund debt when it is in the best financial interest of the City to do so. The City shall evaluate each refunding opportunity based on net present value savings, which shall take into account foregone interest earnings, all costs related to the refinancing, and arbitrage implications (i.e., net-to-net savings).

Restructuring. The City will only consider restructuring when it can be demonstrated that a proposed structure will assist the City in meeting at least one of several goals, including: meeting unanticipated revenue expectations, achieving cost savings, mitigating irregular debt service payments, releasing reserve funds or removing restrictive bond covenants.

Term of Refunding Issues. The City will refund bonds within the term of the originally issued debt. However, the City may consider maturity extension when necessary to achieve a desired outcome, provided that such extension is legally permissible. The City may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of intergenerational equity should guide this decision.

Escrow Structuring. The City shall utilize the least costly securities available in structuring refunding escrows.

Arbitrage. The City shall take all necessary steps to optimize escrows and to minimize negative arbitrage in a refunding escrow, including evaluating the risks and benefits of an economic versus legal defeasance.

MARKET RELATIONSHIPS

Rating Agencies and Investors. The Finance Director shall be responsible for maintaining the City's relationships with rating agencies (i.e., Moody's Investors Service, Standard & Poor's and Fitch).

Continuing Disclosure. The City shall remain in compliance with Securities Exchange Commission (SEC) Rule 15c2-12 by filing its annual financial statements and other financial and operating data for the benefit of its bondholders within the deadlines imposed by Rule 15c2-12. The City shall provide this information to the Municipal Securities Rulemaking Council (MSRB) Electronic Municipal Market Access Website (www.emma.msrb.org). The City will make this information available on its website.

Record Keeping/Reporting. The City shall maintain a repository for all debt-related records, which includes: all official statements, ordinances, indentures, trustee reports, leases, etc. for all City debt in electronic format. To the extent that official transcripts incorporate these documents, possession of a transcript will suffice.

Arbitrage Rebate. The City will account for all interest earnings in debt-related funds. The use of bond proceeds and their investments shall be monitored to ensure compliance with all debt covenants, legal requirements, and IRS arbitrage regulations. The City will endeavor to make investments that maximize the amount of the interest earnings it can retain (under IRS regulations) for all bond funds. The Finance Director shall ensure that proceeds and investments are tracked in a manner which facilitates accurate calculation and timely payment of rebates, if applicable.

PROCUREMENT AND SELECTION OF FINANCING TEAM

The City shall procure professional services as required to execute financing transactions and to provide advice on non-transaction related work. The City shall establish selection criteria for selecting its financing team members, which include financial advisor, bond counsel, and underwriter. The criteria may include, but are not limited to:

- Professional excellence,
- Demonstrated competence,
- Specialized experience performing similar services for California agencies,
- Education and experience of key personnel to be assigned,
- Geographic proximity,
- Staff capability,
- Ability to meet schedules,
- Nature and quality of similar completed work of the firm or individual,
- Reliability and continuity of the firm or individual.

Note: Definitions to financial terms used in this policy are found in the Glossary section of the budget.

INTERFUND LOAN POLICY

The purpose of the City's Interfund Loan Policy is to specify the principles under which interfund loans may be considered and approved. The policy specifies the terms and conditions, it summarizes the due diligence necessary prior to the loan and provides guidance as to the repayment and accounting for these loans. This policy was designed to avoid the problems in interfund loans experienced in the past, facilitate future loans in a structured manner and set clear accounting rules for these loans. The principles of City's Interfund Loan Policy are as follows:

- a. The City Council shall act by resolution to approve any proposed interfund loan. All interfund loans must be documented by formal agreements that specify the terms and conditions. The loan amount shall be approved at the amount minimally necessary to ensure the completion of the project for which the funding is required.
- b. All interfund loans shall be interest bearing and the amount of interest to be paid on the loan must be at least equal to the investment earnings the fund making the loan would have received had the loan not occurred.
- c. The term of an interfund loan shall be established by the City Council and typically shall not exceed five years.
- d. All interfund loan proposals require a feasibility analysis demonstrating that:
 - The borrowing fund has the capacity to repay the debt;
 - The lending fund has the capacity to lend the funds, beyond its own operating and capital needs; and
 - The loan does not violate any debt covenants or other provisions of the borrowing and lending funds.
- e. As part of the due diligence, each loan proposal must demonstrate that the loan can be repaid. It is important to avoid masking an operating deficiency in one fund with an interfund loan from another fund. This is the centerpiece of the policy, which seeks to avoid loans that fail the fundamental test of performance (repayment) under the contract.
 - If a feasibility analysis does not show that the loan can be safely repaid, the appropriate recommendation may be a revenue enhancement or another correction of the underlying reason for the funding deficiency. An alternative financing recommendation may be a fund balance donation. This requirement is also intended to identify conflicts with specific restrictions or requirements pertaining to certain funds. Such conflicts may arise from applicable debt covenants, fiduciary requirements on funds held by the City or legal hurdles that the funding needs to overcome.
- f. There is to be no prepayment penalty, the interest is to be paid quarterly, and principle payments are subject to the feasibility analysis cash projections.
- g. The interest expense from interfund loans is to be treated as user fund expense, while the interest income is to be treated as interest revenue to the loaning fund.

GENERAL FUND: 2021 LEASE REVENUE BONDS

\$11,440,000
City of Fort Bragg Joint Powers Authority
2014 Water Revenue Refunding Bond
110-4390-0611

Date: November 1, 2021
Interest: Semiannual each November and May, commencing November 1, 2022. The interest rate is 3.5% per annum.
Maturity: May 1, 2044
Rating: A+
Purpose: To refinance some or all of the unfunded accrued actuarial liability (UAL) owed by the City to the California Public Employees' Retirement System (CALPERS)
Security: The Bond is secured by leasing the City Hall Building and the City's Police Department Building.

Fiscal Year	Principal	Interest	Total
FY 23/24	195,000	245,513	\$ 440,513
FY 24/25	190,000	243,348	\$ 433,348
FY 25/26	225,000	240,555	\$ 465,555
FY 26/27	285,000	236,910	\$ 521,910
FY 27/28	330,000	231,410	\$ 561,410
FY 28/29	340,000	224,381	\$ 564,381
FY 29/30	355,000	216,629	\$ 571,629
FY 30/31	355,000	208,073	\$ 563,073
FY 31/32	355,000	198,985	\$ 553,985
FY 32/33	365,000	186,915	\$ 551,915
FY 33/34	375,000	174,505	\$ 549,505
FY 34/35	405,000	161,755	\$ 566,755
FY 35/36	415,000	147,985	\$ 562,985
FY 36/37	425,000	133,875	\$ 558,875
FY 37/38	410,000	119,000	\$ 529,000
FY 38/39	470,000	104,650	\$ 574,650
FY 39/40	435,000	88,200	\$ 523,200
FY 40/41	450,000	72,975	\$ 522,975
FY 41/42	570,000	57,225	\$ 627,225
FY 42/43	605,000	37,275	\$ 642,275
FY 43/44	460,000	16,100	\$ 476,100
	<u>\$ 8,015,000</u>	<u>\$ 3,346,262</u>	<u>\$ 11,361,262</u>

*Imputed interest is implied interest; no interest is charged by the Department of Water Resources

	Principal	Interest	Total	Fees	Total Payment
FY 2023/24 Payments	\$ 195,000	\$ 245,513	\$ 440,513		\$ 440,513

WATER ENTERPRISE: 2014 REVENUE REFUNDING BOND

\$2,962,000
 City of Fort Bragg Water Enterprise
 2014 Water Revenue Refunding Bond
 610-4612

Date: June 5, 2014

Interest: Semiannual each April and October, commencing October 1, 2014. Interest rate is 3.060% per annum.

Maturity: October 1, 2023

Rating: Not available at this time.

Purpose: To refund the 2003 California Statewide Communities Development Authority Water (CSCDA) and Wastewater Revenue Bonds. The CSCDA bonds were issued to refund the 1993 Water System Certificates of Participation which were issued to fund improvements to the City’s water system.

Security: The Bond is secured by revenues from the Water Enterprise Fund.

Required Coverage Ratio: 1.20

Disclosures: Upon request the City shall provide (i) Audited Financial Statements with (240) days of the end of the Fiscal Year, (ii) annual certification that the City has satisfied the 1.20x coverage ratio, (iii) the approved annual budget of the City within (30) days of the end of the Fiscal Year and (iv) any other financial or operational reports as may reasonably requested and as soon as available.

Fiscal Year	Principal	Interest	Total
FY 14-15	\$ 276,000	\$ 70,301	\$ 346,301
FY 15-16	268,000	78,091	346,091
FY 16-17	276,000	69,768	345,768
FY 17-18	284,000	61,200	345,200
FY 18-19	290,000	52,418	342,418
FY 19-20	300,000	43,391	343,391
FY 20-21	304,000	34,150	338,150
FY 21-22	312,000	24,725	336,725
FY 22-23	320,000	15,055	335,055
FY 23-24	332,000	5,080	337,080
Total	\$ 2,962,000	\$ 454,179	\$ 3,416,179

	Principal	Interest	Total	Fees	Total Payment
FY 2023/24 Payments	\$ 332,000	\$ 5,080	\$ 337,080	\$ 3,000	\$ 340,080

WASTEWATER ENTERPRISE: TREATMENT FACILITY

\$5,000,000

2018 Wastewater Certificates of Participation

717-4712

Date: October, 2018

Interest: Semiannual each October and April, commencing October 1, 1998. Interest rate is 2.00% per annum.

Maturity: 2058

Rating: TBD

Purpose: To acquire and construct the District’s Wastewater Treatment Facility.

Security: The Certificates of Participation are secured by an Installment Sale agreement between the City and the City of Fort Bragg Joint Powers Financing Authority with the JPFA as Seller and the City as Purchaser. The obligation is secured and payable from net revenues of the Wastewater Enterprise.

Fiscal Agent: US Bank Corporate Trust Services

Disclosures: TBD

2018 CERTIFICATE OF PARTICIPATION

Wastewater System Improvements Project

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
FY 18-19	\$ -	\$ 76,111	\$ 76,111
FY 19-20	86,000	99,140	185,140
FY 20-21	87,000	97,410	184,410
FY 21-22	89,000	95,650	184,650
FY 22-23	91,000	93,850	184,850
FY 23-24	93,000	92,010	185,010
FY 24-25	95,000	90,130	185,130
FY 25-26	97,000	88,210	185,210
FY 26-27	99,000	86,250	185,250
FY 27-28	101,000	84,250	185,250
FY 28-29	103,000	82,210	185,210
FY 29-30	105,000	80,130	185,130
FY 30-31	107,000	78,010	185,010
FY 31-32	109,000	75,850	184,850
FY 32-33	111,000	73,650	184,650
FY 33-34	113,000	71,410	184,410
FY 34-35	115,000	69,130	184,130
FY 35-36	118,000	66,800	184,800
FY 36-37	120,000	64,420	184,420
FY 37-38	123,000	61,990	184,990
FY 38-39	3,038,000	647,500	3,685,500
	<u>\$ 5,000,000</u>	<u>\$ 2,274,111</u>	<u>\$ 7,274,111</u>

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Fees</u>	<u>Total Payment</u>
FY 2023/24 Payments	\$ 93,000	\$ 92,010	\$ 185,010	\$ -	\$ 185,010



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**CITY OF
FORT BRAGG**

Fiscal Year **2024** Proposed Budget



WATER DEPARTMENT



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FORT BRAGG WATER DEPARTMENT

The Water Enterprise is responsible for ensuring the provision of safe, clean water at adequate pressures and volumes to serve residents, businesses and public facilities in the City of Fort Bragg.

SUMMARY OF SERVICES

The services the Water Department provides include raw water collection, water treatment, and distribution of treated water for domestic and commercial use for Fort Bragg. The Water Enterprise meets and reports regulatory agencies' water treatment levels, provides for water conservation, provides for maintenance and construction of capital improvements, reviews new development projects, assists with public education, and engages in data collection and analysis.

STRATEGIC GOALS AND OBJECTIVES

- Ensure an adequate supply of high-quality drinking water to meet existing and future customer needs.
- Manage the City's water sources in a manner that is protective of both environmental and human health.
- Improve the reliability of the City's water supply, treatment and distribution system through on-going maintenance and replacement of aging infrastructure.
- Seek grant funding and other low-cost financing for capital projects.
- Operate the City's water system in an efficient and cost-effective manner and establish fair and reasonable utility rates.

FY 2022/23 TOP ACCOMPLISHMENTS

- Working with Oneka Technologies on a floating desalination project
- Finished Engineering of the replacement raw water lines
- Started the relocation of the water main running across the Pudding Creek Dam
- Started engineering on the Water Distribution Master Plan
- Raw water Reservoir Project preliminary work



FY 2023/24 TOP PRIORITIES

- Begin construction of the Water Treatment Plant Rehabilitation Project
- Start planning the development of the newly acquired MCPRD property
- Start construction on the Raw Water Line Replacement Project

BUDGET OVERVIEW

The Water Enterprise Proposed Budget for FY 2024 is \$2.6 million, a decrease of less than 1% from the prior year. Personnel costs increased by 26%; besides the COLA increases, benefit costs also increased by 3%, together with Merit increases. Due to the robust capital improvements in the Water Fund and drought conditions last couple of years, more staff time is being dedicated to the Water Fund, hence increasing the salary allocation for water-related work for Public work employees.

Utility costs in the prior year were forecasted to be above budget estimates. Energy costs for electricity have risen by 35% per month compared to last year due to rate increases with a slight increase in consumption. Additionally, General supplies, Property Insurance (25% increase), and Equipment Repair are budgeted to increase by \$15K from significant increases in parts and supplies.

The Proposed Budget includes the final Debt payment for the 2014 Revenue Refunding Bond. Paying the debt off would put the Fund in a better position to seek financing options for Unidentified funding for some of the Fund's more significant Capital Improvement Projects.

Charges for Services Revenues are estimated to increase by 2 percent. At this same time last year, the City was preparing to declare a water emergency in response to the lack of adequate rainfall during the previous winter and drought-like conditions with water levels at historic lows. In the prior year, due to the water restrictions and conservation efforts, consumption declined year over year, causing a decline in the Fund's revenue. The City has been fortunate to receive enough rainfall in the Winter of 2022, one of our wettest winters. The revenue projections are an average of revenues before and after the water restrictions.

Infrastructure rehabilitation, replacement, and upgrade requirements are necessary to maintain an aging water distribution system. The Budget includes a rate study budget for the Fiscal year, which was last completed in 2014. The results will be brought to the City Council in January 2024.

Moreover, contributed capital of \$2.8 million is for replacing water meters funded by Community Development Block Grants (CDBG).

WATER ENTERPRISE BUDGET SUMMARY

Fund 610

Department: 4610,4611 & 4612

Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	%
Salaries & Wages	520,098	678,543	552,794	698,620	26%
Salary/Benefit Allocation	469,234	227,594	198,185	469,234	137%
Other Operating Allocations	746,326	502,231	511,825	514,407	1%
Non-Personnel Services	944,959	1,381,467	1,424,786	1,000,469	-30%
Total Expenditure	2,680,617	2,789,836	2,687,591	2,682,730	0%
Charges for Services	3,031,349	3,002,342	2,979,560	3,025,060	2%
Use of Money & Property	56,689	69,800	66,800	19,100	-71%
Miscellaneous	1,600	500	26,000	26,000	0%
Total Revenue	3,089,638	3,072,642	3,072,360	3,070,160	0%
NET EXCESS/(DEFICIENCY) OF REVENUES					
OVER/(UNDER) EXPENDITURES	409,021	282,806	384,769	387,430	1%
Transfers In	7,562,726	(687,650)	431,694	609,228	41%
Transfers Out	(4,525,913)	(687,650)	-	(1,901,728)	100%
CHANGE IN NET POSITION	3,445,835	(1,092,494)	816,463	(905,070)	-211%

* To arrive at audited change in net position on the full accrual basis subtract depreciation expense.

\$3,445,835 less \$364,752 (depreciation) equals \$3,081,083 (as published in the FY 2021/22 ACFR)

BUDGET EXPENDITURE DETAIL:

Fund #610

Department: 4610, 4611, 4612

Object	Description	FY 2021/22	FY 2022/23	22/23 FYE	FY 2023/24	% +/-
		Audited	Amended Budget	Projected	Proposed Budget	
0801	Salaries & Wages	520,098	678,543	552,794	698,620	26%
	Salary/Benefits Allocation	469,234	227,594	227,594	469,234	106%
	Personnel Services	989,332	906,137	780,388	1,167,854	50%
0311	Legal	1,289	20,000	8,000	20,000	150%
0312	Auditing & Accounting	9,574	10,000	12,092	13,000	8%
0313	Laboratory	7,118	15,000	10,000	15,000	50%
0319	Professional Services	82,272	143,533	105,000	60,000	-43%
0320	Dues & Memberships	502	500	500	500	0%
0387	PERS UAL	50,000	25,000	25,000	25,000	0%
0342	Laboratory Supplies	3,585	12,000	12,000	10,000	-17%
0343	Chemicals	37,103	50,000	50,000	40,000	-20%
0351	Equipment Repair & Maint	43,144	37,500	10,000	40,000	300%
0352	Vehicle Repair & Maint	-	-	45,500	-	-100%
0353	Building Repair & Maint	1,997	2,500	1,379	2,500	81%
0354	Laundry/Cleaning/Janitorial	2,188	2,200	1,002	2,000	100%
0360	Property Premium	31,351	40,442	50,151	62,689	25%
0362	Telephone & Communication	2,409	2,800	2,500	2,600	4%
0366	Training/Travel Reimbursement	5,192	11,000	3,100	10,500	239%
0372	Postage	12,599	5,000	10,000	7,100	-29%
0373	Licenses & Permits	10,617	10,000	45,500	24,000	-47%
0375	General Supplies	32,522	63,000	88,000	103,000	17%
0376	Medical/Safety Supplies	423	1,500	2,200	3,000	36%
0376	Arrearage Grant	29,746	-	-	-	0%
0381	Small Tools & Equipment	8,609	10,500	12,000	14,500	21%
0383	Utilities	147,423	144,000	148,869	175,000	18%
	Materials & Services	519,662	606,475	642,793	630,389	-2%
0911	Principal	-	745,851	745,851	332,000	-55%
0912	Interest	54,707	33,542	33,542	5,080	100%
0913	Fees	727	3,600	3,600	3,000	-17%
	Debt Service	55,434	782,993	782,993	340,080	-57%
0606	Bad Debt Sent to Collection	-	(8,000)	(2,000)	-	-
	Bad Debt Sent to Collection	-	(8,000)	(2,000)	-	-
0499	Depreciation Expense	364,752	-	-	-	0%
0741	Machinery & Equipment	-	-	1,000	-	-100%
0751	Infrastructure	-	-	-	30,000	100%
0741	Machinery & Equipment	5,111	-	-	-	0%
	Non-Routine Maintenance	369,863	-	1,000	30,000	2900%
	Total Non-Personnel Services	944,959	1,381,467	1,424,786	1,000,469	-30%
0322	Fleet Services	67,942	58,348	67,942	67,942	0%
0396	Alloc to IT Services	16,047	13,465	13,465	16,047	
0399	Admin Costs Allocation	662,337	430,418	430,418	430,418	0%
	Other Operating Allocations	746,326	502,231	511,825	514,407	1%
	Total Water Enterprise Before Transfers	2,680,617	2,789,836	2,716,999	2,682,730	-1%
0799	Transfer to Other Funds	4,525,913	687,650	-	1,901,728	100%
	Total Water Enterprise	7,206,530	3,477,486	2,716,999	4,584,458	69%

Water Enterprise Administration Division
Line Item Detail

Fund #610		Account	Category	FY 23/24
Department: 4610		Detail	Detail	Proposed Budget
Salary & Benefits				
610-4610-0101	Salaries & Wages		421,237	
610-4610-0102	Employee Benefits		277,383	
				\$ 698,620
Materials & Services				
610-4610-0311	Legal		\$ 20,000	
610-4610-0319	Utility Billing Professional Services		40,000	
610-4610-0312	Auditing & Accounting		13,000	
610-4610-0360	Property Insurance		62,689	
610-4610-0362	Telephone & Communication		2,600	
610-4610-0372	Postage		7,100	
				\$ 145,389
Other Expenditures				
610-4610-0387	PERS UAL additional Payment		25,000	
				\$ 25,000
Allocations				
610-4610-0396	IT Internal Service Fund		16,047	
610-4610-0399	Admin Costs		430,418	
610-4610-0801	Salary/Benefits Allocation		469,234	
				\$ 915,699
Total - Water Enterprise Administration Division				\$ 1,784,708

