



City of Fort Bragg

416 N Franklin Street
Fort Bragg, CA 95437
Phone: (707) 961-2823
Fax: (707) 961-2802

Meeting Agenda Finance and Administration Committee

Wednesday, February 10, 2021

3:00 PM

Via Video Conference

Special Meeting

MEETING CALLED TO ORDER

ROLL CALL

DUE TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20 WHICH SUSPEND CERTAIN REQUIREMENTS OF THE BROWN ACT, AND THE ORDER OF THE HEALTH OFFICER OF THE COUNTY OF MENDOCINO TO SHELTER IN PLACE TO MINIMIZE THE SPREAD OF COVID-19, THE FINANCE AND ADMINISTRATION COMMITTEE AND STAFF WILL BE PARTICIPATING BY VIDEO CONFERENCE IN THE FINANCE AND ADMINISTRATION COMMITTEE MEETING OF WEDNESDAY, FEBRUARY 10, 2021.

In compliance with the Shelter-in-Place Orders of the County and State, The meeting will be live-streamed on the City's website at <https://city.fortbragg.com/> and on Channel 3. Public Comment regarding matters on the agenda may be made in any of the following ways: (1) By joining the Zoom video conference, (2) Through the City's online eComment agenda feature, (3) Emailed to Administrative Assistant Cristal Munoz, cmunoz@fortbragg.com, or (4) Written comments delivered through the drop-box for utility payments to the right of the front door at City Hall, 416 N. Franklin Street.

We appreciate your patience and willingness to protect the health and wellness of our community and staff. If you have any questions regarding this meeting, please contact Administrative Assistant Cristal Munoz, cmunoz@fortbragg.com, 707-964-2823 ext. 100.

ZOOM WEBINAR INVITATION

Please click the link below to join the webinar:

<https://zoom.us/j/91436052168>

TO SPEAK DURING PUBLIC COMMENT PORTIONS OF THE AGENDA VIA ZOOM, PLEASE JOIN THE MEETING AND USE THE RAISE HAND FEATURE WHEN IT IS TIME FOR PUBLIC COMMENT.

1. APPROVAL OF MINUTES

- 1A. [21-031](#) Approve Minutes of December 3, 2020

Attachments: [FACM20201203](#)

2. PUBLIC COMMENTS ON NON-AGENDA ITEMS

3. CONDUCT OF BUSINESS

- 3A. [21-050](#) Presentation and Proposal from GovInvest for Pension Actuarial Services

Attachments: [GovInvest Presentation](#)
[Att. 1 - GovInvest Proposal](#)
[Att. 2 - Pension Liability Assessment](#)

- 3B. [21-052](#) Receive Year-End Report and Budget Reconciliation for FY 2019-20 Asset Forfeiture Fund Expenditures

Attachments: [FY19-20 Asset Forfeiture Annual Report](#)
[FY19-20 Asset Forfeiture Summary Report](#)

- 3C. [21-054](#) Receive Fiscal Year 2020-21 First Quarter Financial Report.

Attachments: [Q1 Financial Results Staff Report](#)
[Q1 FY 2020-21](#)

- 3D. [21-055](#) Receive Oral Update from Staff on Departmental Activities

4. MATTERS FROM COMMITTEE / STAFF

ADJOURNMENT

STATE OF CALIFORNIA)
)ss.

COUNTY OF MENDOCINO)

I declare, under penalty of perjury, that I am employed by the City of Fort Bragg and that I caused this agenda to be posted in the City Hall notice case on February 8, 2021.

Cristal Munoz, Administrative Assistant

NOTICE TO THE PUBLIC

**DISTRIBUTION OF ADDITIONAL INFORMATION FOLLOWING AGENDA PACKET
DISTRIBUTION:**

- *Materials related to an item on this Agenda submitted to the Council/District/Agency after distribution of the agenda packet are available for public inspection in the lobby of City Hall at 416 N. Franklin Street during normal business hours.*
- *Such documents are also available on the City of Fort Bragg's website at <http://city.fortbragg.com> subject to staff's ability to post the documents before the meeting*

ADA NOTICE AND HEARING IMPAIRED PROVISIONS:

It is the policy of the City of Fort Bragg to offer its public programs, services and meetings in a manner that is readily accessible to everyone, including those with disabilities. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities.

If you need assistance to ensure your full participation, please contact the City Clerk at (707) 961-2823. Notification 48 hours in advance of any need for assistance will enable the City to make reasonable arrangements to ensure accessibility.

This notice is in compliance with the Americans with Disabilities Act (28 CFR, 35.102-35.104 ADA Title II).



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Text File

File Number: 21-031

Agenda Date: 2/10/2021

Version: 1

Status: Consent Agenda

In Control: Finance and Administration Committee

File Type: Committee Minutes

Agenda Number: 1A.

Approve Minutes of December 3, 2020



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Meeting Minutes Finance and Administration Committee

Thursday, December 3, 2020

3:00 PM

Town Hall, 363 N. Main Street

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.



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Text File

File Number: 21-050

Agenda Date: 2/10/2021

Version: 1

Status: Business

In Control: Finance and Administration Committee

File Type: Staff Report

Agenda Number: 3A.

Presentation and Proposal from GovInvest for Pension Actuarial Services



CITY OF FORT BRAGG

416 N. FRANKLIN, FORT BRAGG, CA 95437
PHONE 707/961-2823 FAX 707/961-2802

COUNCIL COMMITTEE ITEM SUMMARY REPORT

MEETING DATE: FEBRUARY 10, 2021
TO: FINANCE AND ADMINISTRATION COMMITTEE
FROM: TABATHA MILLER, CITY MANAGER
AGENDA ITEM TITLE: Presentation and Proposal from GovInvest for Pension Actuarial Services

BACKGROUND AND OVERVIEW:

On January 20, 2021, the Finance and Administration Committee received a presentation from CalMuni Advisors and The Weist Law Firm assessing the City's Pension Liability. Two key issues raised during that presentation were the need for the City to develop a pension strategy and that a pension strategy was not a one-time project or fix and would require ongoing active management and regular updating.

CalMuni Advisors provide financial advisory, consulting and issuer compliance services. The focus of their services is on financial solutions involving new and refunding debt. If the City determines that issuing some version of Pension Obligation Bonds is part of its pension strategy, their firm or another financial advisor will likely play a crucial role in the City's solution. Similarly, the Weist Law Firm provides legal services associated with debt issuance.

GovInvest is a cloud-based software product which includes actuarial valuations, funding reports, accounting valuations and actuarial consulting. An important aspect of a pension strategy, which includes a viable pension funding policy is to understand the pension and other post-employment benefits (OPEB) liabilities. A key aspect of understanding the liability is understanding how the estimated pension liability is calculated, what factors impact the actuarial estimates and the actual impact of those factors when they change. Modeling and running scenarios in real time would provide the City the information needed. GovInvest provides services that are complimentary to, not a replacement for a financial advisor or bond counsel.

Currently, we use the annual actuarial reports that are provided by CalPERS to evaluate the City's unfunded pension liability. These static reports provide the actuarial estimates for the next fiscal year but are dated as of one year prior. For example, the reports issued [July 2020 contain the valuation report as of June 30, 2019.](#) The report provides the annual amortization for each plan of the City's five plans for the next fiscal

year 2021-22 and projected results for 2022-23. The current July 2020 report does not account for the fact that the investment rate of return for FY 2019-20 was only 4.7%, which is well below the target rate of return of 7%. Without more complex tools, it is impossible to have access to reliable current information on how changes in the CalPERS investment rate will impact the City's unfunded liability. GovInvest would allow the City run custom scenarios that could take into account investment returns that were both above and below the targeted rate. In turn, the City could make decisions and adjust funding strategies based on real time information.

The City's pension liability is an accumulation of pension obligations from five pension plans, which are in turn tied to individual employees who have worked for the City, continue to work for the City or will be hired in the future. GovInvest would allow staff to take a look at individual hiring decisions and would allow the City to better understand and control the City's liabilities going forward. Another challenge that the City has faced is how to allocate the pension liabilities between funds. While the two public safety plans are clearly related to the general fund obligations, the other miscellaneous funds are comprised of liabilities associated with employees who may have worked primarily for enterprise funds. Without access to the individual actuarial calculations, this is an exercise in estimating and has likely led to over or under allocating these liabilities and expenses between the various funds.

RECOMMENDATION:

Staff is requesting that the Finance Admin Committee participate in the GovInvest presentation and demonstration and make a recommendation to the City Council during the mid-term budget meetings regarding funding for an annual subscription to GovInvest.

ATTACHMENTS:

1. GovInvest Proposal for Actuarial Services and Technology, January 22, 2021
2. CalMuni Pension Liability Assessment, December 3, 2020



GovInvest
Insights to your financial future

Proposal for Actuarial Services and Technology

**TRANSPARENT SOLUTIONS FOR PENSION
INFORMATION:**

Prepared By:
Jessica O'Shea
Account Executive
Date: January 22, 2021

GovInvest Inc.
3625 Del Amo Blvd., Suite 200
Torrance, CA 90503

Date: January 22, 2021

Tabatha Miller, City Manager
City of Fort Bragg, CA
416 North Franklin Street
Fort Bragg, CA. 95437

Dear Tabatha,

Thank you for reviewing this proposal. We are submitting this letter to summarize the actuarial consulting and technology services for the City of Fort Bragg. Through innovative solutions, the efficient use of technology, and a focus on quality, we are an outstanding choice for actuarial consulting services for the City.

We designed our software and tailor our services for potential clients like you. You are empowered to better understand your liabilities and costs and our solutions help you manage those costs into the future. We are continuously updating our software and services based on the changing public pension environment and the evolving needs and concerns of our clients.

