



# City of Fort Bragg

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## Meeting Minutes Finance and Administration Committee

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Thursday, December 3, 2020

3:00 PM

Town Hall, 363 N. Main Street

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### Special Meeting

#### MEETING CALLED TO ORDER

Chair Peters called the meeting to order at 3:03 PM

#### ROLL CALL

Staff Present: Senior Government Accountant Isaac Whippy, City Manager Tabatha Miller and Administrative Assistant Cristal Munoz.

Present: 2 - Lindy Peters and Tess Albin-Smith

#### 1. APPROVAL OF MINUTES

1A. [20-942](#) Approve Minutes of August 12, 2020

1B. [20-943](#) Approve Minutes of October 21, 2020

A motion was made by Committee Member Albin-Smith seconded by Chair Peters, that these Committee Minutes be approved for Council review. The motion carried by an unanimous vote.

#### 2. PUBLIC COMMENTS ON NON-AGENDA ITEMS

\* None

#### 3. CONDUCT OF BUSINESS

3A. [20-939](#) Receive Oral Presentation from CalMuni Advisors Regarding the City of Fort Bragg Pension Liability Assessment

There was an oral presentation from Dmitry Semenov from CalMuni Advisors and Cameron Weist from The Weist Law Firm on the City of Fort Bragg Pension Liability Assessment. Both firms act as fiduciaries for the City. This presentation starts the conversation for the City's long term financial challenges. As we prepare for the upcoming budget cycles and are still trying to understand how Covid-19 has impacted the local economy and the ever increasing cost of expenditures and pensions and with the reserves in decline it is now the time to bring options and solutions to these challenges. Mr. Semenov gave a comprehensive overview of how CalPERS functions and what steps can be done to make this pension liability more manageable and present some recommendations to the committee.

Public Comment:

\* None.

Discussion:

There was discussion about how to diversify strategies when there is a shortfall of revenues without adding a tax increase to local sales tax. In addition, to reach out to similar cities that have prepared a plan similar to the one they are presenting today.

Recommendation:

After lengthy discussion, the Committee agreed to bring this item forward to the full City Council and City Attorney for discussion and direction.

**3B. [20-940](#)** Receive Report on Fiscal Year 2019/20 Year End Results

The Committee reviewed the report prepared for this item. The committee report was presented by Senior Government Accountant II Whippy who reported on the FY 2019-2020 Year end results. In this report he summarized the outcomes of the General Fund and the three Enterprise Funds.

Public Comment:

\* None.

There was discussion about:

- \* The Sales Tax did come back below expected but that was due to the Shelter in Place orders.
- \* The Transient Occupancy Tax (TOT) was reported to be higher than expected which is good news and all sectors were down except for construction.
- \* General Fund Expenditures were also down however, because of the furloughs and reduction in staff, these shortfalls were not as impactful. These proactive measures saved 839,000 in expenditures for the FY 19-20.
- \* Water Treatment Upgrades will come from the Water Capital Reserves.
- \* CV Starr continues to stay close due to the State Health Orders but with the closure there are reserves which will be used to keep up with maintenance of the facility

**3C. [20-945](#)** Receive Oral Update from Staff on Departmental Activities

Department Update:

Senior Government Accountant II Whippy reported on the following:

- \* Finalizing the State Audit and will be presenting the Comprehensive Annual Financial Report (CAFR) in January.
- \* Business Licenses renewals will be going out before the year and will include a survey.
- \* The City was awarded a CDBG Grant for a Code Enforcement Program and has applied for other awards but still awaiting those to be awarded.
- \* Tenant Base Rental Assistance program will continue through 12/31/2021.
- \* High School Student Abbi May is interning with the Finance Department.

- \* New Associate Planner Heather Gurewitz has started with the City.
- \* Finance Director and Police Capitan recruitment has been delayed to the new year.
- \* Human Resources Analyst Juli Mortensen attended the California Public Employers Labor Relations Association conference virtually

#### **4. MATTERS FROM COMMITTEE / STAFF**

- \* None

#### **ADJOURNMENT**

**Chair Peters adjourned the meeting at 5:09 PM.**