Water Enterprise Maintenance Division
Line Item Detail

Fund #610		Account	Category	FY 23/24
Department: 4611		Detail	Detail	Proposed Budget
Materials & Services				
610-4611-0366	Training/Travel Reimbursement		\$ 5,000	
610-4611-0375	General Supplies		100,000	
610-4611-0381	Small Tools & Equipment		7,500	
				\$ 112,500
Total - Water Enterprise Maintenance Division				\$ 112,500

Water Enterprise Treatment Division
Line Item Detail

Fund #610		Account	Category	FY 23/24
Department: 4612		Detail	Detail	Proposed Budget
Materials & Services				
610-4612-0313	Laboratory			\$ 15,000
	Analysis	\$ 8,500		
	License	1,500		
	Supplies	<u>5,000</u>		
610-4612-0319	Professional Services			20,000
	Programmable Logic Controller (PLC) Support	12,000		
	Backflow	4,000		
	Cathodic Protection	3,500		
	Fire Extinguisher Maintenance	<u>500</u>		
610-4612-0320	Dues & Memberships			500
	Operator/lab certification	<u>500</u>		
610-4612-0342	Laboratory Supplies			10,000
610-4612-0343	Chemicals			40,000
610-4612-0351	Equipment Repair & Maintenance			40,000
	Pumps & Controls	17,500		
	Equipment Replacement	12,500		
	Treatment Unit Parts	5,000		
	Electrical Equipment	<u>5,000</u>		
610-4612-0353	Building Repair & Maintenance			2,500
610-4612-0354	Laundry/Cleaning/Janitorial			2,000
610-4612-0366	Training/Travel Reimbursement			5,500
610-4612-0373	Licenses & Permits			24,000
	State Water Resource Control Board (SWRCI)	17,000		
	California Fish & Wildlife	3,000		
	County Hazmat Fees	2,000		
	Air Quality Management District (AQMD)	<u>2,000</u>		
610-4612-0751	Infrastructure			30,000
610-4612-0375	General Supplies			3,000
610-4612-0376	Medical/Safety Supplies			3,000
610-4612-0381	Small Tools & Equipment			7,000
610-4612-0383	Utilities			<u>175,000</u>
Total Material & Services				377,500

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Water Enterprise Treatment Division (continued)

Line Item Detail

Fund #610	Account Detail	Category Detail	FY 23/24 Proposed Budget
Department: 4612 (continued)			
Total Allocations			-
Debt Service			
610-4612-0911	Principal	332,000	
610-4612-0912	Interest	5,080	
610-4612-0913	Fees	3,000	
Total Debt Service			340,080
Transfers Out			
610-7999-0799		1,901,728	
	To 615 Capital Project, Groundwater Production Wells		
	To 614, Non-routine maintenance	33,445	
	To 615, True up Operating Reserve	1,460,222	
	To 651, Sweep Excess Fund Balance to Capital Reserve	349,963	
Total Transfers			1,901,728
Total - Water Enterprise Treatment Division			\$ 2,619,308



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**CITY OF
FORT BRAGG**

Fiscal Year **2024** Proposed Budget



**WASTEWATER
ENTERPRISE**



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FORT BRAGG WASTEWATER DEPARTMENT

The Wastewater Enterprise is operated by the Municipal Improvement District No. 1 and is responsible for ensuring the provision of a safe and effective sanitary sewer system to serve residents, businesses and public facilities in the City of Fort Bragg. It also is responsible for the operation of a wastewater treatment facility in compliance with state and federal regulations.

SUMMARY OF SERVICES

Services provided by the Wastewater Enterprise include coordinating operations, monitoring, maintenance and related activities of the wastewater treatment plant and sanitary pumping stations. The Enterprise provides primary and secondary treatment of wastewater as well as treatment and conditioning of the solids removed at the treatment facility resulting in a high-quality effluent that can be discharged to the ocean.

STRATEGIC GOALS AND OBJECTIVES

- Operate and maintain the City's wastewater collection system and treatment facilities.
- Ensure compliance with all regulatory requirements, including discharge limitations, monitoring and reporting, and safety procedures.
- Seek grant funding and other low-cost financing for capital projects.
- Manage the City's wastewater system in a cost-effective and efficient manner.

FY 2022/23 TOP ACCOMPLISHMENTS

- Prevented seasonal bulking conditions from filamentous bacteria.
- Tested the operation of the equalization basins.
- Survived a very difficult winter.
- Developed new operational strategies that might be utilized to help other AeroMod plants mitigate hydraulic overload conditions.
- Improved winter bio-solids handling.

FY 2023/24 TOP PRIORITIES

- Installation of an onsite sodium hypochlorite system.
- Installation and startup of bio-solids drying unit.
- Search for solutions to resolve collection system Fats Oils and Grease program issues.
- Improve suppression tactics of microthrix filamentous bacteria for the next bulking season.
- Complete full condition assessment of the collection system to identify inflow and infiltrations locations.

PERFORMANCE/WORKLOAD MEASURES

WASTEWATER DEPARTMENT				
INDICATORS	FY20	FY21	FY22	FY23
Customer Service calls, wastewater	33	36	52	41
New customer sewer lines installed	0	2	1	8
Sewer mains cleaned/flushed in miles	16	18	15	12.8
Sewer mains and laterals repaired in number of jobs	9	8	11	26
Sewer manholes inspected	374	374	363	150
Sewer spill responses	1	2	5	3

BUDGET OVERVIEW

The Proposed Wastewater Budget for FY 2024 is \$2.7 million, an increase of 5% from the prior year. Salaries/Benefits increase of 7% are aligned with merit increases, COLA increases, and rising benefit costs. Additionally, the Operations Manager compensation increase of 5% has been built into the Budget as a result of the Compensation Study.

For Non-personnel Budget, property insurance is expected to increase by 25% and utilities by 13% to \$300K. The general supplies budget is proposed to increase by 84% to \$19K due to the increase in the cost of supplies. The biosolids removal cost of \$300K has not changed from the prior fiscal due to the need to cover the costs of increases in truckloads of biosolids removal. All other expenditure categories have insignificant changes year-over-year.

Charges for Services Revenues are estimated to increase by 1%. At this same time last year, the City was preparing to declare a water emergency in response to the lack of adequate rainfall during the previous winter and drought-like conditions with water levels at historic lows. In the prior year, due to the water restrictions and conservation efforts, consumption declined year over year, causing a decline in the fund's revenue. The City has been fortunate to receive enough rainfall in the Winter of 2022, one of our wettest winters. The revenue projections are an average of revenues before and after the water restrictions.

Moreover, the septic dumping station is projected to generate \$95K in additional revenue, an increase of \$40K from FY 2022.

Infrastructure rehabilitation, replacement, and upgrade requirements are necessary to maintain an aging water distribution system. The Water and Sewer Budget includes costs to undertake a Rate Study in FY 2024. The rate study results will be brought forward to the City Council in January 2024.

**Municipal Improvement District #1; Wastewater Enterprise
Fund 710**

**Department: 4710, 4711, 4712, 4713,
Appropriations & Revenue**

Description	FY 2022/23		22/23 FYE Projected	FY 2023/24	
	FY 2021/22 Audited	Amended Budget		Proposed Budget	% + /-
Salaries & Benefits	\$ 766,944	\$ 796,316	\$ 764,037	\$ 818,525	7%
Salary/Benefit Allocation	(129,172)	(231,775)	(231,775)	(129,172)	-44%
Other Operating Allocations	1,318,096	790,778	801,889	801,889	0%
Non-Personnel Services	1,928,827	1,285,243	1,275,817	1,257,494	-1%
Total Appropriations	3,884,695	2,640,562	2,609,968	2,748,736	5%
Charges for Services	3,484,719	3,137,050	3,387,640	3,416,756	1%
Other Revenue	131,547	124,000	127,500	115,000	-10%
Total Operating Revenue	3,616,266	3,261,050	3,515,140	3,531,756	0%
NET EXCESS/(DEFICIENCY) OF REVENUES					
OVER/(UNDER) EXPENSES	(268,429)	620,488	905,172	783,021	-13%
Transfers In	3,300,799	(20,058,642)	(11,316,381)	(1,638,662)	-86%
Transfers Out	(2,561,000)	(1,804,008)	(964,850)	(1,690,719)	75%
NET CHANGE IN FUND BALANCE	\$ 471,370	\$ (21,242,162)	\$ (11,376,059)	\$ (2,546,360)	-78%

* To arrive at audited change in net position on the full accrual basis subtract depreciation expense.

\$471,370 less \$829,815 (depreciation) equals \$(358,445) (as published in the FY 2021/22 ACFR)

BUDGET EXPENDITURE DETAIL:
Municipal Improvement District #1; Wastewater Enterprise
Fund #710
Department: 4710,4711,4712, 4713

Object	Description	FY 2021/22	FY 2022/23	22/23 FYE	FY 2023/24	% +/-
		Audited	Amended Budget	Projected	Proposed Budget	
0101	Salaries & Wages	446,800	494,942	498,394	502,683	1%
0200	Employee Benefits	320,145	301,375	265,643	315,841	19%
	Salaries & Benefits	766,944	796,316	764,037	818,525	7%
3499	Salary Benefit Recovery	(132,940)	(227,594)	(227,594)	(132,940)	
0801	Salary/Benefits Allocation	3,769	(4,181)	(4,181)	3,769	-190%
	Salary/Benefits Allocation	(129,172)	(231,775)	(231,775)	(129,172)	-44%
	Personnel Services	637,773	564,541	532,262	689,353	30%
0312	Auditing & Accounting	11,701	10,000	10,091	11,701	16%
0313	Laboratory	25,491	45,000	22,015	45,000	104%
0319	Professional Services	323,087	410,495	397,495	360,000	-9%
0320	Dues & Memberships	150	1,000	394	1,000	154%
0342	Laboratory Supplies	146	-	-	-	-
0343	Chemicals	72,634	171,209	171,000	90,000	-47%
0351	Equipment Repair & Maint	112,866	79,000	77,000	80,000	4%
0353	Building Repair & Maint	4,950	9,000	5,000	9,000	80%
0354	Laundry/Cleaning/Janitorial	746	700	700	750	7%
0360	Property Premium	49,798	64,240	56,506	70,633	25%
0362	Telephone & Communication	966	1,000	1,000	1,000	0%
0366	Training/Travel Reimbursement	3,869	9,500	6,500	9,500	46%
0372	Postage	12,583	9,000	12,000	12,000	0%
0375	General Supplies	32,935	16,500	10,617	19,500	84%
0376	Medical/Safety Supplies	6,069	6,500	6,000	7,000	17%
0377	Boot Expense	1,168	2,250	2,000	2,400	20%
0381	Small Tools & Equipment	8,876	11,000	6,000	11,000	83%
0383	Utilities	222,967	220,000	266,650	300,000	13%
0387	CALPERS UAL Payment	50,000	25,000	25,000	25,000	0%
0499	Depreciation Expense	829,815	-	-	-	-
0619	Miscellaneous	38,639	-	-	-	-
	Materials & Services	1,831,177	1,108,393	1,092,967	1,072,484	-2%
0606	Bad Debt Sent to Collection	-	(8,000)	(2,000)	-	
	Bad Debt	-	(8,000)	(2,000)	-	
0911	Principal	2,000	91,000	91,000	93,000	2%
0912	Interest	95,650	93,850	93,850	92,010	-2%
	Debt Service	97,650	184,850	184,850	185,010	0%
	Non-Personnel Services	1,928,827	1,285,243	1,275,817	1,257,494	-1%
0322	Fleet Services	119,196	116,994	116,994	116,994	0%
0396	Allocation to IT Int Serv Fund	48,141	37,030	48,141	48,141	0%
0399	Admin Costs Allocation	1,150,759	636,754	636,754	636,754	0%
	Other Operating Allocations	1,318,096	790,778	801,889	801,889	0%
		3,884,695	2,640,562	2,609,968	2,748,736	5%
0799	Transfer to Other Funds	2,561,000	1,804,008	964,850	1,690,719	
	Total Wastewater Enterprise	\$ 6,445,695	\$ 4,444,570	\$ 3,574,818	\$ 4,439,454	24%

Municipal Improvement District #1
Wastewater Enterprise Administration Division
Line Item Detail

Fund #710 Department: 4710		Account Detail	Category Detail	FY 2022/23 Proposed Budget
Materials & Services				
	710-4710-0312	Auditing & Accounting	\$ 11,701	
	710-4710-0319	Professional Services	30,000	
	710-4710-0360	Property Premium	70,633	
	710-4710-0362	Telephone & Communication	1,000	
	710-4710-0372	Postage	4,000	
		Total Material & Services		\$ 117,334
Allocations				
	710-4710-0396	IT Internal Service Fund	48,141	
	710-4710-0399	Admin Costs	636,754	
		Total Allocations		684,895
		Total - Wastewater Enterprise Administrative Division		\$ 802,229

Municipal Improvement District #1
Wastewater Enterprise Maintenance Division
Line Item Detail

Fund #710 Department: 4711		Account Detail	Category Detail	FY 2022/23 Proposed Budget
Materials & Services				
	710-4711-0319	Professional Services	\$ 5,000	
	710-4711-0366	Training & Travel	3,500	
	710-4711-0375	General Supplies	15,000	
	710-4711-0381	Small Tools & Equipment	4,000	
		Total Material & Services		\$ 27,500
		Total - Wastewater Enterprise Maintenance Division		\$ 27,500

Municipal Improvement District #1
Wastewater Enterprise Treatment Division
Line Item Detail

Fund #710		Account	Category	FY 2022/23
Department: 4712		Detail	Detail	Proposed Budget
Personnel Costs				
		Salaries & Wages	\$ 502,683	
		Employee Benefits	315,841	
710-4712-0801		Salary/Benefits Allocation from General Fund	3,769	
710-0000-3499		Salary/Benefits Allocation	(132,940)	
Total Personnel Costs				\$ 689,353
Materials & Services				
710-4712-0313		Laboratory		45,000
710-4712-0319		Professional Services		325,000
		Biosolids (3yr contract)	\$ 320,000	
		Backflow testing	1,500	
		Fire extinguisher maintenance	1,000	
		Flow meter calibrations	2,500	
710-4712-0320		Dues & Memberships		1,000
710-4712-0343		Chemicals		90,000
710-4712-0351		Equipment Repair & Maintenance		80,000
		Lift station fittings	6,000	
		Pump repair	15,000	
		Electrical hardware & mainten	30,000	
		Small projects and improvement	15,000	
		Stainless steel/PVC hardware	4,000	
		Chemical Feed Parts	10,000	
710-4712-0353		Building Repair & Maintenance		9,000
710-4712-0354		Laundry/Cleaning/Janitorial		750
710-4712-0366		Training/Travel Reimbursement		6,000
710-4712-0372		Postage		8,000

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Municipal Improvement District #1 Cont'd
Wastewater Enterprise Treatment Division
Line Item Detail

Fund #710		Account	Category	FY 2022/23
Department: 4712		Detail	Detail	Proposed Budget
Materials & Services, Continued				
710-4712-0373	Licenses & Permits		17,000	
	Annual fees	10,000		
	Air Quality Management Dist. (AC	3,500		
	State Water Resouce Cntrl Boar	3,500		
710-4712-0375	General Supplies		4,500	
710-4712-0376	Medical/Safety Supplies		7,000	
710-4712-0377	Boot Expense		2,400	
710-4712-0381	Small Tools & Equipment		7,000	
710-4712-0383	Utilities		300,000	
710-4712-0387	Section 115 Trust- UAL Contribution		25,000	
	Total Material & Services			927,650
Allocations				
710-4712-0322	Fleet Services		116,994	
	Total Allocations			116,994
Debt Service				
717-4712-0911	Principal		93,000	
717-4712-0912	Interest		92,010	
	Total Debt Service			185,010
	Total - Wastewater Enterprise Treatment Division			\$ 1,919,007

Municipal Improvement District #1
Wastewater Enterprise Non-Routine Maintenance
Line Item Detail

Fund # 714		Account	Category	FY 2022/23
Department: 4713		Detail	Detail	Proposed Budget
Materials & Services				
714-4713-0751	Buildings		25,000	
714-4713-0741	Machinery & Equipment		28,000	
	Total Material & Services			53,000
	Total - Wastewater Enterprise Non-Routine Maintenance			\$ 53,000



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**CITY OF
FORT BRAGG**

Fiscal Year **2024** Proposed Budget



CV STARR



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C.V. STARR COMMUNITY CENTER

OVERVIEW

The C.V. Starr Community Center and Sigrid & Harry Spath Aquatic Facility (C.V. Starr Center) is a 43,000 square foot facility that includes an indoor water park, fitness, exercise and weight rooms and meeting rooms for community use. Its grounds include a dog park, a skateboard park, petanque courts and picnic and BBQ facilities. The City owns the facility and receives restricted sales tax and property tax revenues to help offset the costs of operation, maintenance and capital improvements at the C.V. Starr Center. These restricted sales and property tax funds are held in the C.V. Starr Enterprise Fund.

SUMMARY OF SERVICES

The City contracts with the Mendocino Coast Recreation and Parks District (MCRPD) for day-to-day operation and maintenance of the C.V. Starr Center.

GOALS AND OBJECTIVES

- Continue to coordinate with the MCRPD to ensure the efficient and effective operation of the C.V. Starr Center in accordance with the Operating Agreement between the City and the MCRPD.
- Continue to ensure that financial procedures and fiscal controls are effectively implemented to address accounting, cash handling, payroll processing, purchasing and procurement, inventory controls, record-keeping, auditing and reporting.
- Coordinate closely with the MCRPD District Administrator to ensure completion of necessary maintenance and repairs and implementation of capital improvement projects.

FY 2022/23 TOP ACCOMPLISHMENTS

- Successful offered several lifeguard training classes, which allowed the C.V Starr Center's pools to remain open at approximately 85% of pre-pandemic hours.
- Offer several fitness classes, both on land and in the water. Fitness classes create a large draw of memberships; 90% of our fitness classes have returned. We have also been able to add several youth dance classes. These classes are new to the center, with attendance near capacity at almost every single class.
- The center was finally able to hire two Spin Instructors, which has allowed live spin classes to resume. These classes are wildly popular.
- The C.V Starr Center ran its first two-day Winter Workshop enrichment class. Both days were filled with children enjoying arts, crafts and of course swimming. We hope to continue to offer more and more enrichment classes as staffing permits.
- Considering the current staffing challenges, we were able to reach our goal of opening the C.V. Starr Center 7 days a week. We were not able to do this in FY2021/2022
- Both the leisure pool and the competition pools aging boilers were replaced

- New chemical/chlorine water balancing equipment was installed.
- We are on track to have the ultraviolet disinfecting equipment installed by the end of fiscal year.

FY 2023/24 Top Priorities

- Increase the number of trained lifeguards, thus allowing the C.V. Starr Center to extend its newly added Friday hours and obtain full pre-pandemic operational hours.
- Work towards adding new memberships to achieve pre-pandemic levels.
- Continue to work with both the City of Fort Bragg and Visit Fort Bragg to increase the visibility of the center and bring awareness of what the C.V. Starr Center has to offer to a larger demographic area. Become more creative with ways to increase memberships; add promotional offerings.
- Off-set the rising cost of day-to-day operations and minimum wage increases, by taking a realistic approach in raising the center's fees.
- Negotiate a higher reimbursement rate with Silver Sneakers.
- Supersede pre-pandemic daily fee passes.
- Complete several much-needed capital improvement projects, such as replacing the facility's flat roof, replacing the facility's air handling system, and resealing the parking lot.