One of our consulting actuaries will be assigned to your project. The firms we use have years of experience, meet all certification requirements, and have extensive experience in the defined benefit actuarial field.

The following sections include: GovInvest's Company Overview, Scope of Services, Implementation, Added Value, and Terms.

We look forward to the opportunity of working with you. Sincerely,

Ted Price
CEO, Co-Founder

GovInvest Community

COMPANY OVERVIEW

Since 2014, GovInvest has brought together leading actuaries, engineers, and designers to build innovative technological solutions to empower government agencies to better navigate the complexities of actuarial analysis. Our solution suite consists of our cloud-based software, actuarial valuations, funding reports, accounting valuations, and actuarial consulting.

When Co-founders Jasmine Nachtigall-Fournier and Ted Price saw the actuarial valuation reports that agencies depended on to make key decisions about funding their future employee benefits, they realized how complicated, outdated, and obsolete the reports could be, and set out to build the Total Liability Calculator, a cloud-based software platform that provides our clients with real-time information, instant actuarial and financial analysis, and insights into how to pay down unfunded liabilities. By facilitating easy communication of complex information to decision-makers and stakeholders, our firm has effectively increased efficiency and education towards transparent solutions.



"It was extremely helpful to have access to an actuary as an additional resource through GovInvest"

- Finance Manager, Lake Arrowhead CSD



"GovInvest was such a great help to the District during our MOU negotiations with the employee groups"

- Director of Administrative Service, Marina Coast Water District



"The software is very user friendly, and staff is very helpful in assisting with questions and helping to better understand the software data"

- Deputy City Manager, Brisbane

"GovInvest has been amazing to work with. Not only is the customer service unparalleled, the product is highly relevant to the issues facing local governments with an intuitive and appealing interface, at a very reasonable price."

Elishia Hayes
Deputy Chief Administrative Officer
Humboldt County

GovInvest's customer success team, engineers, retirement experts, and actuarial consultants are with your agency every step of the way to provide the best advice using instant analysis when you want it and quality certified reports when required. This is a relationship that no other company can offer.

There are several qualities that differentiate our approach from other actuarial firms. These are:

- **Experience:** We have more depth and experience than most other independent firms. We're large enough to respond to client requests in a timely manner.
- **Knowledge Leadership:** We've built our firm on knowledge leadership and leveraging this information for our clients' benefit.
- **Actionable Insight:** Our consultants excel at communicating complex topics so that our clients can make informed decisions.

We believe that all agencies, regardless of size, must address similar issues:

- Understanding the extent of current pension and OPEB liabilities;
- Developing strategies to control costs and prudently fund benefits;
and
- Clearly communicating costs and strategies to stakeholders.

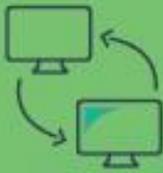
Services included with purchase of Software



UNLIMITED LOGINS



CONSULTATIVE PLANNING SESSIONS



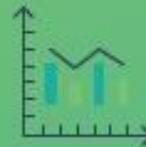
CUSTOM TRAINING USING SCREEN SHARES



PRESENTATION REVIEW



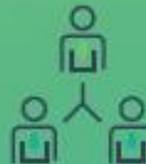
PERIODIC UPDATES (GASB & CALPERS)



REPORT READING AND PREPARATION



ON-SITE TRAINING FOR ACTUARIAL CONCEPTS AND ANALYSIS



ACCESS TO USER GROUP MEETINGS



ACCESS TO TEAM OF RETIREMENT PLAN EXPERTS



ACCESS TO NEW FEATURES



REVIEW OF FUNDING METHODOLOGIES AND TRENDS



DEDICATED SUPPORT

GOVINVEST TIMELINE

SOFTWARE IMPLEMENTATION



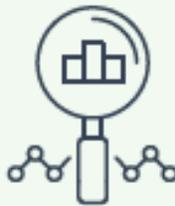
INFORMATION COLLECTION

- GovInvest will work with you during the information collection process
- Most data requests can be fulfilled using your myCalPERS portal



ONBOARDING

- Once we receive the requested information, our actuaries create a sophisticated model that projects your agencies liabilities and costs



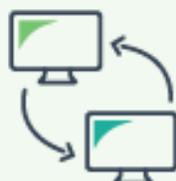
TESTING

- Stress test results and output
- Confirm module specification with client



DELIVERY

- Agency custom dashboard goes live
- Deliver logins to client
- Schedule one-on-one walk-through of customized software



UPDATES, SUPPORT AND WEBINARS

(Included with no additional fee)

- Monthly webinars with industry professionals
- Hands on personal support
- Continuous feature and data updates

GOVINVEST TIMELINE

ANNUAL GASB REPORTING

VALUATION PROCESS



- Request data from client
- Review data
- Discuss any data issues with the client

PROCESSING



- Delivery of substantive data plan
- Claims cost, census finalized
- Code information to perform valuation

PLANNING



- Analyze data and choose appropriate assumptions.
- GovInvest partners with actuarial firms to provide an accurate and timely report

VALUATION REVIEW



- Submit a draft report for review
- Delivery of final draft
- Actuary available to discuss results

OPTIONAL ITEMS

(Additional fee TBD)



- One-on-one meeting at client's office to discuss software or report findings
- In person presentation by an actuary or public pension expert

Bring Your Pension, OPEB and Workforce Cost Analysis to Life with Real-Time Data



PENSION & OPEB

- Project, measure and visualize employer retirement liabilities and costs.
- Adjust discount rate, investment return, amortization methods, impact on 115 Trusts, and more.



LABOR NEGOTIATIONS

- Project retirement costs on proposals, analyze bargaining units, and measure changes in workforce.
- Salary increases, benefit costs, special pays, demographic analysis, and budget accounting.



CONSULTING & REPORTS

- All reports certified by Actuaries with more than 30 years of experience
- GASB valuation reports, actuarial funding reports, and budget studies.



SUPPORT & DEVELOPMENT

- Regular Webinars
- Unlimited Individual Training
 - Annual Data Updates
 - Presentation Support

COMPLEX ANALYSIS SIMPLIFIED FOR ANY AGENCY.

REINVENTING PENSION ANALYSIS

Complicated pension information simplified into an interactive and visual software platform that allows you to do what-if analysis



TEST FUNDING STRATEGIES IN REAL-TIME



OPTIMIZE BARGAINING DECISIONS



PENSION

- Sensitivity Analysis
 - Amortization Analysis
 - CalPERS Fresh Start
 - Additional Employee & Employer Contributions
 - Workforce Reduction Methods
 - Section 115 Trust
 - Salary/ COLA adjustments
- Data Visualization in Interactive Graphical Format
 - Additional Employee/ Employer contributions
 - Analyze impact on
 - Normal Cost
 - UAL
 - Funded Status



ALL GOVINVEST PRODUCTS



TRANSPARENT VISUALS AND ANALYTICS



HANDS ON SUPPORT

- Intuitive Graphs
 - Complex Data Simplified (ex. Unfunded Actuarial Liability)
 - Visualize Comparisons
 - Presentation Using our Graphs
 - Sharable Scenarios
- Individual Training
 - Monthly Webinars
 - Expert Actuarial Support
 - Presentation Development
 - Strategic Planning

Pricing

Quoted for:
 Active Members
 Total Members
 Services
 Term

City of Fort Bragg, CA
 57
 178

Use of the Pension Module of the Total Liability Calculator
 Up to Three-Years from Agreement Effective Date

PENSION MODULE (All Services Included)	
Annual Fee: Market Rate (+CPI 3%)	\$6,000
Implementation Fee: One Time	\$2,500
DISCOUNTED OPTIONS (One Time Fee)	
<input type="checkbox"/> 2-3 Year Contract (Paid Annually)	\$1,500
<input type="checkbox"/> 2-3 Year Contract (Paid Upfront) (CPI Increase waived on Annual Fee)	Waived

GOVINVEST POINTS OF CONTACT

Your GovInvest subscription includes your very own dedicated team:



Account Management Team for contracts and new modules

Jessica@govinvest.com



Product Team for data updates and software enhancements

Product@govinvest.com

Actuary@govinvest.com



Support Team for technical support

Max@govinvest.com

TECHNICAL SUPPORT

We will provide Technical Support to you via both telephone and electronic mail on weekdays during the hours of **9:00 a.m. through 5:00 p.m. Pacific Standard Time**, with the exclusion of Federal Holidays (“Support Hours”).

You may initiate a help desk ticket during Support Hours by calling **310-371-7106** or any time by emailing support@govinvest.com. We typically respond to all help desk tickets within one (1) business day.