Budget Overview

The CV Starr Proposed Operating Budget for FY 2023/24 is \$2.1 million, an increase of 17% from the prior year. Personnel costs are budgeted to increase by 31%, mainly from adding two senior lifeguard positions at an annual cost of \$60K/each and increasing the employer contribution for health insurance from \$800 to \$1,200. Hiring and retaining lifeguards have been challenging in recent years, which affects operations. The two new positions would allow the center to extend its newly added Friday hours, obtain full pre-pandemic operational hours relying less on part-time lifeguards, which has been a challenge in hiring and retaining

Additionally, worker's compensation insurance is rising by 5%. Non-Personnel costs are also expected to increase by 6% due to utility cost increases in propane and electricity, which have doubled in price in the last few years. The Marketing Budget is proposed to increase by \$14K to help drive an increase in memberships by offering promotions and advertisement campaigns. Training and travel Budgets for Staff are also projected to increase as the center focuses on investing and developing Staff.

The City is actively seeking Grants to fund several of the needed Capital Improvement projects, which include replacing the Flat Roof and resealing the parking lot and the water slide staircase. The Proposed Budget includes \$1.3 million to fund the HVAC Air intake System, funded from the CV Starr Capital reserves. Overall, the fund's reserves are projected to be reduced from \$2.3 million to \$1.1 million by the end of the fiscal year.

A newly proposed Recession reserve is being included in the Budget of \$216K, equivalent to 10% of operating expenditures, to stabilize the delivery of services during periods of severe operational budget deficits and mitigate the effects of significant unforeseen changes in revenues and expenses as typically experienced during times of recession.

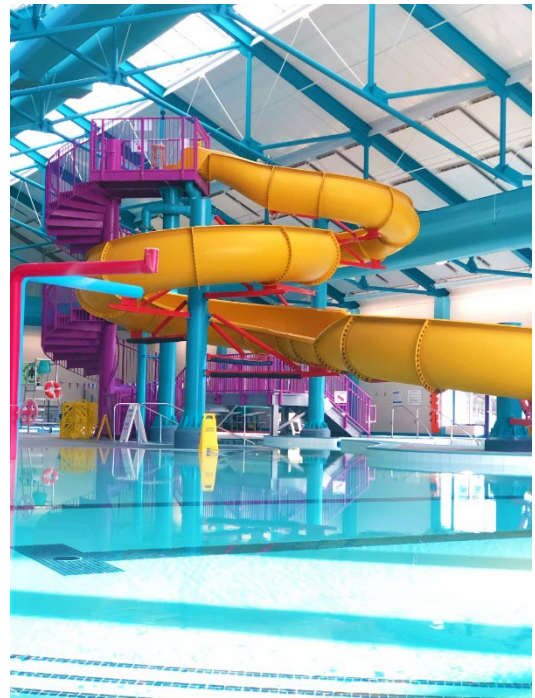
The projected Fund balance for the fund in June, 30, 2024:

Recession Reserves: \$216,071

Operating Reserves: \$974,706

Capital Reserves: -

Revenues projections are conservative with just a 1% increase overall. Charges for services are expected to increase by 3% though, with the planned marketing and promotions campaigns which will likely increase memberships. Additionally, the center will be open on Fridays going into the new fiscal year which will also increase staffing and operating costs.

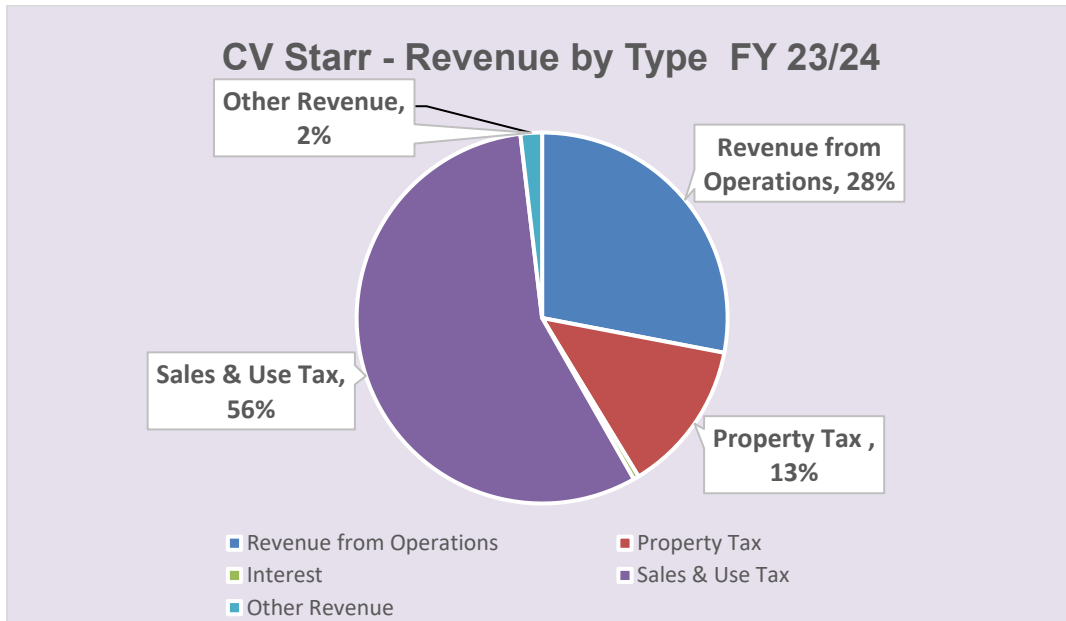


CV STARR ENTERPRISE FUND - OPERATING BUDGET

FUND 810

DEPARTMENT: 4812, 4813, 4814, 4815

Description	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Expenditure			
Personnel Services	\$ 1,165,880	\$ 1,439,777	23%
Non-Personnel Services	639,696	680,938	6%
Total Departmental Expenditure	1,805,575	2,120,714	17%
Revenue			
Revenue from Operations	578,882	596,248	3%
Property Tax	280,324	283,127	1%
Interest	10,000	10,000	0%
Sales & Use Tax	1,193,693	1,199,769	1%
Other Revenue	40,000	40,000	0%
Total Departmental Revenue	2,102,899	2,129,144	1%
 Net Expenditure	 <u>297,323</u>	 <u>8,430</u>	 -97%



BUDGET EXPENDITURE DETAIL:

Fund #810 CV Starr

Departments: 4812, 4813, 4814, 4815

Object	Description	FY 2023/24		
		22/23 FYE Projected	Proposed Budget	% +/-
0100	Salaries & Wages	\$ 901,312	\$ 1,132,480	26%
0200	Emp Benefits-CV Starr	264,568	307,297	16%
	Personnel Services	1,165,880	1,439,777	23%
	Administrative Expenditures			
0319	Professional Services	17,980	-	-100%
0362	Telephone & Communications	12,000	12,000	0%
0372	Postage	600	600	0%
0373	License & Permits	11,550	5,000	-57%
0375	General Supplies	4,800	5,280	10%
0399	Admin Costs Allocation - CVSC	10,000	10,000	0%
0741	Machinery & Equipment	6,132	-	-100%
4111	IT Services	25,419	25,419	0%
4115	Insurance	24,166	30,208	25%
	Total Administrative Expenditures	151,046	128,618	-15%
	Facilities/Maintenance			
0101	Professional Services	1,000	1,000	0%
0343	Chemicals	32,896	25,000	-24%
0351	Equipment Repair & Maint	35,000	55,000	57%
0210	Travel & Training	2,000	4,000	100%
0312	General Supplies	40,864	35,000	-14%
0351	Uniforms	1,000	2,000	100%
0383	Small Tools & Equipment	1,000	2,000	100%
0319	Utilities	330,000	350,000	6%
	Total Facilities/Maintenance	443,760	474,000	7%

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BUDGET EXPENDITURE DETAIL (CONTINUED):

Fund #810 CV Starr

Departments: 4812, 4813, 4814, 4815

Object	Description	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Guest Services				
0320	Dues & Membership	1,000	3,100	210%
0365	Copying and Printing	500	500	0%
0366	Travel & Training	-	3,000	100%
0375	General Supplies	500	1,800	260%
0378	Uniforms	700	700	0%
4114	Marketing and Promotions	1,000	15,000	1400%
	Total Guest Services	6,700	29,100	334%
Recreation/Program Expense				
0377	Pool Side Supplies	9,300	9,300	0%
0380	Gym Side Supplies	2,200	2,200	0%
0378	Uniforms	2,200	2,200	0%
0379	Honorarium Expenses	500	4,500	800%
	Total Recreation/Program Expense	38,190	49,220	29%
	Non-Personnel Services	639,696	680,938	6%
Capital Improvements				
0751	Capital Improvements	277,000	1,300,000	369%
	Capital Improvements Total	277,000	1,300,000	369%
	Total CV Starr Enterprise	\$ 2,082,575	\$ 3,420,714	



**CITY OF
FORT BRAGG**

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GRANTS



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GRANT SPECIAL REVENUE FUNDS

The City of Fort Bragg actively seeks grants to augment ongoing revenue sources. Over the years, the City has successfully obtained grant funding for various projects, ranging from planning activities to community services and capital projects. All-City departments are involved in seeking and administering grants, and the City has invested considerable resources to ensure sufficient staffing and training to write successful grant applications, implement grant-funded activities, and meet fiscal monitoring and reporting requirements.

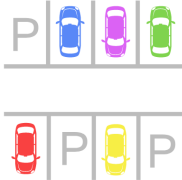

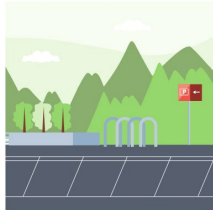
The City expects to apply for additional grants for which awards have not yet been announced, and any awards could provide additional funding for activities in the FY 2024 budget year. If additional funds are awarded, budget amendments will be processed as needed to reflect grant revenues and expenditures.












GRANT FUNDS

Fund	Description	GRANT AMOUNT AWARDED	PRIOR YEAR(S) ACTIVITY	FY 23/24 PROPOSED BUDGET
110	Social Services Grant (PD)	222,348	222,348	50,000
	Opioid Grant (PD)	345,363	140,000	205,363
		567,711	362,348	255,363
118	Permanent Local Housing Allocation (PLHA)			
	PLHA	413,177	-	106,856
		413,177	-	106,856
314	MCOG OWP			
	CBD Parking Feasibility Study-In Lieu Fee	57,062	15,000	42,062
	CRRSAA-Relief Act Money (HR 133) for 2022/2	162,000		162,000
	Total MCOG OWP	219,062	15,000	204,062
223	MCOG D1 RSTP			
	2022/23 Streets -Street Striping Component	206,405		206,405
	EV Charging Station	232,951		232,951
	Total MCOG RSTP	439,356	-	439,356
222	RMRA-Local Partnership Program (LPP)			
	2023/24 Streets Project	600,000		600,000
	2024 Pavement Preservation Project	400,000		230,000
	Highway Safety Administration (HSIP)			
	2023/24 Streets Project-Oak at Harold Segmen	248,130		248,130
	Highway Safety Administration (HSIP)			
	Systematic Improvements at Unsignalized Inter	73,890		73,890
	Total	1,322,020	-	1,152,020
329	Other State Grants			
	SB-2 Planning Grant	160,000	125,000	35,000
	REAP	46,410	19,410	27,000
	LEAP	65,000	35,000	30,000
	Local Agency Technical Assistance - Broadban	479,529	103,500	376,029
	CalRecycle- SB 1383	20,000	20,000	-
	Total State Grants	770,939	302,910	468,029
330	Other Federal Grants			
	Economic Development Administration (EDA)	137,500	137,500	-
	U.S. Department of Agriculture			
	USDA - Fleet	-	160,500	205,300
	Total Federal Grants	137,500	298,000	205,300
319	Water Grants			
	Raw Water Line - DWR	8,800,000		4,055,000
	Oneka Buoy- Desalination DWR	1,400,000		800,000
	Water Treatment Plant- SRF	10,576,000		5,276,000
	Total Water Grants	10,200,000	-	10,131,000
333	CDBG 2017 Grant			
	2017 NOFA:			
	Cypress Street Parents & Friends Housing Proj	3,433,620	3,433,620	-
	General Administration	212,016	212,016	-
	Total 2017 NOFA	3,645,636	3,645,636	-

Fund	Description	GRANT AMOUNT AWARDED	PRIOR YEAR(S) ACTIVITY	FY 23/24 PROPOSED BUDGET
334	CDBG 2020 Grant(s)			
	2020 NOFA:			
	BALP	450,000	379,431	70,569
	BALP Activity Delivery - Staff Time	25,000	1,124	23,876
	BALP General Administration	25,000	9,750	15,250
	Mill Site	93,004	93,004	-
	Mill Site General Administration	6,996	2,680	4,316
	Fire Station Planning	190,376	39,804	150,572
	Fire Station General Administration	13,326	3,089	10,237
	Code Enforcement	418,457	207,594	210,863
	Code Enforcement General Administration	29,292	13,757	15,535
	Micro Financial Assistance	115,000	7,250	107,750
	Micro FA General Administration	2,000	759	1,241
	Total 2020 NOFA	1,368,451	758,242	610,209
	CDBG 2020 OTC Grant			
	Water Meter Replacement Project - Admin	81,082	3,257	77,825
	Water Meter Replacement Project	\$ 2,863,283	2,036,580	826,703
	Total 2020 OTC	2,944,365	2,039,836	904,529
335	CDBG-CV Grants			
	Coronavirus Response:			
	Utility Assistance Program	129,560	122,402	7,158
	Utility Assistance General Administration	21,304	12,068	9,236
	Utility Assistance Activity Delivery	26,630	21,867	4,763
	BALP-CV	201,969	190,397	11,572
	BALP-CV Activity Delivery - Staff Time	11,880	2,247	9,633
	BALP - CV General Administration	23,761	7,253	16,508
	Total 2020-CV NOFA 1&2	415,104	356,235	58,869
336	AMERICAN RESCUE PLAN FUND			
	ARPA 2021			
	Earmarked for Broadband	1,744,162	-	1,744,162
	Total ARPA	1,744,162	-	1,744,162
337	NOYO HARBOR BLUE ECONOMY			
	Local Coastal Program Grant - Harbor	898,990	\$ 35,000	500,000
	Total LCTP	898,990	35,000	500,000
	Total FY 23/24 Grant Activity	\$ 25,086,473	\$ 7,813,208	\$ 16,779,754

Fund No.	Grant Special Revenue	Description
314	Mendocino Council of Governments (MCOG) Overall Work Program (OWP) Grants	<p>MCOG allocates funds to local agencies in Mendocino County for transportation planning and technical assistance through its Overall Work Program (OWP). In FY 2022/23, the City will have one active MCOG OWP project:</p> <p>Central Business District Parking Evaluation. The award amount is \$57,062 and the City will match \$3450 from Fund 121 (in-lieu Parking Fees) as this study aims to evaluate and correct the parking codes and in-lieu fee moratorium</p>
		
222	Highway Safety Improvement Program	<p>The City completed a Local Road Safety Plan in June 2022. This document allowed the City to compete for HSIP funding. The City applied for and was awarded funding for two projects.</p> <p>1) Oak at Harold Segment Improvements- this project will be built with the 2022 Streets Project; and</p> <p>2) Systematic Improvements at Unsignalized Intersections- this project includes improvements at various intersections including Pine Street and will go out for design in early 23/24.</p>
		
222	RMRA-Local Partnership Program (LPP)	<p>The City's 2025 Pavement Preservation Project has been awarded \$400,000 for various overlay treatments on up to 36 City Streets.</p>
		
314	Coronavirus Response and Relief Supplemental Appropriations Act of 2021	<p>MCOG is the Pass through agency for each organizations share of the CRRSAA money for transportation projects. The CRRSAA award amount is \$162,000 and these funds will be used to cover a portion of the 2022 Streets Project</p>

Fund	Grant Special Revenue	Description
222	RMRA-Local Partnership Program LPP	RMRA has two apportionment accounts LPP money is only
		<p>The City's 2022 Streets Project has been awarded \$600,000 in LPP funds for the 22/23 FY</p>
223	Mendocino Council of Governments (MCOG) Regional Surface Transportation Program	<ul style="list-style-type: none"> • 2022 Streets Project -Street Striping Component. This includes two years of D1-RSTP money from FY 17/18 & 18/19 distribution years. • Construction of the EV Fleet Charging Station pursuant to [23 U.S.C. 133(b)(15)] of the STBP Program includes one year of D1-RSTP money from the 19/20 FY.
		
329	Other State Grants	<p>HOUSING GRANTS In the 2019-20 Budget Act, Governor Newsom allocated grant funds to all cities, counties, and regions to do their part by prioritizing housing production to meet identified needs of every community.</p> <p>SB-2 \$160,000: Adopt Tiny Home Ordinance; implement Springbrook software to process building permits; update the City's Free Second Unit Plans program; establish community land trust.</p> <ul style="list-style-type: none"> • LOCAL EARLY ACTION PLANNING (LEAP) \$62,693: Update housing regulations to comply with state law in both inland and coastal zones, as well as identify vacant and underutilized parcels for housing. • REGIONAL EARLY ACTION PLANNING (REAP) \$46,410: Support home ownership opportunities for households earning up to 120% of the area median income through the community land trust model. • PERMANENT LOCAL HOUSING ALLOCATION (PLHA) 5-Year Plan: Build capacity of newly formed community land trust - Housing Mendocino Coast. <ul style="list-style-type: none"> - 2019 \$106,856 - 2020 \$163,507 - 2021 \$142,814 - 2022 / 2023 allocation yet to be determined • LOCAL COASTAL PROGRAM GRANT PROGRAM \$898,990 Planning effort to better understand existing environmental, physical, social and economic conditions of Noyo Harbor to support informed decision making for investment in coastal resiliency strategies. Deliverables include a Communications and Engagement Plan, the Noyo Harbor Blue Economy Visioning, Resiliency and Implementation Plan, as well as an amendment to the City's Local Coastal Program to incorporate findings.
		
	California Coastal Commission (CCC)	
		

Fund No.	Grant Special Revenue	Description
California Public Utilities Commission (CPUC)		<p>• LOCAL AGENCY TECHNICAL ASSISTANCE (LATA) \$479,528.60: Pre-construction activities for deployment of a city-wide Fiber to the Premise (FTTP) broadband network. Effort will result in final design and engineering based on the 2021 Fort Bragg Digital Infrastructure Plan, business plan, financing strategy, and marketing campaign.</p>
Department of Water Resources (DWR)		<p>• DWR through the Urban and Multibenefit Drought Relief Grant Program The City of Fort Bragg in Mendocino County will receive \$8.8 million for structural lining and reconstruction of 9,250 feet of pipeline that supplies over half the water used by the city, which faced acute water supply challenges earlier this year. The project will strengthen resilience by ensuring reliable delivery of water during future drought events.</p>
333 Community Development Block Grant Funds 2017		<p>• 2017 Super NOFA: \$3,645,636 The Cypress Street Residential Care Facility for the Elderly</p>
334 Community Development Block Grant Funds 2020	 	<p>• 2020 NOFA The 2020 CDBG grant awards provide:</p> <ul style="list-style-type: none"> • \$203,702 to assist the Fort Bragg Fire Protection Authority with the planning activities for the Fire Station Rehabilitation Project; • \$447,749 for a Code Enforcement program to better respond to the code related health and safety needs of the community; • \$100,000 for Mill Site Planning activities; • \$500,000 to fund a Business Assistance Loan Program activity to assist Fort Bragg businesses; • \$117,000 to fund a Microenterprise Financial Assistance Program to assist microenterprise businesses. <p>Under 2020 CDBG program the City also applied for the following activity and await an award response:</p> <ul style="list-style-type: none"> • \$2,994,365 to fund the Water Meter Replacement Project.
336 America Rescue Plan Act - 2021		<p>• ARPA FUNDS \$1,744,162 This Special Revenue Fund accounts for funding authorized by the federal American Rescue Plan (ARP) Act. The funds have been earmarked for Broadband Infrastructure.</p>



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SPECIAL REVENUES



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SPECIAL REVENUE SUMMARY

Special Revenue Funds account for revenues received that have special restrictions placed on their use or are committed to expenditure for specified purposes either through statute or by Council policy. The City has a number of different special revenue funds which are part of the non-operating budget. The City's nonmajor special revenue funds include the following:

Fund No.	Fund Type	Description
116	General Plan Maintenance Fee	To account for General Plan Maintenance Fee revenue which is required to be used for costs related to the update of the City's General Plan and zoning code.
117	Housing Trust Fund	To account for Inclusionary Housing In-Lieu fee revenue which is required to be used for affordable housing activities.
120	Parking	To account for parking permit revenues and the cost of maintaining City-owned public parking lots.
121	Parking In-Lieu Fees	To account for payments made by downtown property owners in lieu of providing on-site parking. Accumulated funds must be used for activities related to providing off-street parking facilities in the central business district. The requirement for payment of parking in-lieu fees was temporarily suspended by the City Council through December 31, 2017.
122	Parkland Monitoring and Reporting	To account for payments made by Georgia Pacific in connection with the City's acquisition of Noyo Headlands Park property to cover costs associated with on-going monitoring and reporting requirements related to the environmental
124	State Tobacco License Fee	To account for fees and fines associated with the City's Tobacco Retailer licensing program.
125	State Disability Access Fee	To account for funds received under California SB-1186 which mandates a State fee of \$3 on any applicant for or renewal of a local business license, permit or similar instrument when it is issued or renewed. The fee applies to applications and renewals filed between January 1, 2013 and December 31, 2018. 30% of the collected fees are remitted to the California Division of the State Architect while 70% are retained to help increase the number of Certified Access Specialists in the City and to facilitate compliance with construction-related accessibility requirements.
139	COPS AB1913	To account for monies received from the State for law enforcement services under the Citizens Option for Public Safety (COPS) Program established by AB 1913

(continued)

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS, Cont'd

Fund No.	Fund Type	Description
146	OJP Bulletproof Vest Partnership Grant	To account for monies received under the Bulletproof Vest Partnership Grant Act. This program is designed to pay up to 50% of
167	Asset Forfeiture	To account for monies obtained from seized assets of criminal activities. The funds are used solely to support law enforcement purposes.
176	RDA Housing Successor	To account for revenues retained by the Fort Bragg Redevelopment Agency Successor Agency in connection with the winding-down of the former Redevelopment Agency. Funds must be expended on activities related to the development, retention or rehabilitation of affordable housing in Fort Bragg.
190	Construction/Demolition Ordinance Revenue	To account for deposits that are made in accordance with the City's Construction & Demolition Ordinance. Deposits are refunded if recycling goals are met. Otherwise, the deposits are forfeited and retained in the special revenue fund. The funds may used to improve solid waste recycling facilities, and to provide other related education and programs within the City.
220	Waste Management Community Benefit Revenue	To account for a one-time payment received from Waste Management at the time its franchise agreement for solid waste collection services within the City was extended. The City Council may designate the funds for community benefit purposes. To date, this fund has been used to help offset costs associated with the Noyo Center for Marine Science initiative, the Town Hall Remodel Project and the Downtown Wi-Fi Project.
221	Gas Tax- Federal	To account for the City's share of State of California's Highway User Tax collected by the State. These revenues are legally restricted to the maintenance and improvement of City roads and streets.
222	RMRA-Gas Tax (State)	To account for the City's share of California's Highway User Tax collected by the State. These revenues are legally restricted to the maintenance and improvements of City roads and streets.
223	Regional Surface Transportation Program (RSTP) D1	To account for Regional Surface Program (RSTP) D1 funds. The purpose of the program is to provide funding to local jurisdiction for a wide variety of transportation planning and improvements projects, such as research, planning, construction, improvement, maintenance, and operation of public streets and highways (and their related public facilities for non-motorized traffic.)The City currently has D1 funds available to claim from MCOG in the amount of \$283k; it is anticipated that this balance will increase in FY 2017/18 by approximately \$98k
230	Traffic & Safety	To account for revenue received from traffic fines which is restricted to City street repairs and traffic safety.
250	Street and Alley Repairs	To account for revenue received from a special half-cent sales tax which is restricted to City street and alley repairs.
280	Parcel Tax, Fire Equipment	To account for monies received from a parcel tax which is restricted to the purchase of Fire Equipment. The parcel tax was renewed by the voters in 2015.
285	OJ Park Maintenance	This fund accounts for revenues from a one-time gift to the City by the heirs of Otis Johnson for use on special projects and/or maintenance activities at Otis Johnson Wilderness Park.

SPECIAL REVENUE FUNDS - RESTRICTED

Fund	Fund Description	FY 2021/22	FY 2022/23	FY 2022/23	FY 2023/24
		AUDITED	AMENDED BUDGET	FYE PROJECTED	PROPOSED BUDGET
116	General Plan Maintenance Fee	\$ 32,230	\$ 65,000	\$ -	-
117	Housing Trust Funds	3,000	3,000	-	-
118	Permanent Local Housing Allocation		-	-	106,856
125	State Disability Access Fee	148	-	-	-
139	COPS AB1913 Allocation	145,424	160,000	165,271	170,229
167	Asset Forfeiture	32,704	98,927	110,867	146,000
176	RDA Housing Successor	250,000	2,500	-	-
221	Highway User Tax (Gas Tax)	217,262	240,494	206,579	227,387
222	RMRA-Gas Tax	147,430	146,155	79,081	176,824
230	Traffic & Safety	2,185	4,100	4,100	3,800
250	Street/Alley Repair Sales Tax	216,532	70,720	369,130	255,219
Total - Restricted Funds		\$ 1,046,916	\$ 790,896	\$ 935,029	\$ 1,086,315

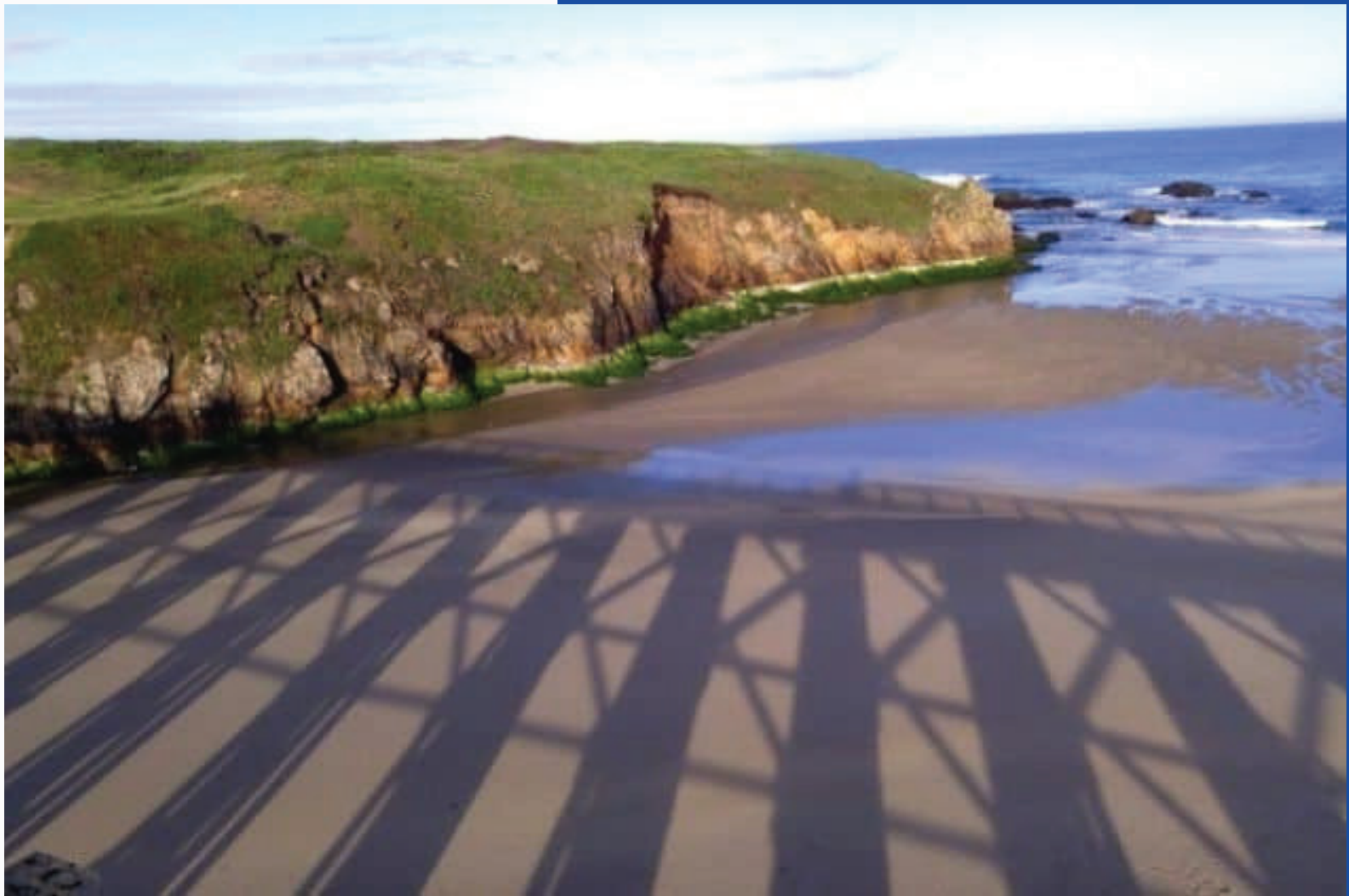


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**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget



**SUCCESSOR
AGENCY (RDA)**



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FORT BRAGG REDEVELOPMENT SUCCESSOR AGENCY

OVERVIEW

The Fort Bragg Redevelopment Successor Agency and its Oversight Board are responsible for winding down the functions of the former Fort Bragg Redevelopment Agency. As a result of legislation enacted in 2011, all Redevelopment Agencies (RDAs) in California were dissolved and the assets, liabilities and costs associated with the dissolution are now administered by Successor Agencies. Property tax revenues previously allocated to the RDAs are now used to pay required payments on existing bonds, other obligations, and pass-through payments to local governments (defined as enforceable obligations). The remaining property tax revenues (amounts exceeding the enforceable obligations) are retained by the County and allocated back to cities, counties and special districts.

Each Successor Agency (SA) has an Oversight Board that supervises its work. The Oversight Board is comprised of representatives of the local agencies that serve the redevelopment project area: the City, county, special districts, and K-14 educational agencies. Oversight Board members have a fiduciary responsibility to holders of enforceable obligations, as well as to the local agencies that would benefit from property tax distributions from the former redevelopment project area.

The SA reports enforceable obligations to the California Department of Finance (DOF) on an annual basis (starting in FY 2016/17). The enforceable obligations are subject to approval by the DOF. The City can report costs each year for the administration of the SA and winding down of enforceable obligations, subject to approval by the Oversight Board and DOF. If SA activities are reduced by the Oversight Board or by the DOF, through the disallowance of enforceable obligations, the administrative costs may be reduced accordingly. In FY 2016/17, the State of California began reducing the Fort Bragg Redevelopment Successor Agency's allowable administrative costs. The City received approval for \$126,546 of administrative costs for the period July 1, 2023 through June 30, 2024.

Fort Bragg Redevelopment Successor Agency

Fund 175

Department: 4810

Expense & Revenue

Expense	Description	FY 2022/23		FY 2023/24		%
		FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	
	Total Expense	\$ 225,062	\$ 386,475	\$ 384,627	\$ 377,757	-2%
Redevelopment Property Tax Trust		383,125	386,475	382,100	390,340	2%
	Total Revenue	\$ 383,125	\$ 386,475	\$ 382,100	\$ 390,340	2%

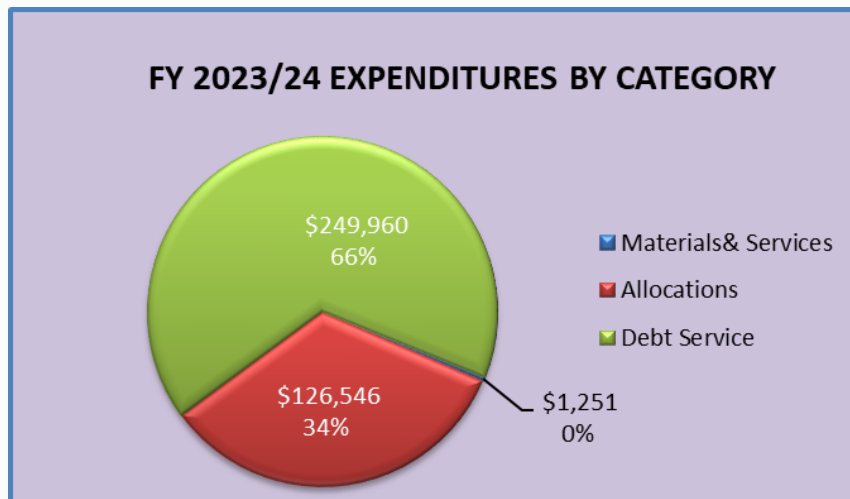
FORT BRAGG REDEVELOPMENT SUCCESSOR AGENCY

BUDGET DETAIL:

Fund #175

Department: 4810

Object	Description	FY 2022/23			FY 2023/24	% + /-
		FY 2021/22 Audited	Amended Budget	22/23 FYE Projected	Proposed Budget	
0312	Auditing & Accounting	\$ 3,064	\$ 3,100	\$ 1,251	\$ 1,251	0%
	Materials& Services	3,064	3,100	1,251	1,251	0%
0399	Successor Agency-RDA Admin All	123,376	125,175	125,175	126,546	1%
	Allocations	123,376	125,175	125,175	126,546	1%
0911	Principal	-	170,000	170,000	165,000	-3%
0912	Interest Expense	96,862	86,550	86,551	83,200	-4%
0913	Fees	1,760	1,650	1,650	1,760	7%
	Debt Service	98,622	258,200	258,201	249,960	-3%
	Total Successor Agency	\$ 225,062	\$ 386,475	\$ 384,627	\$ 377,757	-2%



FORT BRAGG REDEVELOPMENT SUCCESSOR AGENCY

<p>\$4,040,000 Fort Bragg Redevelopment Successor Agency Tax Allocation Bonds – Series 2015</p>
--

Date: February 1, 2015
Interest: Semiannual each September and March, commencing September 1, 2015. Interest rates range from 2.0% to 3.25%.
Maturity: September 1, 2036
Rating: Standard and & Poor's A-
Purpose: To refinance 1993 and 2004 Redevelopment Agency (RDA) Bonds and finance certain Redevelopment Activities in the Project Area
Coverage Ratio: 1.25
Continuing Disclosure: Annual report due to the Municipal Securities Rulemaking Board by April 1st
Security: The Bonds are special obligations of the RDA and are payable from pledged tax revenues derived from property in the Project Area and allocated to the RDA pursuant to the Redevelopment Law.

Interest rates and terms on the following loans were revised by the Successor Agency Oversight Board on February 27, 2014 pursuant to Section 34176(e)(6)(B) of the California Health & Safety Code.

Fiscal Year	Principal	Interest	Total
FY 15 -16	\$ 90,000	\$ 111,475	\$ 201,475
FY 16 -17	150,000	105,450	255,450
FY 17 -18	150,000	102,450	252,450
FY 18 -19	155,000	99,400	254,400
FY 19 -20	155,000	96,300	251,300
FY 20 -21	160,000	93,150	253,150
FY 21 -22	165,000	89,900	254,900
FY 22 -23	170,000	86,550	256,550
FY 23 -24	165,000	83,200	248,200
FY 24 -25	175,000	79,800	254,800
FY 25 -26	175,000	75,425	250,425
FY 26 -27	180,000	70,100	250,100
FY 27 -28	190,000	64,550	254,550
FY 28 -29	190,000	58,850	248,850
FY 29 -30	195,000	53,075	248,075
FY 30 -31	205,000	47,075	252,075
FY 31 -32	210,000	40,850	250,850
FY 32 -33	215,000	34,206	249,206
FY 33 -34	225,000	27,056	252,056
FY 34 -35	230,000	19,663	249,663
FY 35 -36	240,000	12,025	252,025
FY 36 -37	250,000	4,063	254,063
	\$ 4,040,000	\$ 1,454,613	\$ 5,494,613

Principal	Interest	Total	Fees	Total Payment
\$ 165,000	\$ 83,200	\$ 256,550	\$ 1,750	\$ 258,300





**CITY OF
FORT BRAGG**

Fiscal Year
2024
Proposed Budget



**STATISCAL
SECTION**



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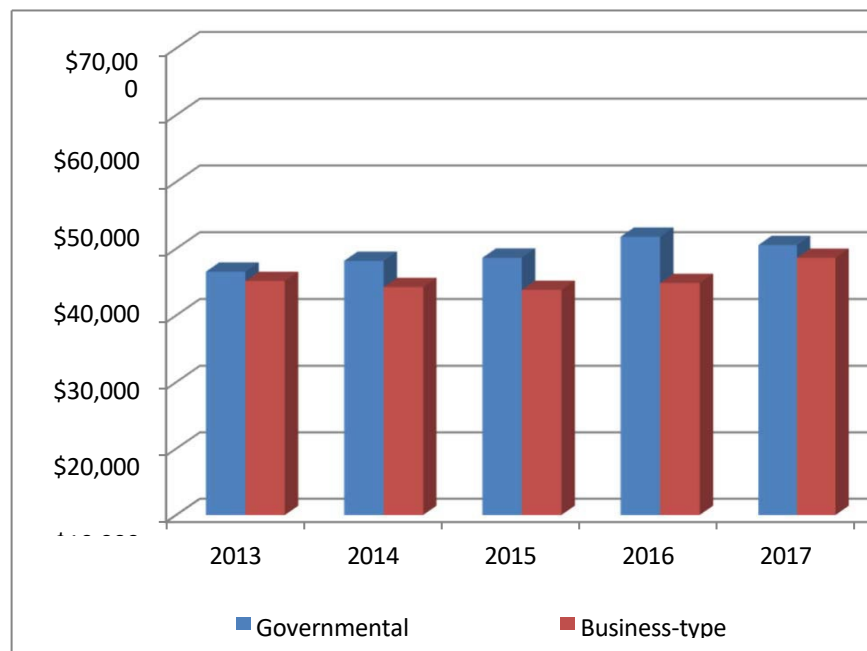
STATISTICAL SECTION

This part of the City of Fort Bragg's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, footnotes, and required supplementary information says about the City's overall financial health.