GovInvest
Insights to your financial future

3625 Del Amo Blvd, Suite 200
Torrance, CA 90503

310-371-7106

support@govinvest.com www.govinvest.com



City of Fort Bragg

Pension Liability Assessment

DECEMBER 3, 2020





06/30/2019 Pension Funding Status

Description	Misc	Safety - Police	Safety - Fire	PEPRA Misc	PEPRA Police	Combined
Total Accrued Liability	\$20,558,134	\$16,231,807	\$273,759	\$753,045	\$409,874	\$38,226,619
Market Value of Assets	\$15,101,327	\$11,133,356	\$170,564	\$688,927	\$365,109	\$27,459,283
Unfunded Actuarial Liability (UAL)	\$5,456,807	\$5,098,451	\$103,195	\$64,118	\$44,765	\$10,767,336
% Funded	73.5%	68.6%	62.3%	91.5%	89.1%	71.8%

Source: CalPERS Actuarial Valuation as of June 30, 2019

Definitions:

- Total Accrued Liability = What You Need
- Market Value of Assets = What You Have
- Unfunded Actuarial Liability = What You Owe

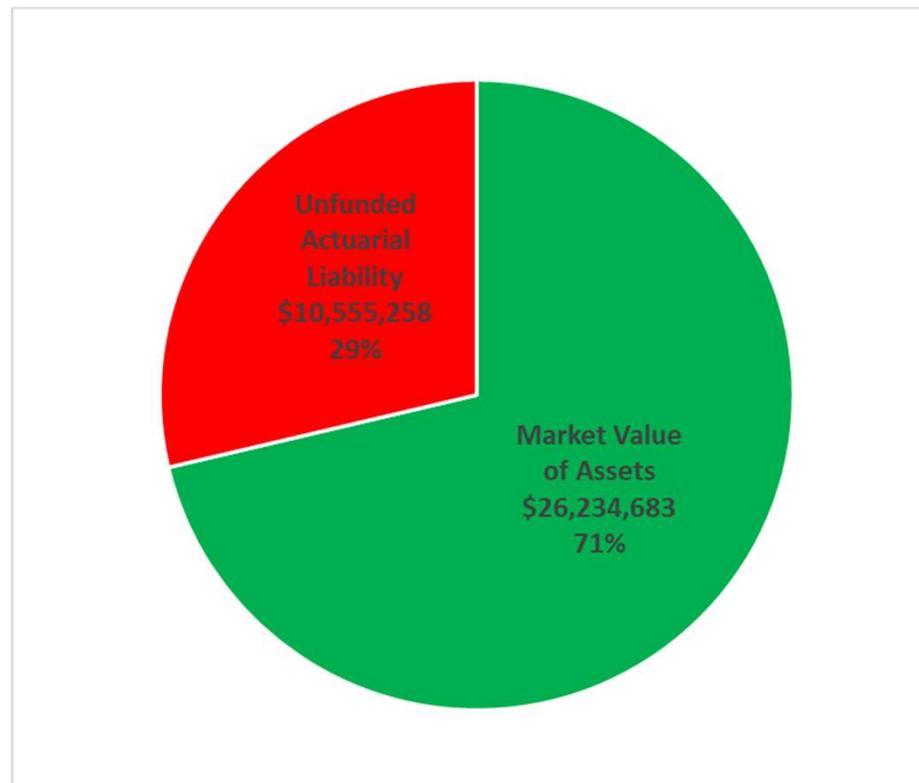
Five Pension Plans:

- Classic: Miscellaneous, Police, Fire
- PEPRA: Miscellaneous and Police

CLASSIC MISC and POLICE represent largest savings opportunity



06/30/2019 Pension Funding Status



- Total Pension Obligations = \$36.8M
- Pension Assets = \$26.2M
- Shortfall = \$10.6M (29% of what is needed)

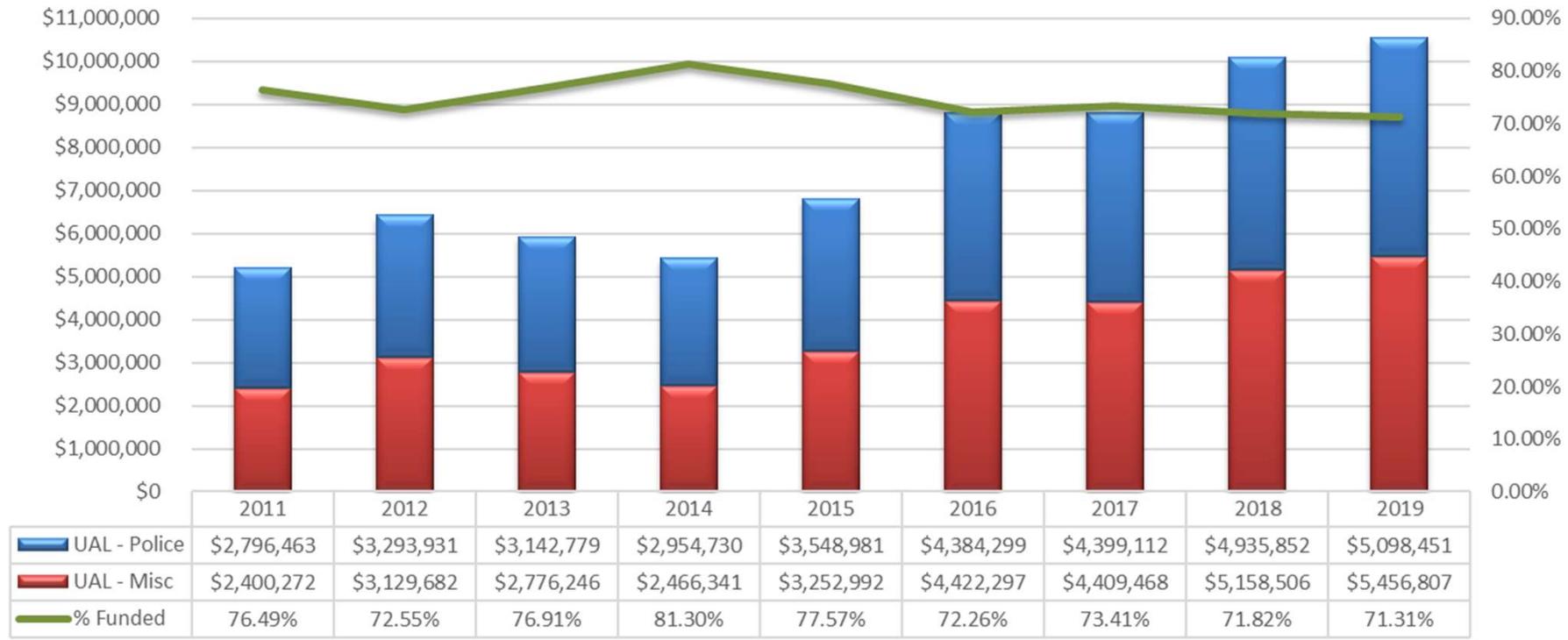
Shortfall (UAL) = DEBT:

- Owed to CalPERS
- Amortizes over time (20-30 years)
- Accrues interest at 7% interest rate (\$8.2M total)
- Reduced or delayed payments not allowed
- City's most expensive debt
- No prepayment restrictions or penalties



Pension Funding History

Unfunded Actuarial Liability & Funding Level



9 years later:

- Owe \$5.4M more
- Funded level 5.2% lower



Pension Costs - Overview

Pension Costs as % of Salaries

Category	Classic Misc	PEPRA Misc	Classic Safety	PEPRA Safety
Normal Cost - Employee	6.9%	7.3%	9.0%	13.0%
Normal Cost - City	11.1%	7.7%	18.2%	13.1%
UAL Payment - City	26.9%	0.9%	54.0%	1.5%
Total	44.9%	15.9%	81.1%	27.6%

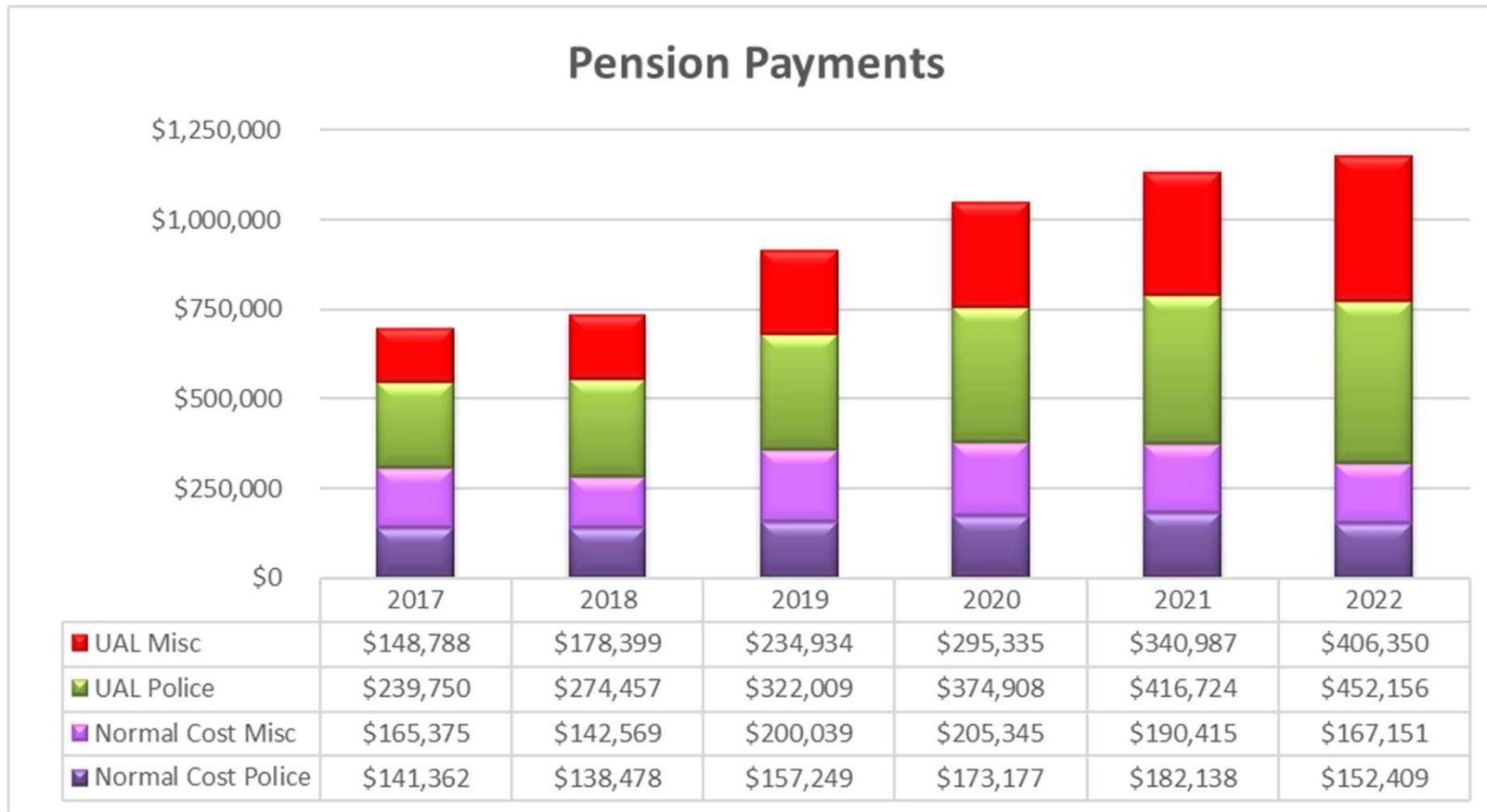
City makes two types of payments to CalPERS:

- **Normal Cost (split between City and employees):**
 - Annual cost of pension benefits for current employees
 - % of payroll
- **UAL Payment**
 - Repayment of pension funding shortfall
 - Fixed dollar amount

CalPERS charges **7%** interest rate on UAL (included in UAL Payment)



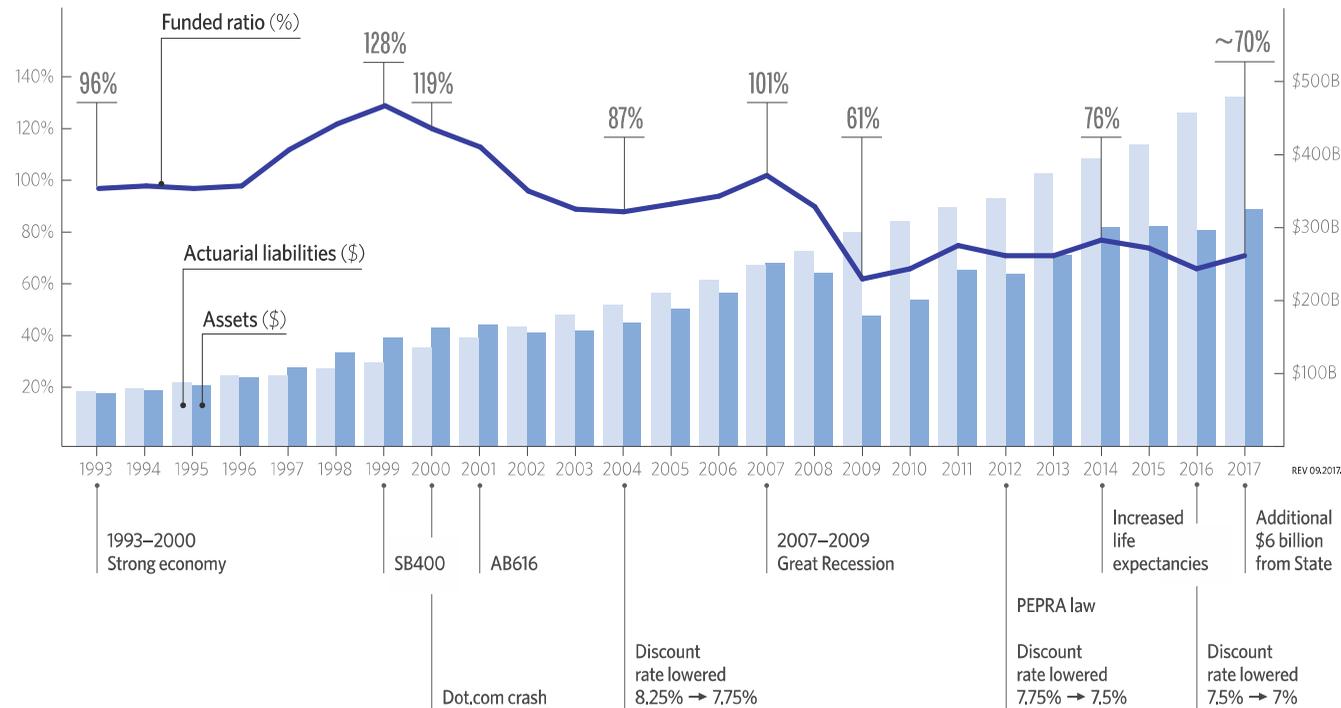
Pension Payments



Annual Pension Payments Increase:
\$483K in 6 years (69%)



CalPERS History Lesson



1999 – CalPERS 128% funded (“Super Funded” Status)

2000 – SB 400 / AB 616 increased benefits retroactively

2000-02 – dot.com investment losses:

- 2000-01: -7.2%
- 2001-02: -6.1%

Loss of “Super Funded” Status

2008-09 – The Great Recession:

- Investment Loss: - 27% (\$67 Bn)
- Full impact: - 34.75% (27% + 7.75% discount rate)
- CalPERS 61% funded

2012 – PEPRA reduced benefits for new employees

2020 – CalPERS is 71% funded



Pension Cost Increase Drivers

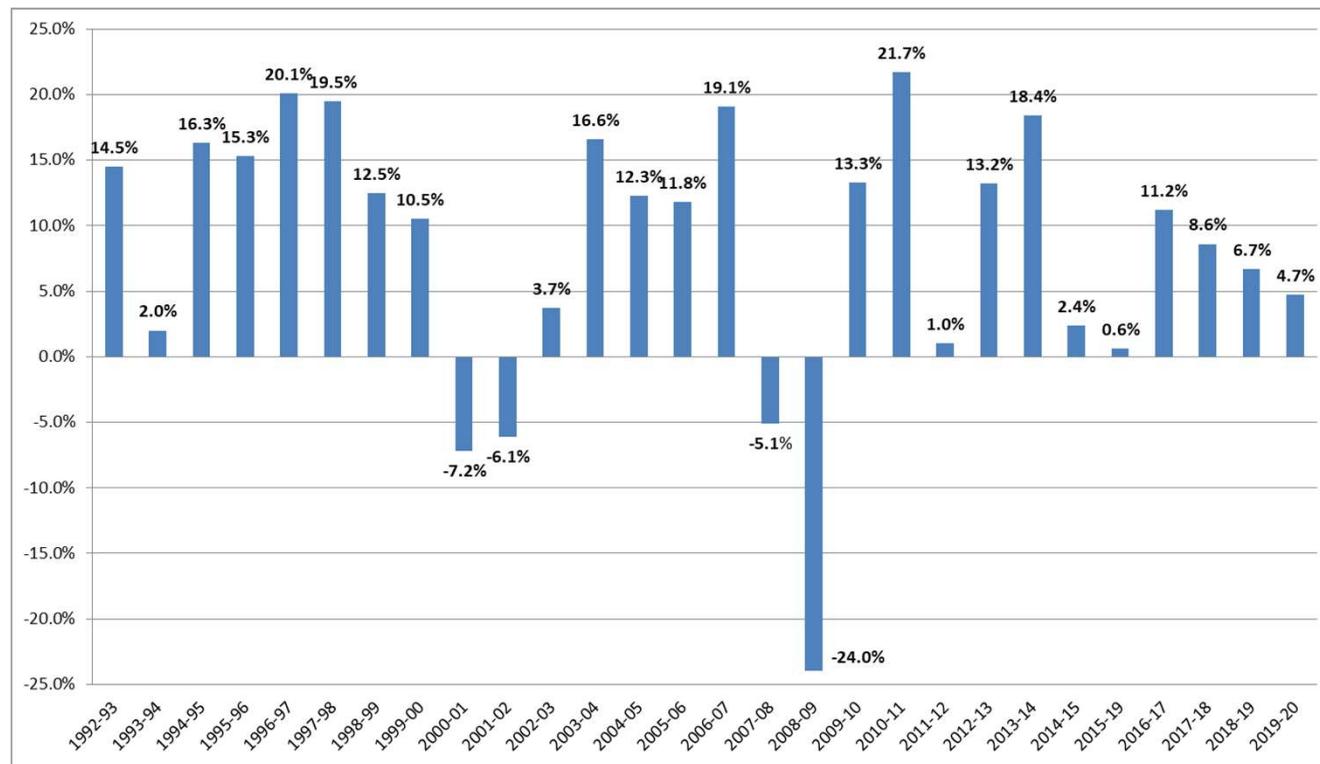
- Enhanced Pension Benefits (SB 400 / AB 616)
- Investment Performance vs Overly Optimistic Return Expectations
- People Living and Drawing Pensions Longer
- Fewer Active Workers for Each Retiree
- CalPERS Assumption Changes
 - Discount rate reduction
 - Actuarial Amortization Policy
 - Mortality rates
- Compensation Increases Above Plan Assumptions (2.75% per year)



Investment Risk and Returns

CalPERS Historical Average Rates of Return through 2019-20:

Past: 5 years – 6.3% 10 years – 8.5% 20 years – 5.5% 30 years – 8.0%



2019: 58% of pension benefits funded by investment returns

CalPERS manages pension investments

City bears all investment risk

Failure by CalPERS to achieve target investment returns does not relieve City from pension benefit guarantees to employees and retirees