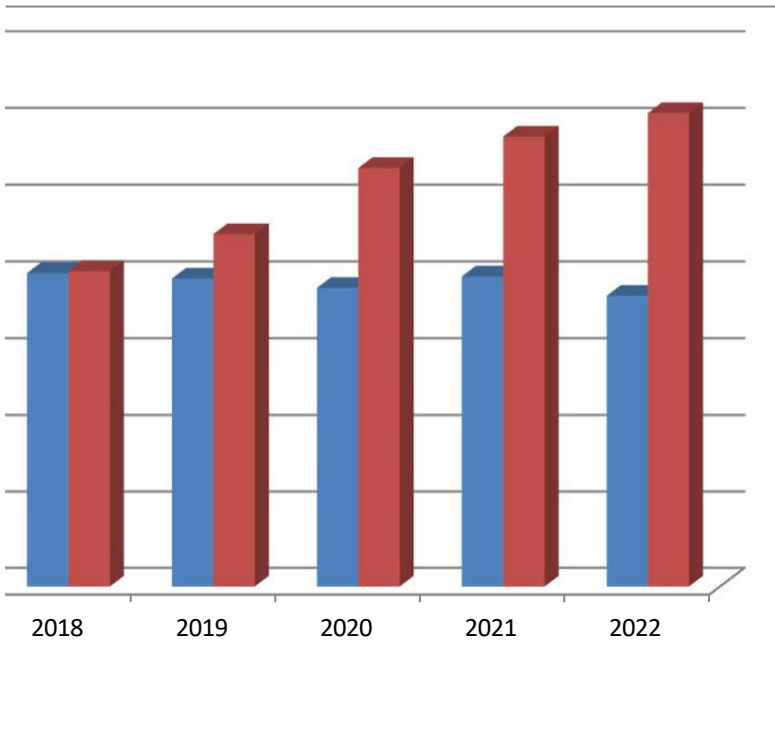
Contents	Page(s)
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	130-140
Revenue Capacity	
generate revenues. Property taxes, sales and use taxes, charges for services, licenses, permits and fees and intergovernmental revenue are the City's most significant revenue sources.	141-149
Debt Capacity	
These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt	150-156
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	158-159
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	160-162

City of Fort Bragg, California
Net Position by Component
Last Ten Fiscal Years
(Fiscal year ended June 30)
(Accrual basis of accounting)
(In Thousands)

	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	\$ 30,444	\$ 31,944	\$ 35,914	\$ 38,647
Restricted	5,671	5,987	2,289	3,536
Unrestricted (deficit)	<u>428</u>	<u>232</u>	<u>(203)</u>	<u>(399)</u>
Total governmental activities net position	<u>\$ 36,543</u>	<u>\$ 38,163</u>	<u>\$ 38,625</u>	<u>\$ 41,784</u>
Business-type activities				
Net investment in capital assets	\$ 30,764	\$ 30,531	\$ 30,047	\$ 30,503
Restricted	72	101	108	108
Unrestricted (deficit)	<u>4,294</u>	<u>3,603</u>	<u>3,649</u>	<u>4,232</u>
Total business-type activities net position	<u>\$ 35,130</u>	<u>\$ 34,235</u>	<u>\$ 33,804</u>	<u>\$ 34,843</u>
Primary government				
<u>Net investment in capital assets</u>	<u>\$ 61,208</u>	<u>\$ 62,475</u>	<u>\$ 65,961</u>	<u>\$ 69,150</u>
Restricted	5,743	6,088	3,022	3,644
Unrestricted (deficit)	<u>4,722</u>	<u>3,835</u>	<u>3,466</u>	<u>3,833</u>
Total primary government net position	<u>\$ 71,673</u>	<u>\$ 72,398</u>	<u>\$ 72,429</u>	<u>\$ 76,627</u>



2017	2018	2019	2020	2021	2022
\$ 39,523	\$ 42,293	\$ 41,400	\$ 42,102	\$ 41,686	\$ 30,092
2,513	3,758	1,279	1,922	2,947	2,578
<u>(1,518)</u>	<u>(5,115)</u>	<u>(2,456)</u>	<u>(5,026)</u>	<u>(4,140)</u>	<u>5,304</u>
<u>\$ 40,518</u>	<u>\$ 40,935</u>	<u>\$ 40,223</u>	<u>\$ 38,998</u>	<u>\$ 40,493</u>	<u>\$ 37,974</u>
\$ 31,597	\$ 33,572	\$ 37,806	\$ 45,807	\$ 46,331	\$ 48,678
108	108	108	108	108	108
<u>6,912</u>	<u>7,515</u>	<u>8,094</u>	<u>8,704</u>	<u>12,277</u>	<u>12,985</u>
<u>\$ 38,617</u>	<u>\$ 41,195</u>	<u>\$ 46,008</u>	<u>\$ 54,619</u>	<u>\$ 58,716</u>	<u>\$ 61,771</u>
\$ 71,119	\$ 75,865	\$ 79,206	\$ 87,909	\$ 88,017	\$ 78,770
2,621	3,866	1,387	2,030	3,055	2,686
<u>5,395</u>	<u>2,400</u>	<u>5,638</u>	<u>3,678</u>	<u>8,137</u>	<u>18,289</u>
<u>\$ 79,135</u>	<u>\$ 82,131</u>	<u>\$ 86,231</u>	<u>\$ 93,617</u>	<u>\$ 99,209</u>	<u>\$ 99,745</u>



City of Fort Bragg, California

Changes in Net Position

**Last Ten Fiscal Years
(Fiscal year ended June 30)**

(Accrual basis of accounting)

(In Thousands)

	2013	2014	2015	2016
Expenses				
Governmental activities:				
General government	\$ 2,708	\$ 1,500	\$ 2,593	\$ 2,877
Public safety	3,399	3,851	3,663	4,187
Public works	1,874	2,176	2,435	2,108
Community development	1,529	3,485	840	1,700
Parks and recreation	-	-	-	-
Marketing and promotions	-	-	-	-
Interest and fiscal charges	49	42	30	26
Total governmental activities expenses	<u>9,559</u>	<u>11,054</u>	<u>9,561</u>	<u>10,898</u>
Business-type activities:				
Water	2,138	2,539	2,286	2,264
Sewer	3,063	3,095	2,801	2,897
C.V. Starr Center	2,236	2,262	2,382	2,292
Total business-type activities expenses	<u>7,437</u>	<u>7,896</u>	<u>7,469</u>	<u>7,453</u>
Total primary government expenses	<u>16,996</u>	<u>18,950</u>	<u>17,030</u>	<u>18,351</u>
Program revenues				
Governmental activities:				
Charges for services:				
General government	2,701	2,851	2,809	2,818
Public safety	40	72	50	289
Public works	5	34	102	344
Community development	100	58	-	30
Operating grants and contributions	1,572	1,567	4,702	725
Capital grants and contributions	303	1,818	2,383	3,762
Total governmental activities program revenues	<u>4,721</u>	<u>6,400</u>	<u>10,046</u>	<u>7,968</u>
Business-type activities:				
Charges for services:				
Water	2,404	2,229	2,496	2,624
Wastewater	3,197	3,004	3,194	3,332
C.V. Starr Center	591	635	706	722
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>6,192</u>	<u>5,868</u>	<u>6,396</u>	<u>6,678</u>
Total primary government program revenues	<u>10,913</u>	<u>12,268</u>	<u>16,442</u>	<u>14,646</u>
Net (Expense)/Revenue				
Governmental activities	(4,838)	(4,654)	485	(2,930)
Business-type activities	(1,245)	(2,028)	(1,073)	(775)
Total primary government net expense	<u>(6,083)</u>	<u>(6,682)</u>	<u>(588)</u>	<u>(3,705)</u>

2017	2018	2019	2020	2021	2022
\$ 2,221	\$ 2,804	\$ 2,384	\$ 2,623	\$ 3,581	\$ 4,515
4,388	4,461	4,338	5,374	4,386	4,903
2,750	2,873	2,979	3,122	2,438	3,551
1,018	1,208	1,056	876	4,105	825
38	-	-	-	-	-
-	-	-	186	93	227
21	53	47	5	38	438
<u>10,434</u>	<u>11,399</u>	<u>10,804</u>	<u>12,186</u>	<u>14,641</u>	<u>14,459</u>
2,158	2,034	1,920	1,676	1,688	2,677
2,847	2,569	2,674	2,302	3,043	3,942
2,320	2,386	2,722	2,081	1,229	2,145
<u>7,325</u>	<u>6,989</u>	<u>7,316</u>	<u>6,059</u>	<u>5,960</u>	<u>8,764</u>
<u>17,760</u>	<u>18,388</u>	<u>18,120</u>	<u>18,245</u>	<u>20,601</u>	<u>23,223</u>
1,967	1,324	1,108	880	978	1,584
299	365	371	290	252	319
558	1,049	1,155	1,980	1,583	2,006
232	520	293	-	-	0
1,251	2,259	765	800	3,974	3,968
922	3,324	3,296	1,345	1,584	187
<u>5,227</u>	<u>8,840</u>	<u>6,988</u>	<u>5,295</u>	<u>8,371</u>	<u>8,062</u>
2,683	2,909	3,077	3,181	3,660	3,033
3,305	3,495	3,599	3,484	4,017	3,584
696	743	711	466	-	983
-	-	-	-	-	-
-	-	-	4,512	-	646
<u>6,683</u>	<u>7,147</u>	<u>7,387</u>	<u>11,643</u>	<u>7,677</u>	<u>8,245</u>
<u>11,911</u>	<u>15,987</u>	<u>14,375</u>	<u>16,938</u>	<u>16,048</u>	<u>16,308</u>
(5,207)	(2,558)	(3,817)	(6,891)	(6,270)	(6,397)
(642)	158	70	5,584	1,718	(519)
<u>(5,849)</u>	<u>(2,400)</u>	<u>(3,747)</u>	<u>(1,307)</u>	<u>(4,552)</u>	<u>(6,915)</u>

(continued)

City of Fort Bragg, California

Changes in Net Position

Last Ten Fiscal Years

(Fiscal year ended June 30)

(Accrual basis of accounting)

(In Thousands)

	2013	2014	2015	2016
Governmental activities:				
Taxes:				
Property taxes	924	943	909	1,007
Sales and use tax	2,390	2,490	2,523	2,458
Transient lodging tax	1,536	1,667	1,858	1,948
Franchise taxes	482	496	493	491
Other taxes	203	411	435	403
Use of money and property	103	45	87	113
Unrealized gains and losses	-	-	-	-
Other general revenues	81	222	67	120
Special Items				
Transfer in (out)	(17)	(1)	(89)	(451)
Extraordinary item: Redevelopment dissolution	-	-	-	-
Total governmental activities	<u>5,702</u>	<u>6,273</u>	<u>6,283</u>	<u>6,089</u>
Business-type activities:				
Property taxes	231	216	234	220
Sales and use tax	772	811	807	846
Use of money and property	8	33	42	27
Other revenues	98	72	161	271
Transfer in (out)	17	1	89	451
Total business-type activities	<u>1,126</u>	<u>1,133</u>	<u>1,333</u>	<u>1,815</u>
Total primary government	<u>6,828</u>	<u>7,406</u>	<u>7,616</u>	<u>7,904</u>
Changes in Net Position				
Governmental activities	864	1,619	6,768	3,159
Business-type activities	(119)	(895)	260	1,040
Total primary government	<u>\$ 745</u>	<u>\$ 724</u>	<u>\$ 7,028</u>	<u>\$ 4,199</u>

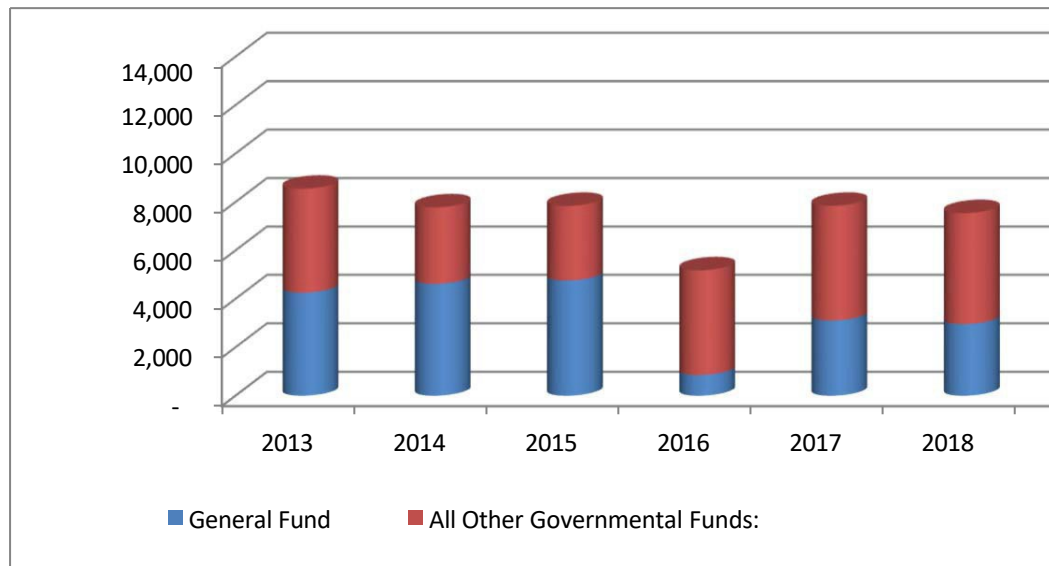
Source: City Finance Department

2017	2018	2019	2020	2021	2022
1,084	1,035	1,075	1,157	1,152	1,214
2,414	1,785	1,728	2,743	3,127	3,427
2,149	2,619	2,640	2,204	3,322	3,445
-	-	-	590	626	654
674	719	762	185	185	198
(23)	(110)	66	107	112	-
-	-	195	228	(124)	(8)
151	61	8	24	266	28
(507)	-	-	-	-	-
(2,003)	(898)	(1,029)	(1,573)	(901)	(1,939)
-	-	-	-	-	-
<u>3,940</u>	<u>5,210</u>	<u>5,445</u>	<u>5,665</u>	<u>7,765</u>	<u>7,018</u>
234	236	249	236	263	269
881	915	879	945	1,100	1,211
56	98	168	178	115	104
1,242	272	77	95	-	50
<u>2,003</u>	<u>898</u>	<u>1,029</u>	<u>1,573</u>	<u>901</u>	<u>1,939</u>
<u>4,416</u>	<u>2,420</u>	<u>2,402</u>	<u>3,027</u>	<u>2,379</u>	<u>3,573</u>
<u>8,356</u>	<u>7,630</u>	<u>7,847</u>	<u>8,692</u>	<u>10,144</u>	<u>10,592</u>
(1,267)	2,652	1,628	(1,226)	1,495	622
<u>3,774</u>	<u>2,578</u>	<u>2,472</u>	<u>8,611</u>	<u>4,097</u>	<u>3,055</u>
<u>\$ 2,507</u>	<u>\$ 5,230</u>	<u>\$ 4,100</u>	<u>\$ 7,385</u>	<u>\$ 5,592</u>	<u>\$ 3,676</u>

(concluded)

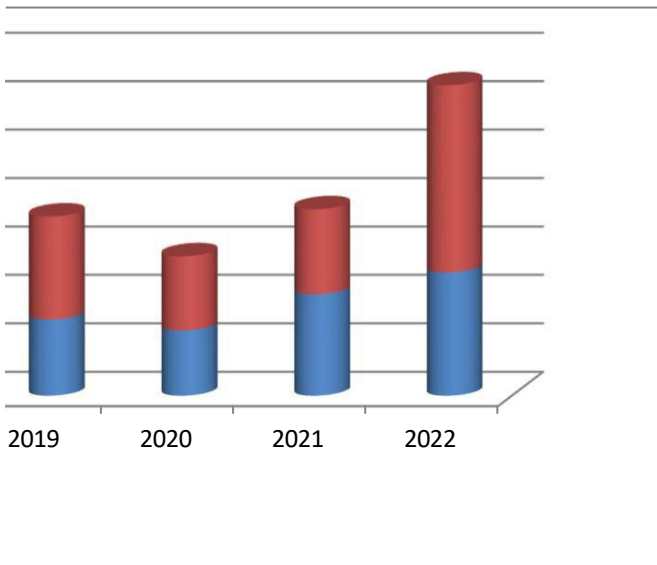
City of Fort Bragg, California
Fund Balances of Governmental
Last Ten Fiscal Years
(Fiscal year ended June 30)
(Modified accrual basis of accounting)
(In Thousands)

	2013	2014	2015	2016	2017
General Fund:					
Nonspendable	\$ 248	\$ 185	\$ 205	\$ 66	\$ 4
Committed				-	2,135
Unassigned	4,007	4,434	4,553	790	968
Total general fund	4,255	4,619	4,758	856	3,107
All Other Governmental Funds:					
Restricted	4,590	4,598	2,914	3,536	2,530
Assigned	-	-	1,322	1,116	1,472
Unassigned (deficit)	(299)	(1,441)	(1,157)	(331)	731
Total all other governmental funds	4,291	3,157	3,079	4,321	4,733
Total all governmental funds	\$ 8,546	\$ 7,776	\$ 7,837	\$ 5,177	\$ 7,839



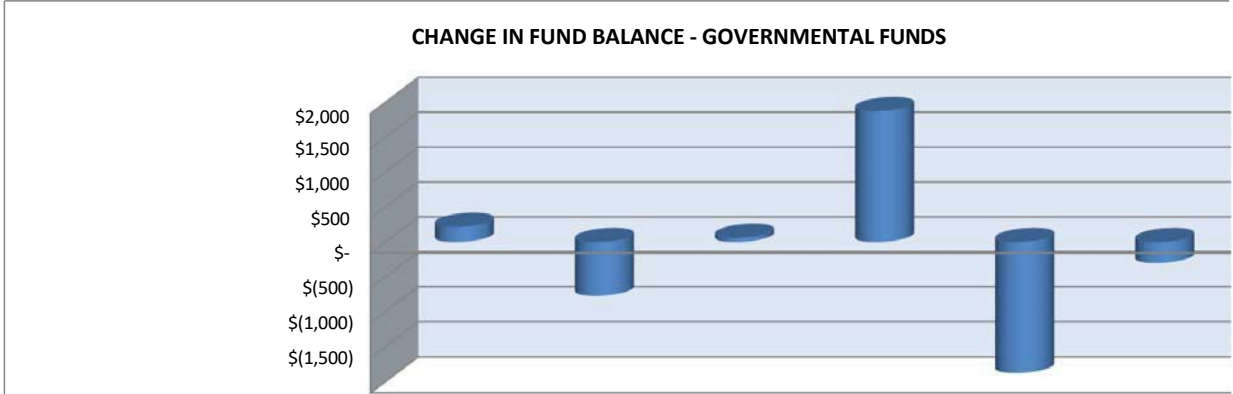
Source: City Finance Department

2018	2019	2020	2021	2022
\$ 94	\$ 9	\$ 3	\$ 7	\$ 12
1,694	1,682	2,160	2,679	2,679
1,172	1,451	529	1,498	2,401
2,959	3,142	2,692	4,184	5,092
3,758	1,267	1,922	2,947	6,078
1,292	3,005	1,426	814	1,790
(470)	(16)	(284)	(248)	(144)
4,580	4,256	3,064	3,513	7,724
\$ 7,539	\$ 7,398	\$ 5,756	\$ 7,697	\$ 12,816



City of Fort Bragg, California
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Fiscal year ended June 30)
(Modified accrual basis of accounting)
(In Thousands)

Revenues:	2013	2014	2015	2016	2017
Taxes and assessments	\$ 5,579	\$ 5,810	\$ 4,949	\$ 5,067	\$ 6,486
Intergovernmental	1,897	2,946	7,463	5,219	1,847
Charges for services	2,564	2,907	457	242	203
Fines, forfeitures and penalties	23	28	178	162	211
Licenses and permits	260	234	254	273	97
Use of money and property	103	84	120	174	55
Unrealized gains and losses	-	-	-	-	-
Reimbursements	-	-	2,930	3,413	2,345
Other	80	240	59	127	210
Total revenues	10,506	12,249	16,410	14,677	11,454
Expenditures:					
Current:					
General government	2,179	1,549	2,875	2,685	2,548
Public safety	3,410	3,829	3,581	4,100	4,233
Public works	1,472	1,594	3,469	1,874	1,902
Community development	2,191	3,460	834	1,693	1,011
Marketing and promotions	-	-	-	-	-
Cost allocations	-	-	-	-	-
Capital outlay	874	2,431	5,058	1,725	1,992
Debt Service:					
Principal Retirement	107	112	116	120	127
Interest and fiscal charges	40	36	31	26	21
Total expenditures	10,273	13,011	15,964	12,223	11,834
Reconciliation of Governmental Revenues					
Less Expenditures to Fund Equity:					
Revenues over (under) expenditures	\$ 233	\$ (762)	\$ 446	\$ 2,454	\$ (380)
Other financing sources (uses):					
Proceeds from sales of assets	-	-	-	-	-
Extraordinary loss on dissolution of redevelopment	-	-	-	-	-
Transfers in	1,950	1,091	5,683	2,714	3,775
Transfers out	(1,966)	(1,099)	(6,069)	(3,292)	(5,266)
Total other financing sources (uses)	(16)	(8)	(386)	(578)	(1,491)
Net change in fund balances	\$ 217	\$ (770)	\$ 60	\$ 1,876	\$ (1,871)
Debt service as a percentage of noncapital expenditures	1.56%	1.40%	1.35%	1.39%	1.50%



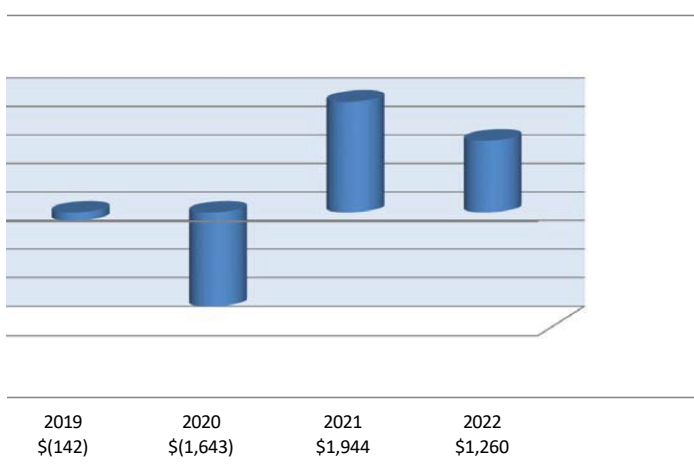
STATISTICAL DETAIL

	\$(2,000)						
Net change in fund balances	2013	2014	2015	2016	2017	2018	
	\$217	\$(770)	\$60	\$1,876	\$(1,871)	\$(300)	