Lower returns => higher UAL and higher pension payments by City



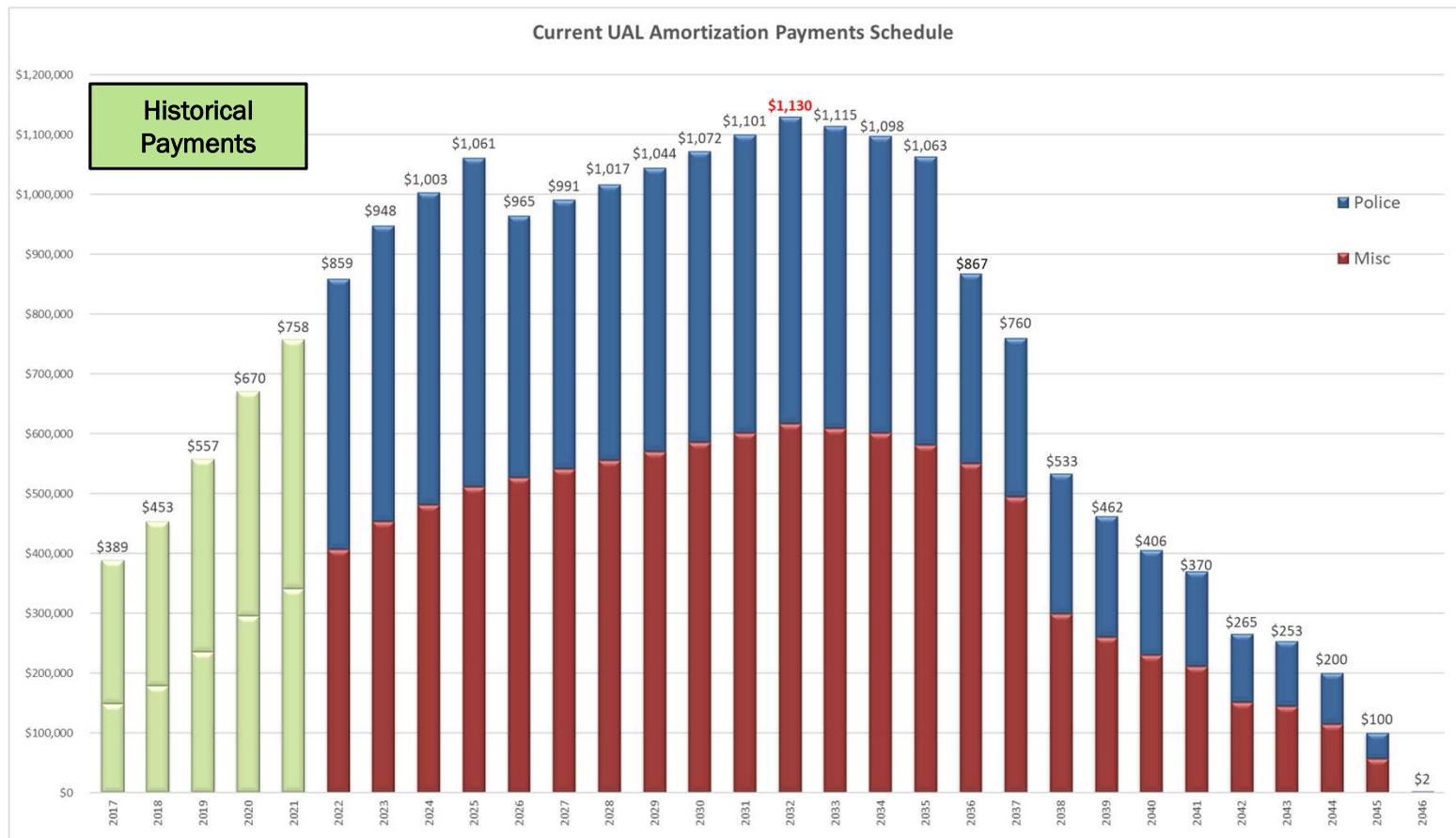
Future Trend Expectations

Lower overall return environment:

- CalPERS has been reducing discount rate / return expectations (8.75% in 1995 => 7.0% in 2019)
- CalPERS's 2020 return estimate is 4.7% (last updated 07/15/2020)
- Any return below 7% is a shortfall and leads to UAL increase
- 4.7% return is 2.3% funding shortfall (~\$604K UAL increase for Misc and Police)
- Conversations have started to further reduce discount rate to 6.50% (likely 5 years out)



Where Things Are



06/30/2019 Actuarial Valuation

UAL Payments Only

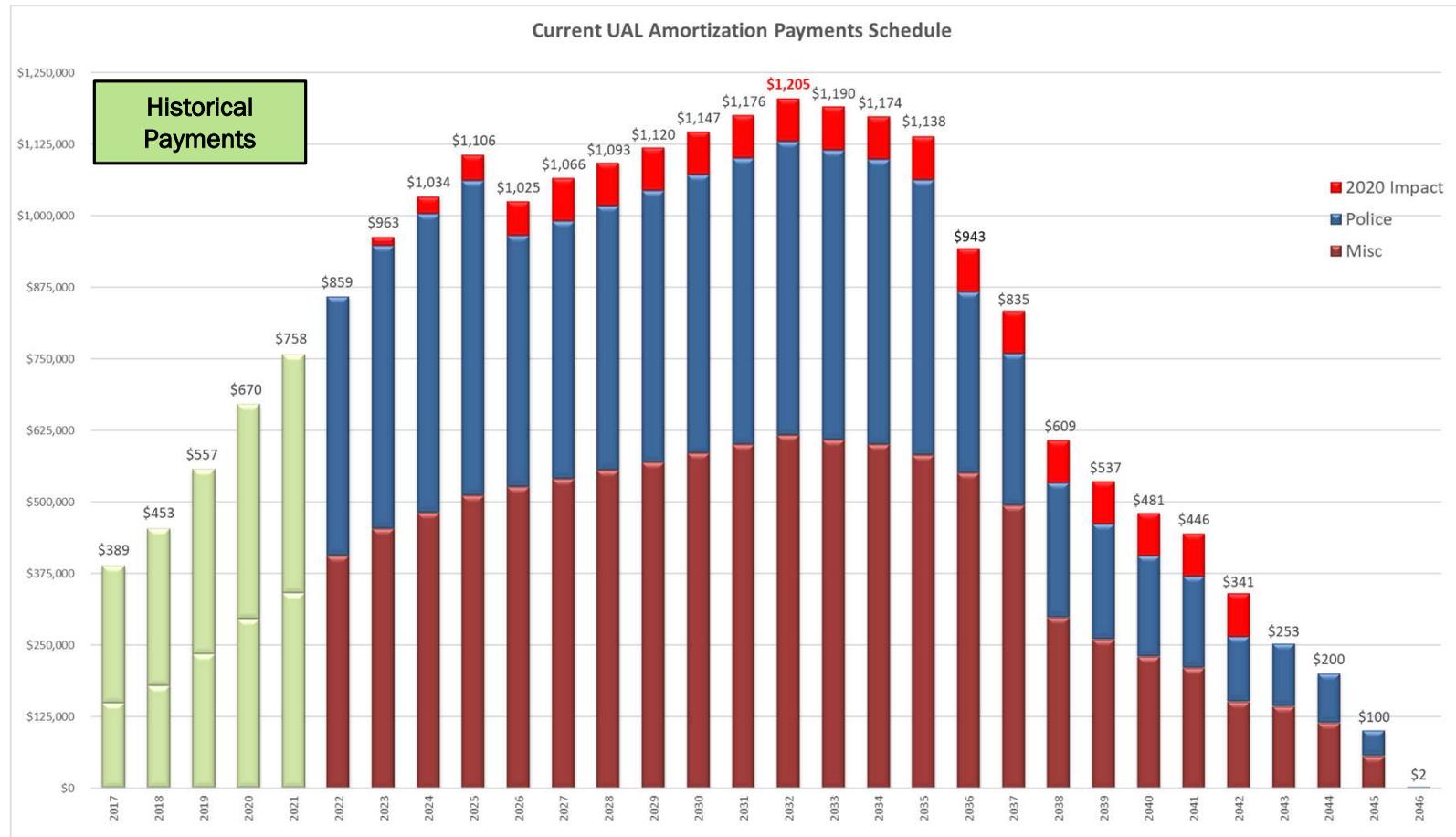
DOES NOT INCLUDE:

- Normal Cost:
 - 11.1%+ of salaries - Misc
 - 18.2%+ of salaries - Police
- 2020 COVID-19 impact

Total interest cost - \$8.2M



Adding 2020 Shortfall Impact



UAL Payments Only

Includes Estimated 2020 UAL Base Payments

DOES NOT INCLUDE:

- Normal Cost:
 - 11.1%+ of salaries - Misc
 - 18.2%+ of salaries - Police

Total interest cost - \$8.9M

(\$756K from 2020 UAL)



Pension Strategy Objectives

Pension costs cannot be viewed in a vacuum

Strategy must incorporate cash flow constraints, policy objectives, and current political dynamics

- Normal Cost - can only be reduced thru labor practices
- UAL Payments – can be reduced thru multiple strategies

Two approaches to pension cost management:

- Reduce annual payments – short-term cash flow management:
 - Extend UAL payments over longer term
 - Achieve interest cost savings comparing to 7% interest rate charged by CalPERS
- Reduce overall interest cost – long-term cost management:
 - Prepay or accelerate UAL payments



The Pension Toolbox

PAY DOWN

1. UAL Prepayment
 - a. Annual prepayment
 - b. From reserves, one-time revenues and fund surpluses
 - c. From savings of debt refundings
2. New Sources of Revenue

REFINANCE

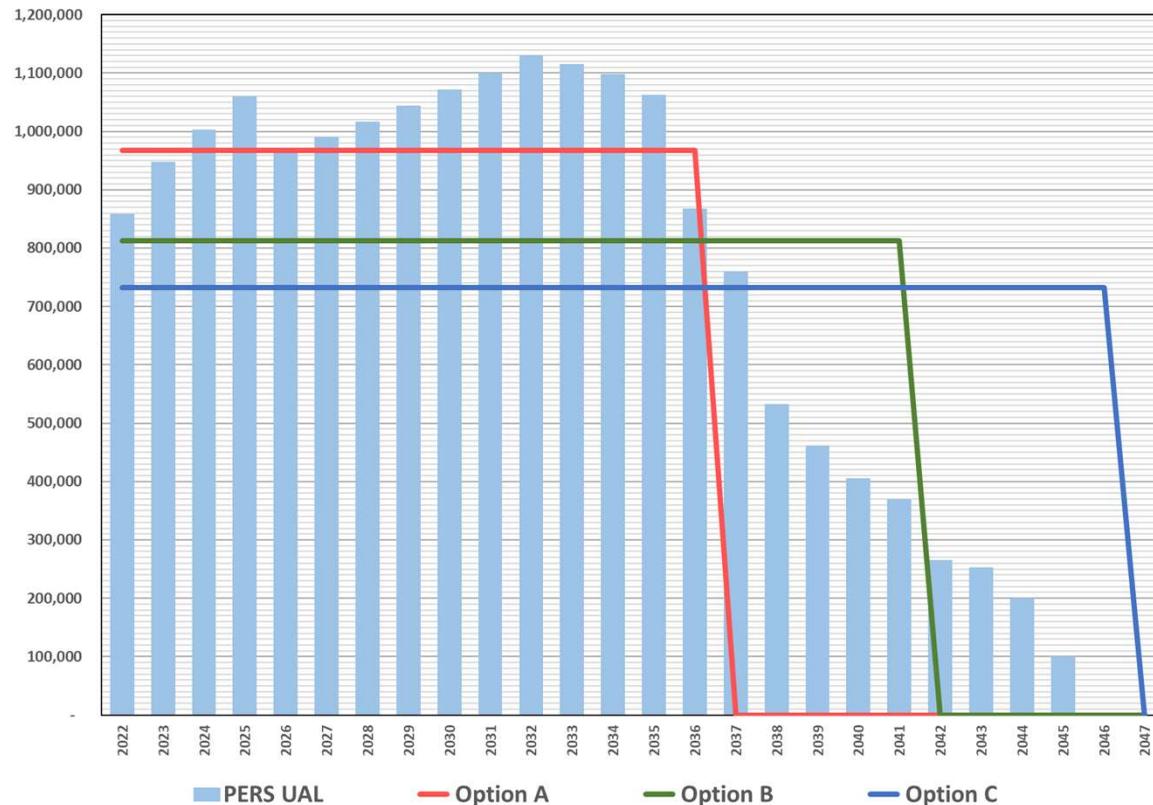
3. Intrafund Loans
4. Fresh Start / Informal Fresh Start
5. Capital Financing
6. Pension Obligation Bonds

OTHER

7. Labor Practices
8. Pension Rate Stabilization 115 Trust
9. Sale of non-essential assets / surplus properties to pay down UAL



Potential Refunding Options

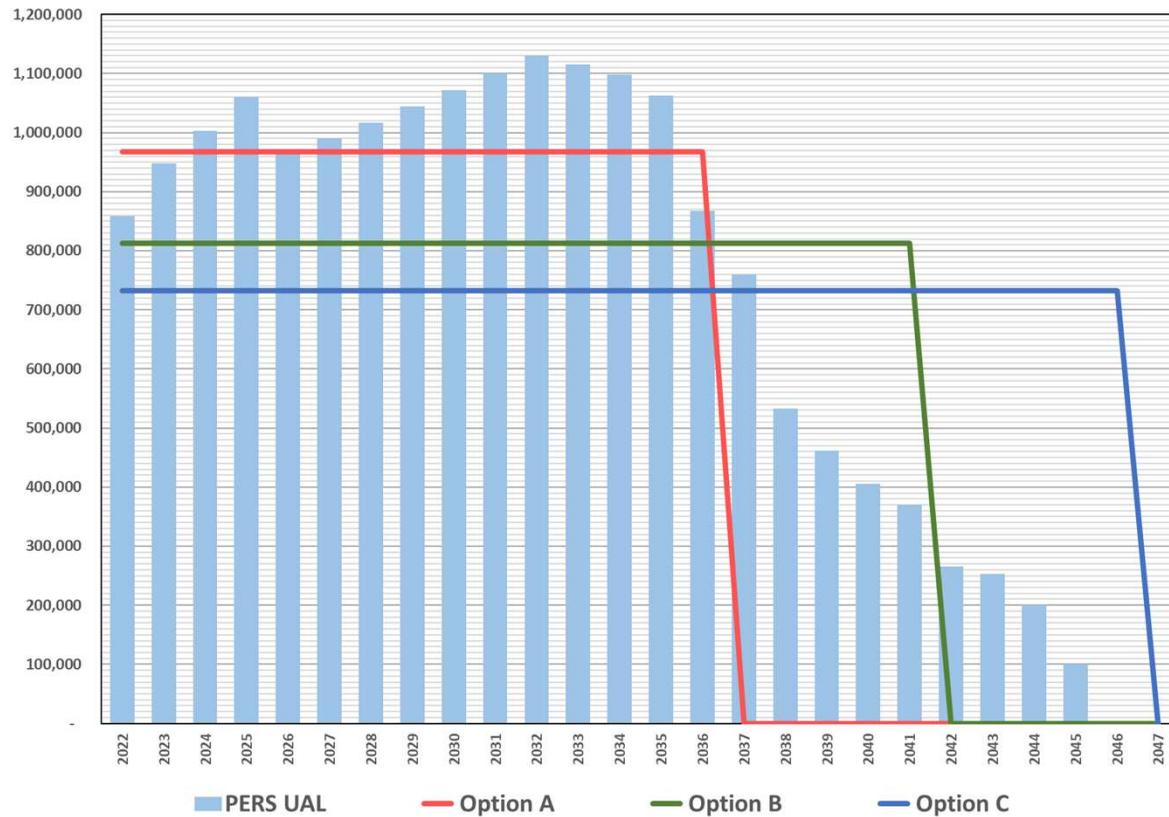


Option	Term	UAL Refunded		Annual UAL Cost Years 1-15 [1]		Cash Flow Savings [2]	Estimated Interest Rate [3]
		%	Amount	Min	Max		
Current CalPERS Schedule			\$10,508,160	\$859,000	\$1,130,000		
A	15 years	100%	\$10,508,160	\$967,000	\$967,000	\$4,176,000	4.25%
B	20 years	100%	\$10,508,160	\$813,000	\$813,000	\$2,424,000	4.50%
C	25 years	100%	\$10,508,160	\$732,000	\$732,000	\$378,000	4.75%

[1] Annual UAL Cost consists of semi-annual loan payments, payments on unrefunded bases, and includes amortization of costs of issuance (estimated at \$140,000 for public sale).
 [2] Savings are based on 7% CalPERS discount rate. PV savings depend on actual rate of return and may be different.
 [3] Interest rate estimate is based on current market rates. Actual rates may vary.



Potential Cash Flow Savings



Option	Term	% of UAL Refunded	Total Financing Cost [1]	Cash Flow Savings [2]			
				Years 1-10	Years 11-15	Years 15-25	Total
Current CalPERS Schedule			\$8,176,711				
A	15 years	100%	\$4,001,342	\$387,000	\$1,730,000	\$2,059,000	\$4,176,000
B	20 years	100%	\$5,752,593	\$1,929,000	\$875,000	(\$380,000)	\$2,424,000
C	25 years	100%	\$7,797,477	\$2,737,000	\$1,440,000	(\$3,799,000)	\$378,000

[1] Financing costs include interest and costs of issuance.

[2] Savings are based on 7% CalPERS discount rate. PV savings depend on actual rate of return and may be different.



Refunding Considerations – Benefits

- Enhanced budget predictability from new “flattened” repayment structure
- Estimated near-term cashflow savings from lower interest rates
- Present value (PV) savings achieved if CalPERS earns more than the refunding interest rate
- Increased “funded status” of City’s retirement plan
- Cash flow savings can be utilized to build up reserves, pay down future UAL increases, set up reserves for future OPEB costs, or any other legal purpose of the City
- Interest rates are presently at all-time lows



Refunding Considerations - Risks

- CalPERS Reinvestment Risk: CalPERS will have more money to invest
 - Same for any UAL prepayment
- PV Savings not guaranteed: CalPERS has to earn more than the refunding interest rate
 - Easier to achieve than earning CalPERS' own 7% discount rate
- Listed as “debt” on City’s financial statements
 - UAL is also shown as liability on financial statements
- For asset-secured structures, City’s owned assets may be required as collateral



Next Steps

- Identify City's Priorities
- Develop Appropriate Strategies
- Implement Time-Sensitive Strategies
- Adopt Comprehensive Pension Liability Management Plan
- Annual Reviews of Actuarial Valuation
- **There is no one-time fix!!!**



Finance Team Members and Responsibilities

- **California Municipal Advisors LLC – Independent Registered Municipal Advisor to City (Fiduciary)**
 - Assures City’s financial and policy interests are protected
 - Intermediary between Broker / Dealer or Placement Agent and City
 - Manages financial transaction details on behalf of City

- **The Weist Law Firm – City’s Bond Counsel (Fiduciary)**
 - Attorney to the City; assures City’s legal interests are protected
 - Prepares all legal documentation; assures bonds are “valid and legally binding obligations”



Questions?