	2018	2019	2020	2021	2022
\$	7,131	\$ 7,138	\$ 6,878	\$ 8,412	\$ 8,937
	4,592	772	2,702	5,883	4,487
	139	128	61	47	65
	84	118	112	103	146
	132	128	97	92	86
	126	213	409	13	(34)
	-	195	-	-	-
	2,691	2,453	2,335	2,247	3,278
	<u>82</u>	<u>37</u>	<u>22</u>	<u>264</u>	<u>23</u>
	<u>14,976</u>	<u>11,182</u>	<u>12,616</u>	<u>17,061</u>	<u>16,989</u>

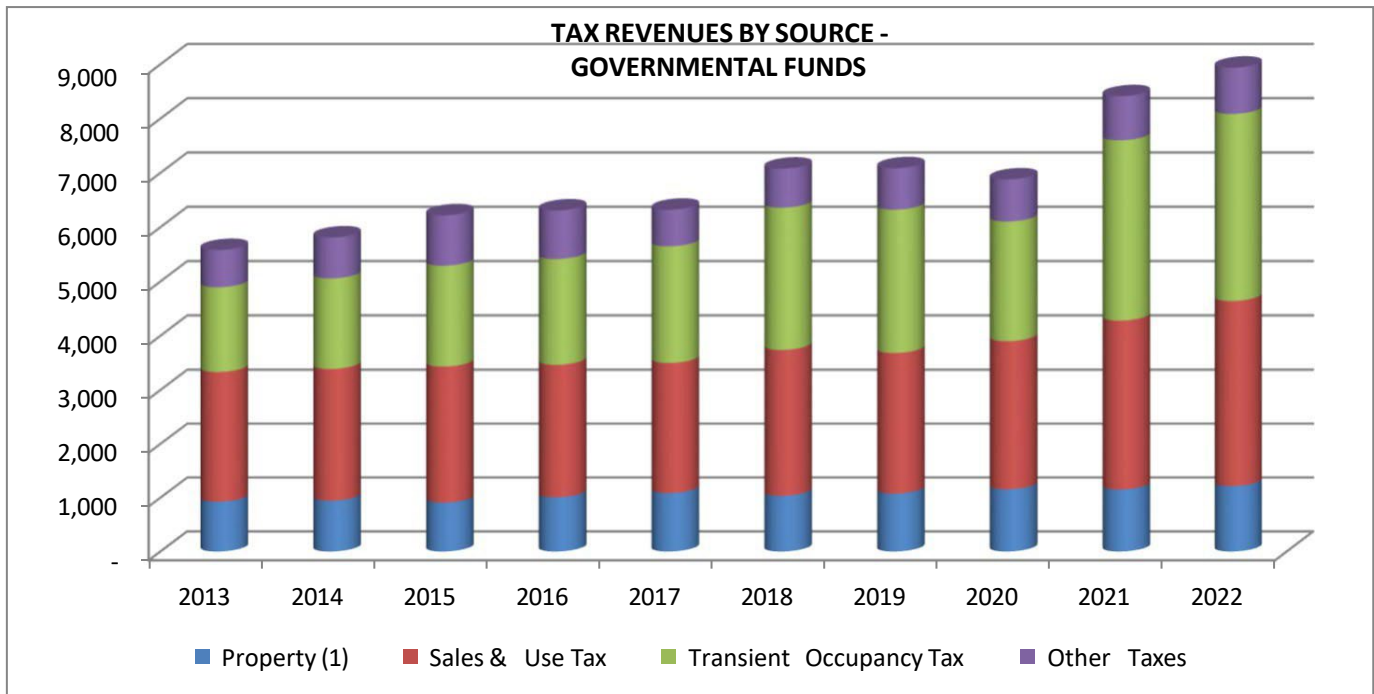
	2,881	2,522	2,094	2,256	3,319
	4,383	4,189	5,029	4,094	4,507
	1,947	1,968	1,901	1,847	1,966
	1,201	1,050	846	4,368	1,134
	-	-	186	93	227
	-	-	475	478	789
	3,780	282	1,975	415	1,504
	169	169	180	38	-
	<u>17</u>	<u>17</u>	<u>5</u>	<u>-</u>	<u>358</u>
	<u>14,378</u>	<u>10,197</u>	<u>12,691</u>	<u>13,589</u>	<u>13,806</u>

\$	598	\$ 985	\$ (75)	\$ 3,472	\$ 3,184
	-	-	6	9	16
	-	-	-	-	-
	2,944	2,830	616	866	1,788
	<u>(3,843)</u>	<u>(3,957)</u>	<u>(2,190)</u>	<u>(2,403)</u>	<u>(3,727)</u>
	<u>(898)</u>	<u>(1,127)</u>	<u>(1,568)</u>	<u>(1,528)</u>	<u>(1,924)</u>
\$	<u>(300)</u>	<u>(142)</u>	<u>(1,643)</u>	<u>1,944</u>	<u>1,260</u>
	<u>1.75%</u>	<u>1.88%</u>	<u>1.73%</u>	<u>0.29%</u>	<u>2.91%</u>



Governmental Fund Tax Revenue By Source
Last Ten Fiscal Years
 (Modified accrual basis of accounting)
 (In Thousands)

Fiscal Year Ended June 30,	Property (1)	Sales & Use Tax	Transient Occupancy Tax	Other Taxes	Total
2013	924	2,409	1,561	685	5,579
2014	943	2,445	1,668	754	5,810
2015	909	2,523	1,858	928	6,218
2016	1,007	2,458	1,948	894	6,307
2017	1,084	2,414	2,149	674	6,321
2018	1,035	2,705	2,619	719	7,078
2019	1,075	2,607	2,640	762	7,085
2020	1,157	2,743	2,204	775	6,879
2021	1,152	3,127	3,322	811	6,879
2022	1,214	3,427	3,445	852	8,937



(1) Decrease in property taxes beginning in fiscal year 2012 relates to the dissolution of the Redevelopment Agency. Upon the dissolution of the Redevelopment Agency on February 1, 2012, property taxes received by the Redevelopment Successor Agency are reported in a private-purpose trust fund and therefore are excluded from the activities of the primary government.

Source: City Finance Department

**Principal Sales Tax Producers
Last Fiscal Year and Nine Years Ago**

2021-22		2012-13	
Taxpayer	Business Type	Taxpayer	Business Type
Arco AM/PM Mini Marts	Service Stations	Amerigas Propane	Energy Sales
Boatyard Tobacco	Miscellaneous Retail	Canclini TV & Appliance	Furniture/Appliance
Canclini TV & Appliance	Furniture/Appliance	Chevron Service Stations	Service Stations
Chevron Service Stations	Service Stations	Coast to Coast Hardware	Bldg.Matls-Retail
CVS Pharmacy	Drug Stores	CVS Pharmacy	Drug Stores
Denny's Restaurants	Restaurants	Denny's Restaurant	Restaurants
Dollar Tree Stores	Department Stores	Fort Bragg Feed & Pet	Miscellaneous Retail
Geo Aggregates	Bldg.Matls-Whsle	Harvest Market	Food Markets
Harvest Market	Food Markets	Kemppe Liquid Gas	Energy Sales
Kemppe Liquid Gas	Energy Sales	Mcdonald's Restaurants	Restaurants
Mcdonald's Restaurants	Restaurants	Mendo Mill & Lumber Company	Bldg.Matls-Retail
Mendo Mill & Lumber Company	Bldg.Matls-Retail	Mendocino Coast Petroleum	Energy Sales
Noyo Harbor Inn	Restaurants	Mendocino County Hydrogarden	Florist/Nursery
O'Reilly Auto Parts	Auto Parts/Repair	O'Reilly Auto Parts	Auto Parts/Repair
Redwood Coast Fuels	Energy Sales	Rhoads Auto Parts	Auto Parts/Repair
Restaurante Los Gallitos	Restaurants	Rite Aid Drug Stores	Drug Stores
Rino Service Stations	Service Stations	Rossi's Building Materials	Bldg.Matls-Retail
Rite Aid Drug Stores	Drug Stores	Safeway Stores	Food Markets
Rossi Building Materials	Bldg.Matls-Retail	Sears Hometown Stores	Furniture/Appliance
Safeway Stores	Food Markets	Speedex Service Station	Service Stations
Sinclair Service Stations	Service Stations	Sport Chrysler Jeep Dodge	Auto Sales - New
Sport Chrysler-Jeep-Dodge	Auto Sales - New	The Brewery Shop	Restaurants
Taco Bell	Restaurants	Two Short Sales	Bldg.Matls-Whsle
The Brewery Shop	Restaurants	Union 76 Service Stations	Service Stations
True Value Hardware	Bldg.Matls-Retail	Walsh Oil Company	Energy Sales

Source: MuniServices, LLC / Avenu Insights & Analytics

**Historical Sales Tax Amounts by Benchmark Year
Last Ten Fiscal Years**

CDTFA NAICS SECTOR	2022Q1	2021Q1	2020Q1	2019Q1
Accommodation and Food Services	309,030	219,572	261,579	270,483
Agriculture, Forestry, Fishing and Hunting	9,847	6,929	11,023	9,978
Arts, Entertainment, and Recreation	8,183	189	5,903	5,394
Educational Services	617	866	1,331	2,082
Information	12,475	7,167	7,675	9,327
Manufacturing	4,092	5,144	8,677	8,236
Mining, Quarrying, and Oil and Gas Extraction	92,471	68,020	82,665	86,275
Other Services (except Public Administration)	31,829	27,773	31,619	31,125
Professional, Scientific, and Technical Services	4,799	4,443	5,929	5,892
Real Estate and Rental and Leasing	3,276	4,114	2,239	2,712
Retail Trade	1,180,435	1,044,381	1,051,144	1,044,560
Utilities	55,570	45,615	52,631	56,094
All Other NAICS Sectors	27,830	23,324	21,707	21,418
TOTAL	1,740,455	1,457,538	1,544,122	1,553,576

Source: MuniServices, LLC / Avenu Insights & Analytics

2018Q1	2017Q1	2016Q1	2015Q1	2014Q1	2013Q1
282,205	261,139	233,034	218,376	201,158	200,023
3,547	7,404	11,516	6,866	2,625	2,972
3,516	3,469	3,454	4,002	4,407	3,829
7,876	7,499	8,318	6,932	7,927	3,006
5,569	4,825	4,031	6,163	7,182	7,828
7,106	6,312	4,704	4,951	4,444	6,102
73,796	56,363	62,526	80,000	113,954	112,609
30,343	31,197	31,897	31,049	27,496	27,573
7,944	7,989	8,627	8,693	7,599	7,836
2,455	2,525	2,525	2,944	2,893	3,394
1,055,670	987,423	990,177	983,868	980,587	989,808
39,654	39,438	40,014	37,326	32,788	30,289
21,025	18,791	18,414	8,834	5,016	4,953
1,540,707	1,434,374	1,419,237	1,400,004	1,398,075	1,400,221

City of Fort Bragg, California

Assessed Value and Estimated Actual Value of Taxable Property, City Wide

Last Ten Fiscal Years

(In Thousands)

Fiscal Year	Secured Property*		Unsecured Property		Taxable		Total	Estimated Actual	Factor of Taxable
	End	Assessed Value	% Change	Rate (1)	Taxable Value (2)	Assessed Value (2)			
2012-13	\$ 579,450	\$ 31,513	\$ 610,963	-3.4%	1.113100	611,333	1.000606		
2013-14	\$ 585,992	\$ 29,641	\$ 615,633	0.8%	1.125000	624,469	1.014352		
2014-15	\$ 590,079	\$ 31,347	\$ 621,426	0.9%	1.127000	689,061	1.108838		
2015-16	\$ 607,137	\$ 31,275	\$ 638,412	2.7%	1.132000	702,975	1.101131		
2016-17	\$ 626,121	\$ 32,889	\$ 659,009	3.2%	1.133000	852,603	1.293765		
2017-18	\$ 646,586	\$ 32,288	\$ 678,874	6.3%	1.133000	902,380	1.329231		
2018-19	\$ 671,692	\$ 31,556	\$ 703,249	6.7%	1.138000	918,610	1.306238		
2019-20	\$ 695,389	\$ 33,240	\$ 728,629	7.3%	1.131000	1,021,566	1.402039		
2020-21	\$ 715,581	\$ 33,149	\$ 748,730	6.5%	1.124000	805,819	1.076248		
2021-22	\$ 720,807	\$ 32,899	\$ 753,706	3.4%	1.137000	886,049	1.175590		



Source: Mendocino County Assessor data, MuniServices, LLC / Avenu Insights & Analytics

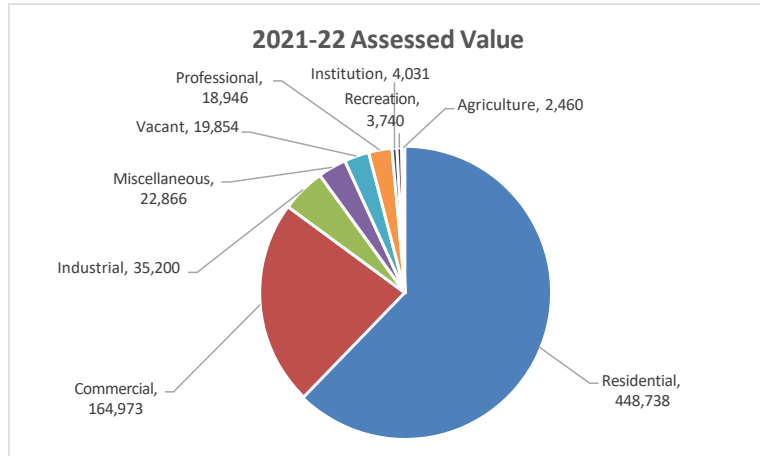
*Secured Property is net of all exemptions and includes Unitary value.

(1.) Total tax rate is represented by TRA 001-001.

(2.) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a multiplier value was extrapolated and applied to current assessed values.

City of Fort Bragg, California
Assessed Value of Property by Use Code, City Wide
Last Nine Fiscal Years
(In Thousands)

Category	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Residential	347,694	351,259	357,224	369,852	393,470	375,474	395,888	410,229	428,620	448,738
Commercial	164,165	165,103	163,032	167,141	150,666	153,767	156,832	160,042	163,238	164,973
Industrial	30,593	36,342	36,807	37,595	37,908	38,037	39,021	40,900	39,219	35,200
Miscellaneous	689	698	701	735	1,120	31,285	31,187	33,043	33,941	22,866
Vacant	21,552	18,931	18,682	18,963	21,162	21,817	23,423	24,116	22,554	19,854
Professional	0	0	0	179	9,804	19,769	20,036	20,413	20,817	18,946
Institution	3,931	4,024	4,285	4,513	4,515	3,761	2,691	3,926	4,429	4,031
Recreation	9,119	7,905	7,593	6,391	7,101	2,676	2,613	2,719	2,762	3,740
Agriculture	34	33	34	34	34	0	0	0	0	2,460
Unitary	543	542	543	543	340	0	0	0	0	0
Unknown	1,130	1,149	1,178	1,192	0	0	0	0	0	0
Net Secured Value	230,626	233,578	590,079	607,137	626,121	646,586	671,692	695,389	715,581	720,807
Unsecured	31,513	29,641	31,347	31,275	32,889	32,288	31,556	33,240	33,149	32,899
Net Taxable Value	262,139	263,219	621,426	638,412	659,009	678,874	703,249	728,629	748,730	753,706



Source: Mendocino County Assessor data, MuniServices, LLC / Avenu Insights & Analytics
Use code categories are based on Mendocino County Assessor's data

City of Fort Bragg
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	2012-13	2013-14	2014-15	2015-16	2016-17
COUNTY GENERAL FUND	0.745000	0.745000	0.745000	0.745000	0.745000
CITY OF FORT BRAGG	0.255000	0.255000	0.255000	0.255000	0.255000
TOTAL	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments					
LOCAL SPECIAL DISTRICTS	0.012000	0.011000	0.026000	0.025000	0.018000
SCHOOLS	0.119000	0.114000	0.101000	0.107000	0.115000
TOTAL	0.131000	0.125000	0.127000	0.132000	0.133000
TOTAL TAX RATE	1.131000	1.125000	1.127000	1.132000	1.133000

Source: Mendocino County Auditor/Controller data, MuniServices, LLC / Avenu Insights & Analytics
 TRA 001-001 is represented for this report
 Rates are not adjusted for ERAF

2017-18	2018-19	2019-20	2020-21	2021-22
0.745000	0.745000	0.745000	0.745000	0.745000
0.255000	0.255000	0.255000	0.255000	0.255000
1.000000	1.000000	1.000000	1.000000	1.000000
0.026000	0.024000	0.024000	0.023000	0.023000
0.107000	0.114000	0.107000	0.101000	0.114000
0.133000	0.138000	0.131000	0.124000	0.137000
1.133000	1.138000	1.131000	1.124000	1.137000

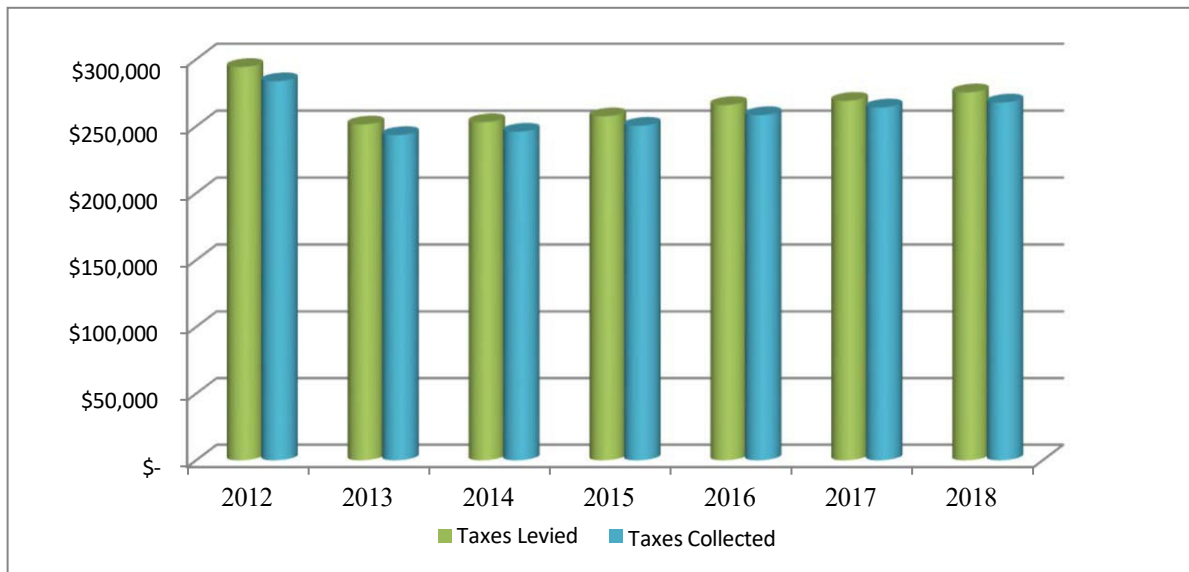
**Principal Property Tax Payers
Last Fiscal Year and Nine Years Ago**

Taxpayer	2021-22*		2012-13	
	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Taxable Value (\$)	Percent of Total City Taxable Value (%)
Rap Investors Lp	11,843,301	1.57%	8,284,562	1.36%
Boatyard Associates Phase	10,775,144	1.43%	9,287,877	1.52%
Safeway Inc	7,245,159	0.96%	7,143,415	1.17%
Colombi Jeanette Succttee	5,221,623	0.69%	4,834,956	0.79%
Hurst Jason S Ttee	5,037,971	0.67%	4,412,754	0.72%
Georgia Pacific Corporation	4,778,965	0.63%	25,132,882	4.11%
Tanti Family li Llc	4,774,830	0.63%		
Kao Kuami	4,750,608	0.63%	4,135,783	0.68%
Ansari Ghulam Murtaza & Te	4,717,607	0.63%		
Kashi Keshav Investments L	4,640,047	0.62%	4,165,017	0.68%
Grosvenor Van Ness Associa	4,412,736	0.59%	3,805,392	0.62%
Longs Drug Stores Californ	4,096,114	0.54%	3,816,173	0.62%
Ray Ronald R Ttee	4,065,101	0.54%		
Fort Bragg Hotel Llc	3,747,141	0.50%		
Snb Govind Corporation	3,412,886	0.45%		
Fort Bragg Investments Llc	3,262,530	0.43%		
Mendocino Railway	3,141,922	0.42%		
Noyo Harbor Inn Llc	3,002,229	0.40%		
Moura Senior Housing	2,868,570	0.38%	3,333,408	0.55%
Rbj & Associates Llc	2,792,955	0.37%	2,483,104	0.41%
Kemppe Liquid Gas Corporat	2,727,353	0.36%	2,427,248	0.40%
Taubold Timothy E Ttee	2,722,713	0.36%		
Miller Helen Ttee	2,706,046	0.36%	2,409,977	0.39%
Communities Moving Forward	2,673,967	0.35%		
I Lodge Properties Group L	2,606,158	0.35%		
Tradewinds Lodge			7,330,660	1.20%
Feil Scott E Diana E			5,955,220	0.97%
Comcast			3,880,723	0.64%
Affinito Dominic J Juliette C			3,547,598	0.58%
North Otown Industrial Center			3,503,576	0.57%
Braxton Senior Living Property			3,418,263	0.56%
North Coast Brewery			3,151,272	0.52%
Anderson Logging Inc.			3,076,905	0.50%
Keaton Richard J Julie			2,948,159	0.48%
Noyo Vista Inc.			2,903,543	0.48%
De Lage Landen Operational Ser			2,529,981	0.41%
Total Top 25 Taxpayers	112,023,676	14.86%	127,918,448	20.94%
Total Taxable Value	753,705,828	100.00%	610,963,006	100.00%

Source: Mendocino County Assessor data, MuniServices, LLC / Avenu Insights & Analytics

Property Tax Levies and Collections
For the last ten fiscal years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy	
		Amount	Percentage of Levy
2012	\$ 294,235	\$ 283,594	96.4%
2013	251,307	243,397	96.9%
2014	253,017	245,915	97.2%
2015	257,387	250,358	97.3%
2016	265,826	258,276	97.2%
2017	268,987	264,012	98.2%
2018	275,316	267,695	97.2%
2019	N/A	N/A	N/A
2020	N/A	N/A	N/A
2021	N/A	N/A	N/A



Note: Mendocino County does not track collections of delinquent taxes by year in subsequent years.