Dmitry Semenov

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Cameron Weist

The Weist Law Firm

(831) 438-7900

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City of Fort Bragg

416 N Franklin Street
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Text File

File Number: 21-052

Agenda Date: 2/10/2021

Version: 1

Status: Business

In Control: Finance and Administration Committee

File Type: Staff Report

Agenda Number: 3B.

Receive Year-End Report and Budget Reconciliation for FY 2019-20 Asset Forfeiture Fund Expenditures



CITY OF FORT BRAGG

416 N. FRANKLIN, FORT BRAGG, CA 95437
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COUNCIL COMMITTEE ITEM SUMMARY REPORT

MEETING DATE: February 10, 2021
TO: Finance and Administration Committee
FROM: John E. Naulty, Chief of Police
AGENDA ITEM TITLE: **FY 2019-20 Year-End Report Regarding Asset Forfeiture Discretionary and Education Fund Expenditures**

ISSUE:

The Fort Bragg City Council has adopted the following Asset Forfeiture Expenditure policy:

Asset Forfeiture Discretionary Funds:

- Expenditures under \$5,000 may be decided by the Police Chief.
- Expenditures of between \$5,000 and \$10,000 will require approval of the City Manager; a purchase order shall be required per the City’s Administrative Regulation on Purchasing.
- Expenditures over \$10,000 will require approval of the City Council. The Asset Forfeiture budget shall 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.

Asset Forfeiture Education Funds:

- Expenditures will meet the mandated education and prevention guidelines.

Year-End Reporting:

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

This year-end report is provided in accordance with the above policy.

SUMMARY:

The Asset Forfeiture expenditures for FY 2019-20 were made in accordance with the established policy guidelines. Expenditures from the General Discretionary Account (Fund 167-4215) totaled \$14,626.01. Expenditures from the Law Enforcement Administrators Association (LEAA) Education Account (Fund 167-4216) totaled \$6,335.86. Expenditures from the Federal Justice Discretionary Account (Fund 167-4218) totaled \$2,128.51. There were no expenditures from the Federal Treasury Discretionary Account (Fund 167-4219). The attached reports provide a summary and line item expenditures for the past year and the remaining fund balances.

RECOMMENDATION:

Receive report, review, and file line item budgetary appropriations for FY2020-21.

Asset Forfeiture Expenditures Detail Summary

Fund	Dept	Account	Description	Amount
Professional Services				
167	4215	0319	Framing of Employee Photos for front lobby	726.09
167	4215	0319	Total	<u>726.09</u>
General Supplies				
167	4215	0375	Giveaway Key Chains	439.50
			Pens - Giveaway	154.05
			Pens - Giveaway	188.98
			Farewell Card	3.58
			Pens - Giveaway	340.09
167	4215	0375	Total	<u>1,126.20</u>
Small Tools & Equipment				
167	4215	0381	New Chairs for Police Dept. Lobby (6)	2,471.24
			Ballistic Helmets (6)	3,651.67
			Baseball Caps for employees	966.81
167	4215	0381	Total	<u>7,089.72</u>
Miscellaneous				
167	4215	0619	Covington Creek Veterinary	224.00
167	4215	0619	Total	<u>224.00</u>
Transfer to Other Funds				
167	4215	0309	K9 Officer Salary to General Fund - Q1	2,730.00
			K9 Officer Salary to General Fund - Q2	2,730.00
				<u>5,460.00</u>
4215 GRAND TOTAL (State General Funds)				<u>\$ 14,626.01</u>

General Supplies (Education \$\$)

167	4216	0375	Day in the Park - Raffle Prizes	195.36
			Day in the Park - Hot Dogs	22.53
			Day in the Park - Craft	338.91
			Day in the Park - Bottled water	72.66
			Day in the Park - Fruit	100.00
			Day in the Park - Hot Dogs	175.65
			Day in the Park - Mandarins	5.00
			Stickers and Plastic Badges for Giveaways	730.88
			National Night Out 2019 - Condiments	13.97
			Nimco Drug Brochures for Police Dept. lobby	971.59
			Day in the Park - Table coverings	7.62
			Drawstring Backpacks for Giveaways	258.69
			PAL Halloween Party supplies - bags	56.60
			PAL Halloween Party supplies	152.16
			PAL Christmas Party - supplies	144.41
			PAL Christmas Party - supplies	178.23
			National Neighborhood Watch decals	174.43
			Credit	(48.22)
167	4216	0375	Total	<u>3,550.47</u>

Asset Forfeiture Expenditures Detail Summary 2019 ~ 2020

Small Tools & Equipment (Education \$\$)

167	4216	0381	Set up for Baseball Caps	85.39
167	4216	0381	Total	85.39

Miscellaneous (Education \$\$)

167	4216	0619	North Coast Opportunites	500.00
			Wall Street residents - assistance with Halloween candy	200.00
			Fort Bragg High School - Safe and Sober	500.00
			Police Activities League	1,500.00
167	4216	0619	Total	2,700.00

4216 GRAND TOTAL (State Education Funds)	\$ 6,335.86
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Small Tools and Equipment (Justice \$\$)

167	4218	0381	Trauma Plates (17)	2128.51
167	4218	0381	Total	\$ 2,128.51

4218 GRAND TOTAL (Justice Funds)	\$ 2,128.51
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City of Fort Bragg

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Text File

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File Type: Staff Report

Agenda Number: 3C.

Receive Fiscal Year 2020-21 First Quarter Financial Report.



CITY OF FORT BRAGG

416 N. FRANKLIN, FORT BRAGG, CA 95437
PHONE 707/961-2823 FAX 707/961-2802

FINANCE AND ADMINISTRATION COMMITTEE ITEM SUMMARY REPORT

MEETING DATE: February 10, 2021
TO: Finance and Administration Committee
AGENDA ITEM TITLE: **RECEIVE THE FISCAL YEAR 2020-21 FIRST QUARTER FINANCIAL REPORT**

BACKGROUND AND OVERVIEW:

The Municipal Code and fiscal policies of the City of Fort Bragg require periodic financial status reports. Senior Government Accountant, Isaac Whippy, will present the FY 2020-21 First Quarter Financial Report.

RECOMMENDATION:

Accept report.

ALTERNATIVES:

Request additional information related to the report.

ATTACHMENTS:

1. FY 2020-21 First Quarter Financial Report.



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REPORT OVERVIEW

This report summarizes the City's financial performance for the first quarter of the Fiscal Year 2020-21 ending September 30, 2020. This report's financial analysis is provided for the General Fund and the Water and Wastewater Enterprise Fund on a modified accrual basis. This report is not an audited financial statement, and no data on revenues and expenditures are final until the City has completed its annual audit and finalized its Comprehensive Annual Financial Report (CAFR).

GENERAL FUND

The General Fund is the general operating fund for the City and includes direct programs, activities, and services to the citizens of Fort Bragg.

GENERAL FUND REVENUES

The original adopted revenue budget for the General Fund was \$7.9 million. Since then, Staff has updated the Budget during the year as actuals, and updates on the impacts of COVID-19 on our local economy are known. The amended budget is \$8.5 million.

Summary of FY 2020/21 Q1 General Fund Operating Results table with columns: Original Budget FY 20/21, FY 20/21 Amended Budget, Quarterly Budget, Q1 Actual Results, Variance vs. Quarterly Budget, % of Total Budget. Rows include various revenue categories like Transient Occupancy Taxes, Sales Taxes, Property Taxes, etc., and a Total Revenue row.

For the quarter ended September 30, 2020, General Fund operating revenues totaled \$2.4 million, beating quarterly budget projections by \$271,607 or 28 percent.

- Transient Occupancy Tax (TOT) accounts for 29 percent of the total General Fund's revenue. During the last quarter of FY 19/20, this revenue category was hit hard by COVID-19 restrictions and ended the fiscal year falling short of budget projections by \$660k. In the first-quarter, TOT rebounded and was 43 percent or \$425k above budget estimates and set a record for the highest quarterly collections. First-quarter TOT collections are approximately 35% of the annual budget. Receipts, however, are seasonal and tend to be the highest in the first and last quarter of each fiscal year, primarily due to higher occupancy levels and room rates
Sales Tax Over the last five years, sales tax growth has shown a modest 2-3 percent growth trend. Quarter-one results were \$129k over the quarterly budget or 33 percent of the total budget. Compared to the same period last year, Sales Tax recorded a 10 percent increase. Construction, which includes home improvements stores, was up 11 percent. Deliveries and internet sales recorded a 52 percent increase and are responsible for positive growth in sales tax. Conversely, food products, which include restaurants and grocery stores, were down 5 percent. Transportation was also down by 14 percent, including new and used automobile sales, auto parts, and gas stations.



- **Property Taxes:** Property tax receipts are received in lump sums in December, April, and July rather than evenly throughout the year. Therefore actuals for the first quarter are at 0 percent due to timing.
- **Other taxes** include Franchise Fees and Business License Tax. Actuals totaled \$163k, \$25k short of quarterly Budget estimates. Revenues from Cable television franchise fees have been slowly declining as more customers move to satellite and internet-based services. Business License Tax collected was also down by \$23k, which is consistent with the prior year as most Tax is collected during business license renewal season in February to March of each year.
- **Reimbursements** include the annual COPS reimbursements for the City's CSO cost, admin cost reimbursement from grants, Highway user tax, special sales tax allocation, developer deposit reimbursements, and cost allocations transfers, which are considered a cost to the Enterprise funds but revenue to the General Fund. This revenue ended the quarter at \$87k below budget due to the timing of some of the reimbursements.