Source: Mendocino County Auditor-Controller's Office

City of Fort Bragg, California
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(In Thousands, Except Per Capita Amount)

Fiscal Year Ended June 30,	Governmental Activities			Business-type Activities		
	Certificates of Participation	Lease Revenue Bond	Total Governmental Activities	Certificates of Participation	Notes Payable	Capital Leases
2013	\$ 842	\$ -	\$ 842	\$ 3,013	\$ 1,375	\$ 457
2014	777	-	777	3,217	1,314	367
2015	660	-	660	2,896	1,207	240
2016	539	-	539	2,578	1,102	123
2017	412	-	412	2,252	975	-
2018	280	-	280	1,913	846	-
2019	143	-	143	6,568	741	-
2020	-	-	-	6,182	633	-
2021	-	-	-	5,791	529	-
2022	-	11,399	11,399	5,392	423	-

N/A indicates information is not available

(1) See Schedule of Demographic and Economic Statistics for personal and per capita data.

Source: City Finance Department

	Total Business-type Activities	Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
\$	4,845	\$ 5,687	3.9%	\$ 778
	4,898	5,675	3.7%	772
	4,343	5,003	3.2%	681
	3,803	4,342	2.7%	566
	3,227	3,639	2.1%	474
	2,759	3,039	1.7%	405
	7,309	7,452	4.2%	992
	6,815	6,815	3.6%	918
	6,320	6,320	3.1%	853
	5,815	17,214	7.6%	2,407

City of Fort Bragg, California

Legal Debt Margin Information

Last Ten Fiscal Years

(Fiscal year ended June 30)

(Dollars in thousands)

	2013	2014	2015	2016
Assessed Value	\$ 579,450	\$ 585,992	\$ 590,079	\$ 607,137
Conversion Percentage	25%	25%	25%	25%
Adjusted Assessed Value	144,863	146,498	147,520	151,784
Debt Limit Percentage	15%	15%	15%	15%
Debt limit	21,729	21,975	22,128	22,768
Total net debt applicable to limit	-	-	-	-
Legal debt margin	\$ 21,729	\$ 21,975	\$ 22,128	\$ 22,768
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%

Notes: The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed secured tax valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of the assessed value for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: City Finance Department

2017	2018	2019	2020	2021	2022
\$ 626,121	\$ 646,586	\$ 671,692	\$ 695,389	\$ 715,581	\$ 720,807
25%	25%	25%	25%	25%	25%
156,530	161,647	147,520	173,847	178,895	180,202
15%	15%	15%	15%	15%	15%
23,480	24,247	22,128	26,077	26,834	27,030
-	-	-	-	-	11,440
\$ 23,480	\$ 24,247	\$ 22,128	\$ 26,077	\$ 26,834	\$ 15,590
0%	0%	0%	0%	0%	73%

City of Fort Bragg, California
Direct and Overlapping Debt
Current Year
 June 30, 2022

<u>2021-22 Assessed Valuation:</u>	\$	759,543,386	
		Total Debt	City's Share of
OVERLAPPING TAX AND ASSESSMENT DEBT:		6/30/2022	% Applicable ⁽¹⁾
Redwoods Joint Community College District	\$	22,115,000	3.608%
Fort Bragg Unified School District		38,821,009	37.301%
Mendocino Coast Hospital District		4,002,424	20.458%
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT	\$		16,097,350
OVERLAPPING GENERAL FUND DEBT:			
Mendocino County Certificates of Participation		13,430,000	5.860%
Mendocino County Pension Obligation Bonds		33,915,000	5.860%
City of Fort Bragg General Fund Obligations		11,440,000	100.000%
TOTAL OVERLAPPING GENERAL FUND DEBT	\$		14,214,417
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>		3,015,000	100.000%
DIRECT DEBT	\$		11,440,000
TOTAL OVERLAPPING DEBT	\$		21,886,767
COMBINED TOTAL DEBT	\$		33,326,767 ⁽²⁾

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2021-22 Assessed Valuation:

Direct Debt	2.12%
Total Overlapping Tax and Assessment Debt	1.51%
Combined Total Debt	4.39%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$214,357,696):

Total Overlapping Tax Increment Debt	1.41%
--------------------------------------	-------

Source: Avenu Insights & Analytics
 California Municipal Statistics, Inc.

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**Pledged Revenue Coverage
For the Last Ten Fiscal Years
(Dollars in Thousands)**

Fiscal Year Ended June 30,	Business-type Activities Water Fund Debt						Total Debt Service	Coverage
	Revenues & Transfers	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Total Debt Service		
				Principal	Interest			
2013	\$ 2,420	\$ 1,623	\$ 797	\$ 327	\$ 151	\$ 478	1.7	
2014	2,172	1,953	219	369	171	540	0.4	
2015	2,595	1,806	789	493	147	640	1.2	
2016	3,085	1,834	1,251	490	132	622	2.0	
2017	3,534	1,378	2,156	505	75	580	3.7	
2018	2,909	1,592	1,317	390	62	452	2.9	
2019	3,077	1,480	1,597	395	53	449	3.6	
2020	3,181	1,275	1,905	406	74	480	4.0	
2021	3,660	1,303	2,357	410	65	475	5.0	
2022	3,033	2,256	777	418	55	473	1.6	

¹ Operating expenses exclude depreciation

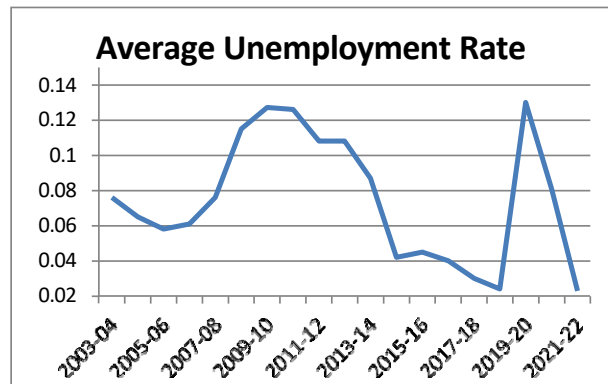
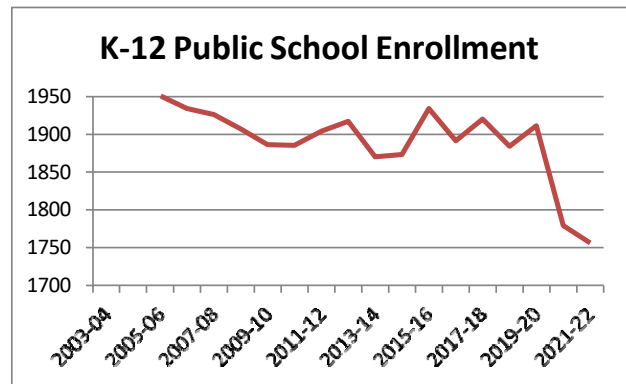
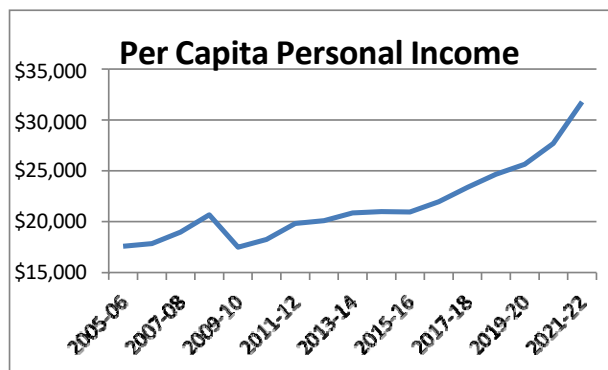
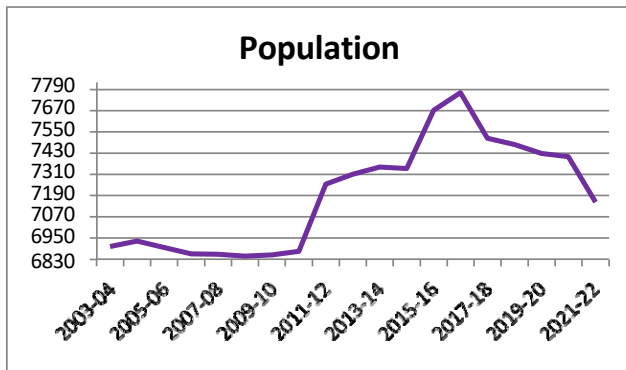
Source: City Finance Department

**Business-type Activities
Sewer Fund Debt**

	Revenues & Transfers	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Total Debt Service	Coverage
				Principal	Interest		
\$	3,263	\$ 2,733	\$ 530	\$ 40	\$ 17	\$ 57	9.3
	2,985	2,633	352	45	17	62	5.7
	3,184	2,470	714	45	16	61	11.7
	3,322	2,568	754	50	12	62	12.2
	4,457	2,189	2,268	50	9	59	38.4
	3,495	2,270	1,225	55	6	61	20.1
	5,938	2,321	3,617	55	13	68	53.2
	8,128	1,913	6,215	86	85	181	36.3
	4,017	2,129	1,888	87	98	185	10.2
	3,584	3,015	569	87	98	185	3.1

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (in thousands)	Per Capita Personal Income (2)	Median Age (3)	Public School Enrollment	City Unemployment Rate (%) (4)
2011-12	7,255	143,775	19,817	40.5	1,904	10.8%
2012-13	7,311	146,997	20,106	37.4	1,917	10.8%
2013-14	7,350	153,410	20,872	36.8	1,870	8.7%
2014-15	7,343	154,002	20,973	38.2	1,873	4.2%
2015-16	7,672	160,798	20,959	38.5	1,934	4.5%
2016-17	7,772	170,733	21,968	36.6	1,891	4.0%
2017-18	7,512	175,523	23,366	40.0	1,920	3.0%
2018-19	7,478	184,300	24,646	39.2	1,884	2.4%
2019-20	7,427	190,379	25,633	39.8	1,911	13.0%
2020-21	7,409	204,996	27,668	39.0	1,779	8.1%
2021-22	7,153	227,323	31,780	43.0	1,756	2.3%



Source: MuniServices, LLC / Avenu Insights & Analytics

Source: The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Income Data is provided by the U.S. Census Bureau, 2010 American Community Survey.
- 3.) Public School Enrollment is for the Fort Bragg Unified School District.
- 4.) Unemployment Data are provided by the EDD's Bureau of Labor Statistics Department.

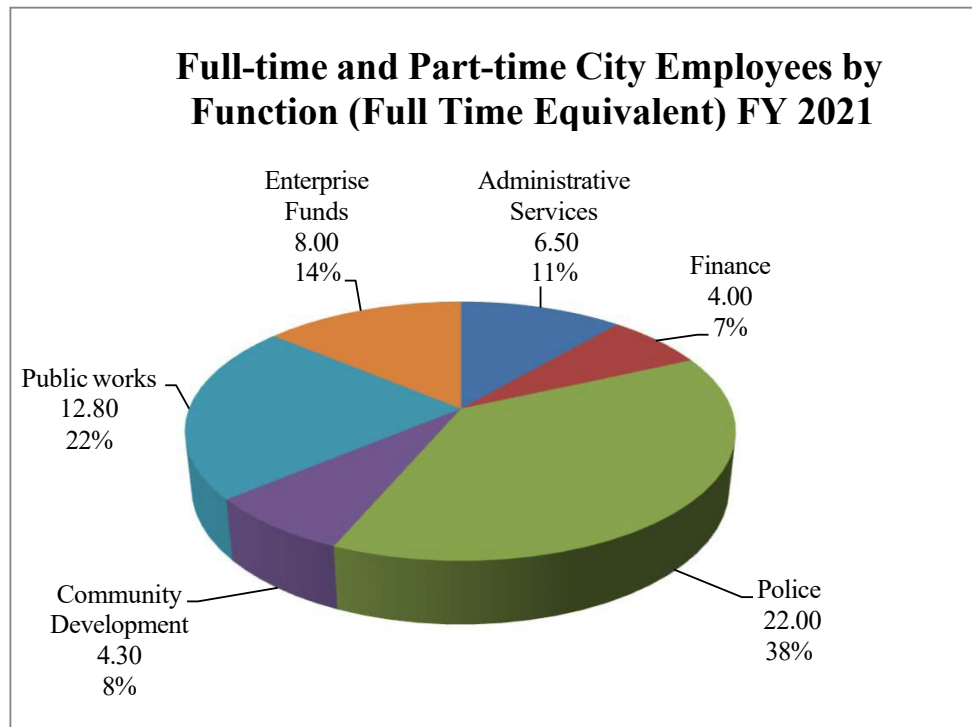
**Principal Employers
Last Fiscal Year and Seven Years Ago**

Business Name	2022		2013	
	Number of Employees	Percent of Total Employment (%)	Number of Employees	Percent of Total Employment (%)
Mendocino Coast District Hospital	294	10.54%	296	8.78%
Fort Bragg Unified School District*	263	9.43%	268	7.95%
Parents & Friends Inc	152	5.45%		
Safeway	131	4.70%	120	3.56%
Mendocino Coast Clinics Inc	122	4.37%	110	3.26%
Mendocino County**	110	3.94%	51	1.51%
North Coast Brewing CO Inc (1)	97	3.48%	106	3.15%
Anderson Logging Inc	81	2.90%	87	2.58%
Sherwood Oaks Health Center	79	2.83%	100	2.97%
Silver At The Wharf (Anchor Lodge)	70	2.51%		
Fort Bragg Recreation Center			68	2.02%
City of Fort Bragg			60	1.78%
Total Top Employers	1,399	50.14%	1,266	37.57%
Total City Employment (2)	2,790		3,370	

Source: MuniServices, LLC / Avenu Insights & Analytics
 Source: 2013, previously published ACFR
 Results based on direct correspondence with city's local businesses.
 (1) Includes summer and seasonal employees
 (2) Total City Labor Force provided by EDD Labor Force Data
 *Excludes non-bargaining on call subs or sports coaches.
 **Includes satellite offices of county departments.

**Full-time and Part-time City Employees by Function (Full-Time Equivalent)
Last Ten Fiscal Years
(Fiscal year ended June 30)**

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Administrative Services	6.00	6.00	6.00	6.50	6.50	7.00	7.00	6.50	6.00	6.00
Finance	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00
Public Safety										
Police	21.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Community Services										
Community Development	3.80	4.30	4.00	4.30	4.50	4.80	4.80	4.30	4.00	4.00
Public works	12.60	13.60	12.60	12.80	12.80	14.00	14.00	12.80	13.00	13.00
Enterprise Funds	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.00	7.00
Total	55.40	57.90	56.60	57.60	57.80	59.80	59.80	57.60	57.00	57.00



Source: City Finance Department

Operating Indicators by Function
Last Ten Fiscal Years
(Fiscal year ended June 30)

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Building Permits Issued	125	272	192	141	122	162	194	141	99	146
New Construction	27	2	7	6	4	9	12	N/A	8	8
Single Family Residential	0	0	0	2	0	5	4	2	6	6
Second Unit	1	1	1	3	4	4	8	3	8	8
Mixed Use, Commercial & Residential	0	0	2	1	0	0	4	1	0	0
Multi-Family Residential	0	1	0	0	0	0	2	0	1	1
Low Income Residential	0	0	4	0	0	0	0	0	1	1
City Clerk										
Council/Agency Resolutions Passed	93	87	127	98	122	121	92	98	134	148
Number of Ordinances Passed	2	4	3	5	6	8	9	5	6	13
Number of Contracts Approved	29	31	30	69	74	105	71	69	45	97
Number of PRA Requests Processed	26	35	74	73	79	146	145	N/A	280	294
Public Safety										
Traffic Accidents	163	174	172	221	160	145	147	221	146	122
Traffic Violations - DUI	62	45	26	28	45	49	40	28	26	48
Bookings	744	689	737	668	619	795	625	668	523	162
Moving Cites	1,001	1,614	949	498	344	428	368	498	429	122
Parking Cites	355	833	484	835	842	941	869	835	416	416
Field Interviews and Information Cases	1,450	2,211	1,301	1,217	1,403	1,936	1,289	1,217	4,065	3,191
Crime Reports	1,610	1,576	1,317	1,501	1,496	1,554	1,262	1,501	1,193	1,098
Fire ¹										
Total Number of Calls	500	525	617	579	665	626	752	579	579	579
Structure Fires	29	29	21	29	38	10	37	29	29	29
Vehicle Fires	9	17	9	3	16	5	4	3	3	3
Vegetation Fires	25	41	40	31	33	23	40	31	31	31
Misc Fires (Chimney, Debris, Electronically, etc.)	17	24	17	36	18	81	80	36	36	36
Medical Aid	110	142	163	150	199	197	248	150	150	150
Rescue	11	13	10	22	16	11	7	22	22	22
Hazardous Condition/Materials Calls	73	48	41	70	75	58	73	70	70	70
Mutual Aid/Agency Assist	6	3	9	12	18	23	18	12	12	12
Traffic Accidents	88	89	98	133	98	115	100	133	133	133
Services Call	128	117	96	91	80	99	126	91	91	91
Other Calls & Incidents	4	2	113	2	74	4	19	2	2	2
Water										
Number of customer accounts billed	33,924	32,300	33,716	33,671	33,873	34,146	33,339	33,671	33,508	33,508
Water annual demand in thousand gallons	2,255	2,245	2,044	189,500	197,600	210,200	208,015	1,895	23,055	23,055
Available supply of water in thousand gallons	2,574	2,490	2,398	2,080	21,300	21,300	22,400	20,800	25,877	25,877
total Customer service calls	1,439	1,254	1,177	1,253	1,253	1,193	1,488	1,253	785	785
Meter installs/removals/change outs	2	11	14	16	14	24	13	16	51	51
Meter repairs	44	1	8	1	34	5	23	1	-	-
Leak investigations	21	3	6	11	34	29	61	11	36	36
Service profiles	93	52	57	65	31	63	61	65	48	48
Turn on/off	1,248	139	508	669	878	891	1,099	669	545	545
Manual Reads	527	513	453	416	444	126	111	416	592	592
Misc.	33	49	60	75	53	55	68	75	100	100
Wastewater										
Customer service calls, wastewater	52	71	41	52	43	33	36	52	44.2	44.2
New customer sewer lines installed	2	2	3	1	4	0	2	1	1.8	1.8
Sewer mains cleaned/flushed in miles	18	14	15.5	15	17.38	16	18	15	16.688	16.688
Sewer mains and laterals repaired in number of jobs	0	8	16	11	12	9	8	11	17.5	17.5
Sewer manholes inspected	371	362	363	363	374	374	374	363	369.5	369.5
Sewer manholes installed	0	0	0	0	0	0	0	0	0	0
Sewer spill responses	3	7	7	5	1	1	2	5	3.4	3.4

¹ The governing agency offer the Fort Bragg Volunteer Fire Department is the Fort Bragg Fire Protection Authority Joint Powers Agreement (JPA). The JPA is a board of directors formed in the 1989-90 fiscal year. It consists of two members from the Fort Bragg City Council appointed by the City's mayor, two members from the Fort Bragg Rural Fire District Board appointed by their chairman, and an "At Large" member appointed by the other four members. The City of Fort Bragg is responsible for 50% of the Fire Department budget.

² In some categories historical information is not available

Source: Operating indicators were provided by the various operating departments.

Capital Asset Statistics by Function
Last Ten Fiscal Years
(Fiscal year ended June 30)

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police :										
Stations	1	1	1	1	1	1	1	1	1	1
Public works										
Streets (miles)	26.4	26.4	26.4	26.4	26.4	27.2	27.2	26.4	26.4	26.4
Alleys (miles)	19	19	19	19	19	19	19	19	19	19
Storm drains (miles)	10	10	10	10	10	10	10	10	10	10
Streetlights	725	725	725	725	725	744	744	725	725	725
Sidewalks	40	40	40	40	40	40	40	40	40	40
Water										
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Water mains (miles)	30	30	30	30	30	30.5	30.5	30	30	30
Raw water transmission line (miles)	5.75	5.75	5.75	5.75	5.75	5.85	5.85	5.75	5.75	5.75
Wastewater										
Wastewater treatment plant	1	1	1	1	1	1	1	1	1	1
Sanitary sewers (miles)	27	27	27	27	27	27	27	27	27	27
Parks and Facilities										
Parks	3	3	4	4	4	5	2	4	4	4
Recreational/Guest Facilities	3	3	3	3	3	3	3	3	3	3
Government Facilities	2	2	2	2	2	2	2	2	2	2

Source: City Finance, Public Works and Planning Departments



**CITY OF
FORT BRAGG**

Fiscal Year **2024** Proposed Budget



GLOSSARY



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GLOSSARY OF FINANCIAL TERMS

Accrual Basis - A basis of accounting in which revenues and expenditures are recorded at the time they occur as opposed to when cash is actually received or spent.

Adjusted Budget - The adopted budget plus any modifications (increases, decreases and transfers) approved by the City Council during the fiscal year.

Allocation of Funds - A legal authorization granted by the City Council to make expenditures of resources and to incur obligations for a specific purpose.

Appropriation - Setting aside funds for a specific purpose or program. An allocation of funds makes them available for expenditure.

Appropriation Without Regard To Fiscal Year - An appropriation for a specific amount that is available from year to year until fully expended. Example: capital projects and grants appropriated for the total amount of the project or grant often span more than one fiscal year eliminating the need to re-appropriate them each year.

Arbitrage - The difference between the interest paid on the tax-exempt securities and the interest earned by investing the security proceeds in higher-yielding taxable securities. IRS regulations govern arbitrage on the proceeds from issuance of municipal securities.

Assessed Valuation - The valuation set upon real estate and certain personal property by the County Assessor as a basis for levying property taxes.

Assessed Valuation (Secured) - That part of the assessment roll property the taxes on which are a lien on real property sufficient to secure payment of taxes.

Assessed Valuation (Unsecured) - The remainder of the assessment roll that is not on the secured roll. The taxes on the unsecured roll are a personal liability of the assessed owner.

Attrition - A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.

Audit - An examination performed by an independent certified public accountant to determine the accuracy and validity of records and reports or the conformity of procedures with established policies.

Authorized Positions - Employee positions authorized in the adopted budget which will be filled during the year.

Balloon Maturity - A later maturity within an issue of bonds which contains a disproportionately large percentage of the principal amount of the original issue.

Balanced Budget - A balanced budget in governmental funds requires operating revenues to fully cover operating expenditures. A balanced budget in the enterprise funds requires that there are enough revenues to pay operating expenses exclusive of depreciation and debt service.

Betterment - An addition made to, or changes made in, a fixed asset that will either increase the useful life of the asset or increase its efficiency.

Bond - A long-term promise to repay a specified amount (the face amount of the bond) on a particular date (the maturity date). The most common types of bonds are general obligation and revenue bonds. Bonds are primarily used to finance capital projects.

Bond Refinancing - The complete or partial payoff of one bond issue and re-issuance of another bond, to obtain better interest rates and/or bond conditions.

Budget - A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period and matching those projected revenues and planned expenditures to municipal services, goals, and objectives.

Budget Adjustment - A financial planning tool that allows the City to amend or supplement the budget at any time after it is adopted as circumstances may change throughout the fiscal year. It may be used to create a budget for a new account established after the beginning of a new fiscal year, and it may also be used to transfer funds between general fund accounts belonging to the same chart of accounts

Budget Calendar - A schedule of key dates a government follows in the preparation and adoption of the budget.

Budget Document - The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

Budget Surplus - The difference between operating revenues and operating expenditures. The Budget Surplus may be used for ongoing expenses (as opposed to year-end balance, which may be used only for one-time expenses).

California Environmental Quality Act (CEQA) – A state statute enacted in 1970 that requires state and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those impacts, if feasible (ceres.ca.gov/ceqa).

California Transportation Commission (CTC) – the agency responsible for programming and allocating funds for the construction of highway, passenger rail and transit improvements throughout California (www.catc.ca.gov)

Callable - A portion of a bond due to be repaid before the specified due date in the bond contract.

Capital Assets - Assets of significant value and having a useful life of several years. Capital assets are also referred to as fixed assets.

Capital Grants - External grants that are restricted by the grantor for the acquisition and/or construction of fixed assets.

Capital Equipment - Equipment (fixed assets) with an initial individual cost of \$5,000 or more and an expected useful life greater than two years, such as automobiles, microcomputers and furniture.

Capital Improvement - Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvement Program (CIP) - A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

Capitalized Interest - A portion of the proceeds of an issue which is set aside to pay interest on the securities for a specific period of time. Interest is commonly capitalized for the construction period of the project.

Capital Expenditure/Outlay – Expenditure for tangible property with an initial cost of \$5,000 or more and have a useful economic lifetime of more than one year.

Capital Project - Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life, also called capital improvements.

Capital Projects Fund - A fund created to account for all resources and expenditures used for the acquisition of fixed assets except those financed by enterprise funds.

Call Provisions - The terms of the bond contract giving the issuer the right to redeem all or a portion of an outstanding issue of bonds prior to their stated dates of maturity at a specific price, usually at or above par.

Capital Reserve - An account used to segregate a portion of the City's equity to be used for future capital replacement purposes.

Certificates Bullet Maturity - A maturity for which there are no sinking fund payments prior to the stated maturity date.

Certificates of Participation (COP) - A bond from an issue, which is secured by lease payments made by the party leasing the facilities, financed by the issue. Typically, COPs are used to finance construction of facilities (e.g., infrastructure or buildings) used by a municipal agency, which leases the facilities from a financing authority. Often the agency is legally obligated to appropriate moneys from its general tax revenues to make lease payments.

City Council - Comprised of the Mayor and four City Councilmembers who are elected at large by registered voters of the City. Councilmembers each serve a four-year term and the mayor serves a two-year term. The City Council adopts legislation, sets policy, adjudicates issues and establishes the budget of the City.

Community Development Block Grant - CDBG – provides eligible cities and urban counties with annual direct grants to revitalize neighborhoods; expand affordable housing and economic opportunities; and/or improve community facilities and services, principally to benefit low- and moderate-income persons.

Comprehensive Annual Financial Report - CAFR – the summarization of the City's financial activity for the previous fiscal year which also includes a summarization of significant milestones that were accomplished during the year by department, fiscal policies, and statistical information. The CAFR is prepared by December of each year.

Competitive Sale - A sale of securities by an issuer in which underwriters or syndicates of underwriters submit sealed bids to purchase the securities in contrast to a negotiated sale.

Consumer Price Index (CPI) - A statistical description of price levels provided by the US Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Continuing Disclosure - The principle that accurate and complete information material to the transaction which potential investors would be likely to consider material in making investment decisions with respect to the securities be made available on an ongoing basis.

Contingency Reserve - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services - Services rendered to a government by private firms, individuals, or other governmental agencies.

Contributed Capital - An equity account recording resources externally restricted for the acquisition or construction of capital assets, including Capital Grants, contributions from developers and customers, and tax levies restricted to capital purposes. The account also records current resources furnished to an internal service fund for working capital.

Cost Allocation - A method used to charge General Fund costs budgeted in one department to another department or another fund.

Credit Enhancement - Credit support purchased by the issuer to raise the credit rating of the issue. The most common credit enhancements consist of bond insurance, direct or standby letters of credit, and lines of credit

Cost-of-living Adjustment (COLA) - An adjustment in salaries to offset the adverse effect of inflation on compensation.

Council/Manager - Form of Government where the City Manager is an employee of the Council who is the administrator of the city.

Debt Service - Payment of interest and principal on borrowed money according to a predetermined payment schedule.

Debt Service Reserve Fund - The fund in which moneys are placed which may be used to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements.

Dedicated Tax - A tax levied to support a specific government program or purpose.

Department - The basic unit of service responsibility, encompassing a broad mandate of related service responsibilities.

Depreciation - The process of estimating and recording the expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

Disbursement - The expenditure of monies by cash from an account.

Discretionary Funding Opportunities - Pertains to funds, grants or other resources that are not restricted as to use.

Discount Bonds - Bonds which are priced for sale at a discount from their face or par value.

Division - Can be a subunit of a department which encompasses a substantial portion of the duties assigned to a department

Encumbrance - An amount of money committed for the payment of goods and services not yet received or paid for.

Enterprise Fund - A proprietary accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedule for these services is established to ensure that revenues are adequate to meet all necessary expenditures.

Environmental Impact Report - EIR – a public document used by governmental agencies to analyze the significant environmental effects of a proposed project, to identify alternatives and disclose possible ways to reduce or avoid potential environmental damage. The California Environmental Quality Act requires an EIR whenever the initial study or other evidence in the record has produced substantial evidence that the proposed project might produce significant environmental effects.

Escrow - A fund established to hold moneys pledged and to be used to pay debt service on an outstanding issue.

Expenditure - The actual payment for goods and services.

Expense - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Face Value - The amount of principal that must be paid at maturity for a bond issue.

Fees - A general term used for any charge levied by government for providing a service or permitting an activity.

Fiscal Year - A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Fort Bragg's budget year begins on July 1 and ends on June 30.

Fixed Assets - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

Full Faith and Credit - A pledge of a government's taxing power to repay debt obligations.

Full-time Equivalent Position (FTE) - A full-time or part-time position converted to the decimal equivalent of a full-time position based on 2,088 hours per year. For example, a part-time person working 20 hours per week would be the equivalent of 0.5 of a full-time position.

Fund - A self-balancing set of accounts to record revenues and expenditures associated with a specific purpose.

Fund Balance – Net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources).

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Gas Tax - State tax received from gasoline sales utilized solely for street related purposes, such as new construction, rehabilitation or maintenance.

General Fund - The principal operating fund of the City used for general governmental operations (as opposed to all other City funds, which are designated as "Special Funds") ... Taxes and fees that generally have no restriction on their use support it.

General Obligation (G.O.) Bonds - This type of bond is backed by the full faith, credit and taxing power of the government issuing it.

General Plan - A comprehensive, long-range, policy document required by state law. The document establishes the City's overall spatial and temporal development pattern.

Geographical Information System (GIS) – A computer system capable of assembling, storing, manipulating and displaying geographically referenced information.

Government Finance Officers Association (GFOA) - Professional association of state/provincial and local finance officers in the United States and Canada (www.gfoa.org).

Government Accounting Standards Board (GASB) – Organized in 1984 by the Financial Accounting Foundation to establish standards of financial accounting and reporting for state and local governmental entities (www.gasb.org).

Governmental funds – Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

HOME Program - Federal housing assistance program that provides funds to low- and very low-income families for both rental units and privately owned dwellings.

Improvement - This refers to permanent items that are purchased or constructed and are attached to land or annexations to land which are intended to remain attached or annexed.

Indirect Cost - A cost necessary for the functioning of the organization as a whole, but which cannot be identified with a specific product, function or activity.

Infrastructure - The physical assets of a government (e.g. streets, water, sewer, public buildings, and parks).

Interfund Transfers - The movement of monies between funds of the same governmental entity.

Intergovernmental Revenues - Funds received from federal, state and other local government sources in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

Internal Service Charges - The charges to user departments for internal services provided by another government agency, or department of the same agency.

Internal Service Fund - A fund used to account for the financing of goods or services provided to other funds, departments or governments on a cost reimbursement basis.

Lease-Purchase - A financing lease which may be sold publicly to finance capital equipment, real property acquisition or construction. The lease may be resold as certificates of participation or lease revenue bonds.

Letters of Credit - A bank credit facility wherein the bank agrees to lend a specified amount of funds for a limited term.

Level of Services - Generally used to define the existing or current services, programs and facilities provided by government.

Levy - To impose taxes, special assessments or services for the support of governmental activities.

Local Agency Formation Commission (LAFCO) – Reviews proposals for the formation of new local governmental agencies and changes of organization in existing agencies.

Local Agency Investment Fund (LAIF) – A voluntary program created by statute in 1977 in which participating agencies (local governments and special districts) invest public funds.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

Major Fund - A fund that comprises more than 10% of total citywide budgeted revenues and transfers-in and/or 10% of total budgeted appropriations and transfers-out.

Mandates - A legal obligation.

Management Fee - The fixed percentage of the gross spread which is paid to the managing underwriter for the structuring phase of a transaction.

Memorandum of Understanding (MOU) – An agreement outlining the terms of employment entered into between the City and employees of various bargaining units.

Mission Statement – A broad statement of the intended accomplishment or basic purpose of a program.

Modified Accrual Accounting - A basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b)

expenditures are recognized in the accounting period in which the fund liability is incurred, or measurable, except for un-matured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due. Since this type of accounting basis is a conservative financial approach, it is recommended as the standard for most governmental funds.

Negotiated Sale - A method of sale in which the issuer chooses one underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

Obligations - Amounts that a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget - The portion of the budget that pertains to daily operations that provide basic governmental services.

Operating Expenses - The cost for administration, personnel, maintenance, material, depreciation, and equipment required for a department to function. The day-to-day costs of delivering City services.

Operating Revenue - Funds that the City receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenue. They are used to pay for day-to-day services.

Ordinance - A formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, such as a State statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

Original Issue Discount - The amount by which the original par amount of an issue exceeds its public offering price at the time it is originally offered to an investor.

Overlapping Debt - That portion of the debt of other governmental units for which residents of a particular municipality are responsible.

Pay-As-You-Go - An issuer elects to finance a project with existing cash flow as opposed to issuing debt obligations.

Pavement Management System (PMS) – A computer-assisted decision-making process designed to help cities and counties prevent pavement problems through maintenance and repair in a timely, cost-effective manner.

Pavement Quality Index (PQI) – A scale from 1 to 10 that measures the structure, surface condition and riding comfort of the roadway.

Performance Budget - A budget wherein expenditures are tied to the measurable performance of activities and work programs.

Performance Measurements - Statistical measures that are collected to show the impact of dollars spent on City services.

Personnel Expenses - Salaries and fringe benefits, such as pensions and insurance, for full-time and part-time employees of the City.

Present Value - The current value of a future cash flow.

Prior-Year Encumbrances - Obligations from previous fiscal years, in the form of purchase orders or contracts, which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Program - Represents major areas or support functions that can be defined as a service provided to citizens, other departments or other agencies. A program may be an entire department; or if a department encompasses significantly diverse responsibilities or large work forces, a single department may be divided into two or more programs.

Program Budget - A budget wherein expenditures are displayed primarily on programs of work and secondarily by the character and object class of the expenditure.

Property Tax - An ad valorem (value-based) tax imposed on real property and tangible personal property within the City's jurisdiction. It includes two major elements: secured or real property (e.g., house and land on which the house was built), and unsecured or personal property (e.g., machinery).

Proposition 13 - On June 6, 1978, the California electorate approved Proposition 13, the "People's Initiative to Limit Property Taxation," which limited the tax rate for real estate as follows: the maximum amount of any tax on real property shall not exceed 1% of the full cash value of such property.

Proposition 218 - On November 5, 1996, the California electorate approved Proposition 218, the self-titled "Right to Vote on Taxes Act." Proposition 218 added articles XIIC and XIID to the California Constitution and made numerous changes to local government finance law. Public officials are required to conduct the public's business in compliance with Proposition 218.

Public Employees' Retirement System (PERS) – Provides retirement and health benefit services to members from the state, school districts and local public agencies (www.calpers.ca.gov).

Ralph M. Brown Act - The Brown Act is a California law that insures the public can attend and participate in meetings of local government.

Rebate - A requirement imposed by Tax Reform Act of 1986 whereby the issuer of the bonds must pay the IRS an amount equal to its profit earned from investment of bond proceeds at a yield above the bond yield calculated pursuant to the IRS code together with all income earned on the accumulated profit pending payment.

Redevelopment Agency (RDA) – Formerly charged with the oversight for the redevelopment process for the City of Fort Bragg. In June 2011, the Redevelopment Dissolution Act, AB1x26, was signed by the Governor and later upheld by the California Supreme Court. As a result, all redevelopment agencies in California were dissolved effective February 1, 2012.

Regional Surface Transportation Program (RSTP) – a federal and State funded grant program used for projects located on highway systems (classified higher than local roads or rural minor collectors), bridges on any public highway, and transit systems.

Reserve - An account used to either set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution - A special or temporary order of a legislative body--an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources-Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue - Sources of income financing the operations of government.

Revenue Bonds - A type of bond that is backed by the revenues from a specific enterprise or project, such as a water utility.

Sales & Use Tax - An excise tax which applies to all retail sales of merchandise. Retailers are liable for reporting and payment of the tax.

Special Assessments - Fees imposed against properties, which have received a special benefit by the construction of public improvements such as water, sewer and irrigation.

Special Revenue Fund - A governmental accounting fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes.

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those who pay, for example, sewer service charges.

Transfers In/Out - A transfer of resources between different City funds (see glossary definition of "Fund"). A transfer of cash from the City's General Fund to a City Special Fund, for example, would be designated as a transfer-out in the General Fund, and then a transfer-in in the receiving Special Fund.

Transient Occupancy Tax (TOT) - A tax applied to the cost of hotel or other lodging stays of less than 30 days. Also known as Hotel or Bed Tax.

Transportation Subventions - Funds from outside sources used to construct transportation improvements that must be used for specific projects.

Trust and Agency Fund - A fiduciary accounting fund used to account for cash and other assets received and held by the City acting in the capacity of trustee or custodian.

Underwriter - A dealer that purchases new issues of municipal securities from the Issuer and resells them to investors.

Underwriter's Discount - The difference between the price at which bonds are bought by the Underwriter from the Issuer and the price at which they are reoffered to investors.

Unencumbered Appropriation - That portion of an allocation not yet expended or committed to a specific purpose.

Unexpended Appropriation - That portion of an allocation not yet actually paid.

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges - The payment of a fee for direct receipt of a public service by the party who benefits from the service.

Utility Fund - See Enterprise Fund.

Variable Rate Debt - An interest rate on a security, which changes at intervals according to an index or a formula or other standard of measurement, as stated in the bond contract.

Year-End Surplus - Funds remaining at the end of a fiscal year that are available for allocation or for one-time purchases (not for on-going programs or services).