GENERAL FUND EXPENDITURES

The General Fund's original adopted budget for FY 2020/21 was \$8.3 million. The amended Budget is \$8.6 million, with Budget amendments of \$346k.

EXPENDITURES	Original Budget FY 20/21	FY 20/21 Amended Budget	Quarterly Budget	Q1 Actual Results	Variance	
					vs. Quarterly Budget	% of Total Budget
General Government						
City Council	150,247	155,140	38,785	37,273	1,512	24%
Administrative Services	660,370	698,730	174,683	179,059	(4,377)	26%
Finance	456,495	461,554	115,389	126,889	(11,501)	27%
Non-departmental (overhead)	780,431	761,627	190,407	470,436	(280,030)	62%
General Government Subtotal	2,047,543	2,077,051	519,263	813,658	(294,395)	39%
Public Safety						
Fire	441,871	441,871	110,468	107,875	2,593	24%
Police	3,424,636	3,458,913	864,728	866,381	(1,653)	25%
Public Safety Subtotal	3,866,507	3,900,784	975,196	974,256	940	25%
Community Services						
Public Works	1,283,195	1,356,899	339,225	343,719	(4,495)	25%
Fort Bragg Marketing & Promotions	-	63,700	15,925	7,900	8,025	12%
Community Development	204,977	325,552	81,388	48,604	32,784	15%
Community Contributions	10,500	35,500	8,875	-	8,875	0%
Caspar Closure & General Fund Debt	80,525	80,525	20,131	-	20,131	0%
Community Services Subtotal	1,579,197	1,862,176	465,544	400,223	65,321	21%
Allocation to Internal Service Funds	789,222	789,222	197,306	197,306	-	25%
Total Expenditure	\$ 8,282,469	\$ 8,629,233	\$ 2,157,308	\$ 2,385,443	\$ (228,134)	28%

General Fund operating expenditures ended the quarter at \$228k or 28 percent of the overall budget.

- **Finance Department** expenditures were 27 percent of the overall budget or \$12k above the quarter budget due to the vacation and sick time payout to the former Finance Director in July.
- **Non-departmental** has a negative variance of \$280k. The difference is attributed to the nature of REMIF liability and property premium payments, which are paid in the first quarter of each year. REMIF costs continue to increase exponentially year over year. Additionally, the City also incurred \$14k of COVID-19 related expenditures, which the City will seek reimbursement from FEMA.



GENERAL FUND NET RESULTS

The General Fund was certainly the most impacted by the onset of the COVID-19 Pandemic and economic shutdown. This is because of its reliance on TOT and Sales Tax revenues. Both revenue categories rebounded in quarter-one and recorded gains when compared to previous years.

The first-quarter revenues were \$2.4 million (28 percent of the annual budget), and expenditures were \$2.5 million (29 percent of the annual budget), outpacing revenues by \$42k. As the year progresses, Staff will continue to monitor revenue and expenditure levels. However, it is hard to predict the economy's effects locally and nationally due to the increase in COVID cases and the slow rollout of vaccinations. As it stands, the general fund will finish the quarter with a budget deficit of \$41k. The audited Fund balance for the General Fund as of June 30, 2020, was \$2.69 million.

Summary of FY 2020/21 Q1 General Fund Operating Results						
	Original Budget FY 20/21	FY 20/21 Amended Budget	Quarterly Budget	Q1 Actual Results	Variance vs. Quarterly Budget	% of Total Budget
Total Revenue	\$ 7,933,346	\$ 8,587,794	\$ 2,146,948	\$ 2,418,555	\$ 271,607	28%
Total Expenditure	\$ 8,282,469	\$ 8,629,233	\$ 2,157,308	\$ 2,460,399	\$ (303,091)	29%
Net Revenue /(Expenditure)	\$ (349,123)	\$ (41,439)	\$ (10,360)	\$ (41,844)	\$ (31,484)	

ECONOMIC RECOVERY EFFORTS

One of the City's top priorities is the community's businesses that financially support the City by collecting sales and TOT Taxes on their revenues. A few of the ways that the City has supported our local economy impacted by COVID-19 during the fiscal year include:

- TOT fillings and payment forbearance from March through June 2020.
- Waive all Penalties and interest on unpaid water and wastewater bills from March through June 2020. Moratorium on utility shut-offs for non-payment.
- Tenant-Based Rental Assistance Program (TBRA) offering rental assistance to tenants to cover monthly rent payments from July through February 2021.
- Eviction Moratorium for residential and commercial tenants.
- Three-month CDBG Business loan forbearances.
- CDGB COVID-19 allocation application for Utility Assistance program.
- CDBG COVID-19 applications filed for Business Assistance Loan Program and Microenterprise Assistance Program.
- Temporary Zoning waiver allows businesses to adapt their businesses in ways that comply with the SIP order and enable them to operate.
- Advocate for access to Paycheck Protection program and Economic Injury Disaster Loans for local businesses.



WATER ENTERPRISE FUND

Summary of FY 2020/21 Q1 Water Enterprise Operating Results					
	FY 20/21 Amended Budget	Quarterly Budget	Q1 Actual Results	Variance vs. Quarterly Budget	% of Total Budget
Charges for Services	\$ 2,709,534	\$ 677,384	\$ 1,110,680	\$ 433,297	41%
Other Revenue	31,501	7,875	10,494	2,619	33%
Total Revenue	\$ 2,741,035	\$ 685,259	\$ 1,121,174	\$ 435,916	41%
Expenditure by Category					
Debt Service	\$ 447,528	\$ 111,882	\$ 323,400	\$ (211,518)	72%
Personnel services	434,107	108,527	108,527	-	25%
Administration	445,763	111,440.75	109,309	2,132	25%
Contractual services	67,753	16,938	5,134	11,804	8%
Materials & supplies	165,836	41,459	31,561	9,898	19%
Utilities	130,000	32,500	24,361	8,139	19%
Repairs & maintenance	34,700	8,675	1,998	6,677	6%
Insurance	18,400	4,600	17,230	(12,630)	94%
Other operating	4,500	1,125	487	638	11%
Total Expenditure	\$ 1,748,587	\$ 437,147	\$ 622,007	\$ (184,860)	36%
Net Revenue /(Expenditure)	\$ 992,448	\$ 248,112	\$ 499,167	\$ 251,055	50%

- User fees fully support the revenues for the Water Enterprise Fund. COVID-19 had impacted the enterprise funds revenues during the fourth quarter of the fiscal year 2019-20, resulting in a budget shortfall of 3 percent. Water revenues did rebound to pre-COVID levels in the first quarter, recording a \$433k positive variance. Water revenues are higher during the first quarter of each year due to seasonality. Compared to the same period last year, service charges revenues are up 20%.
- Debt Service expenditures were 72 percent of the total budget at the end of the quarter due to the semi-annual nature of debt payments paid in the first quarter.
- Insurance costs, which include Property & ADP Contributions, DIC Earthquake, and flood deductible buy-down, are 94 percent of the total budget due to the timing of the payments which are mostly paid in Quarter-one of each fiscal year. Additionally, REMIF insurance costs have continued to increase year-over-year.

Overall, Staff anticipates that revenue will outpace budget estimates come year-end. The City Council approved the postponement of the Utility rate increase scheduled for July 1, 2020.



WASTEWATER ENTERPRISE FUND

Wastewater Enterprise revenue ended the quarter at \$1.2million or 47 percent of the total budget, and expenditures also came in at \$436k or 21 percent of the total budget. The surplus at year-end was estimated to be \$592k.

Summary of FY 2020/21 Q1 Wastewater Enterprise Operating Results					
	FY 20/21 Amended Budget	Quarterly Budget	Q1 Actual Results	Variance vs. Quarterly Budget	% of Total Budget
Charges for Services	\$ 2,587,724	\$ 646,931	\$ 1,209,940	\$ 563,009	47%
Other Revenue	50,596	12,649	7,391	(5,258)	15%
Total Revenue	\$ 2,638,320	\$ 659,580	\$ 1,217,330	\$ 557,750	46%
Expenditure by Category					
Debt Service	\$ 100,410	\$ 25,103	\$ -	\$ 25,103	0%
Personnel services	662,456	165,614	155,708	9,906	24%
Administration	533,324	133,331	130,555	2,776	24%
Contractual services	217,598	54,400	26,241	28,159	12%
Materials & supplies	201,940	50,485	21,443	29,042	11%
Utilities	225,000	56,250	34,765	21,485	15%
Repairs & maintenance	77,000	19,250	17,285	1,965	22%
Insurance	29,063	7,266	50,031	(42,766)	172%
Total Expenditure	\$ 2,046,791	\$ 511,698	\$ 436,027	\$ 75,671	21%
Net Revenue /(Expenditure)	\$ 591,529	\$ 147,882	\$ 781,303	\$ 633,421	132%

- Like the Water Enterprise Fund, Wastewater charges for services recorded a \$564k positive variance of the quarterly budget and 47 percent of the total budget. The revenues beat the prior year's quarter-one results by \$324k. It's important to note that during the fiscal year 2020-21 budget development, Staff had anticipated a significant reduction in consumption of water due to the COVID-19 restrictions and suspension of utility rate increases. The results for quarter-one has rebounded positively.
- REMIF insurance costs have continued to increase year-over-year. At the end of the quarter-one, Insurance costs are already over-budget by \$42k.

FOR MORE INFORMATION: This summary report is derived from the City's Finance Department's detailed financial information. If you have questions or would like additional information on this report, please contact the Finance Department via e-mail at iwhippy@fortbragg.com or by phone at (707) 961-2825.



City of Fort Bragg

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Text File

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Receive Oral Update from Staff on Departmental Activities