

Annual Financial Audit
and
Comprehensive Annual Financial
Report (CAFR)

For the fiscal year ended June 30, 2020

AUDIT RESULTS

▶ **Audit Opinion - Financial Statements**

▶ Unmodified “Clean Audit”

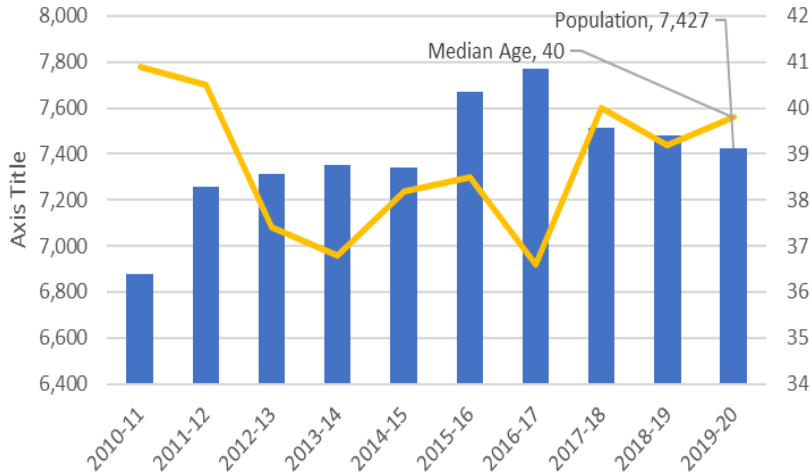
- ▶ Conformed with accounting principles generally accepted in the US (GAAP)
- ▶ Conformed with reporting requirements in accordance with Governmental Accounting Standards Board (GASB)
- ▶ Financial Statements are presented fairly, in all material respects
- ▶ Supplementary Information is fairly stated, in all material respects

▶ **Internal Controls**

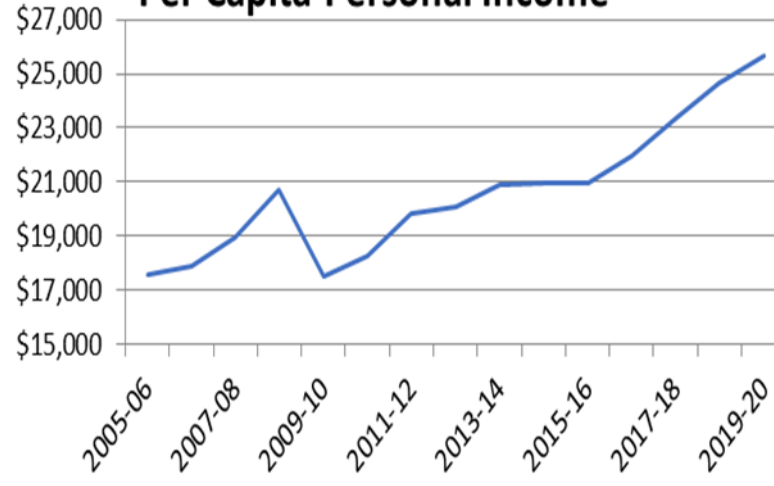
- No material weakness or deficiency

COMMUNITY FINANCIAL PROFILE

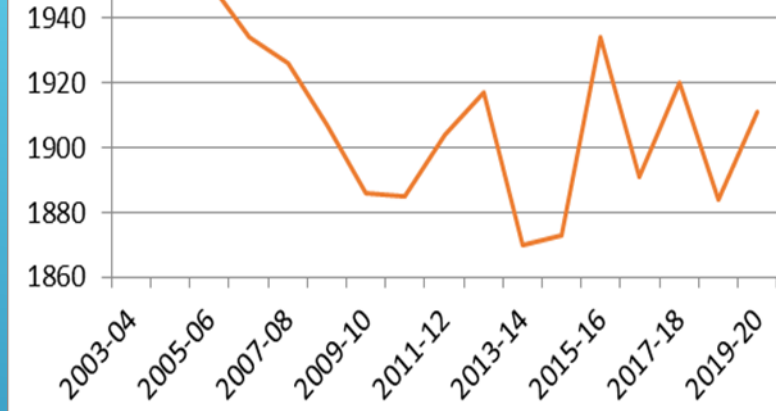
Population & Median Age



Per Capita Personal Income



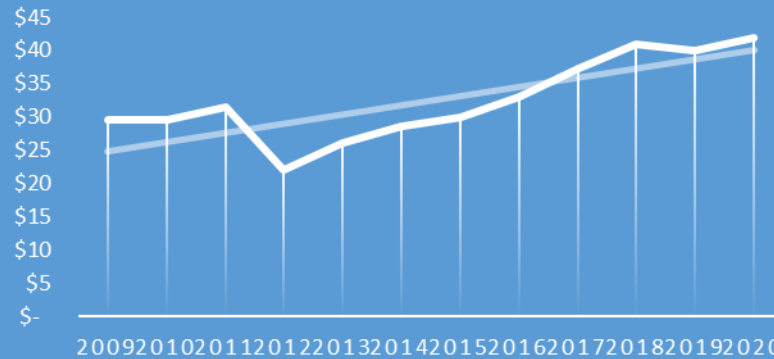
K-12 Public School Enrollment



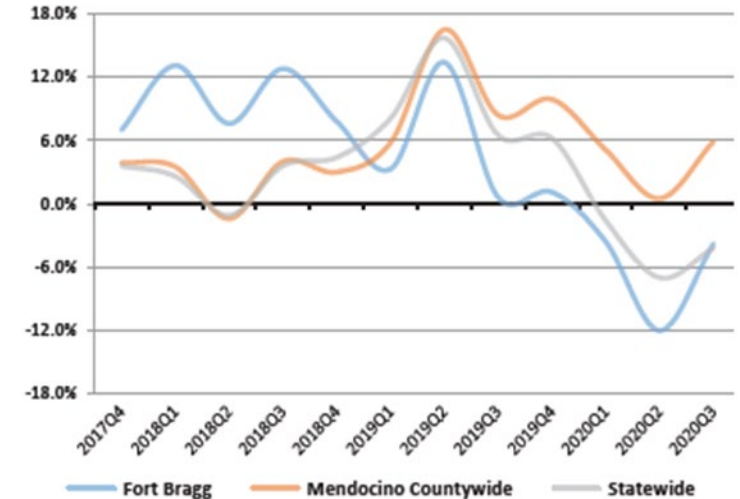
Unemployment Rate

Area	Dec-19	Apr-20	Dec-20
Mendocino County	3.7%	14.7%	8.1%
Covelo CDP	5.4%	17.5%	9.8%
Fort Bragg	2.8%	14.4%	7.9%
Laytonville CDP	11.3%	31.8%	19.1%
Point Arena	2.7%	11.7%	6.4%
Ukiah	5.1%	18.1%	10.1%
Willits	2.4%	10.8%	5.8%
California	3.7%	16.2%	8.8%

MEDIAN PRICE FOR HOMES IN 95437 ZIP CODE (IN THOUSANDS)



Annualized Percent Change in Sales Tax Cash Receipts



COMMUNITY FINANCIAL PROFILE

City of Fort Bragg

Principal Sales Tax Producers
Last Fiscal Year and Nine Years Ago

2019-20

2010-11

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

Source: MuniServices, LLC / Avenu Insights & Analytics

City of Fort Bragg

Principal Employers
Last Fiscal Year and Seven Years Ago

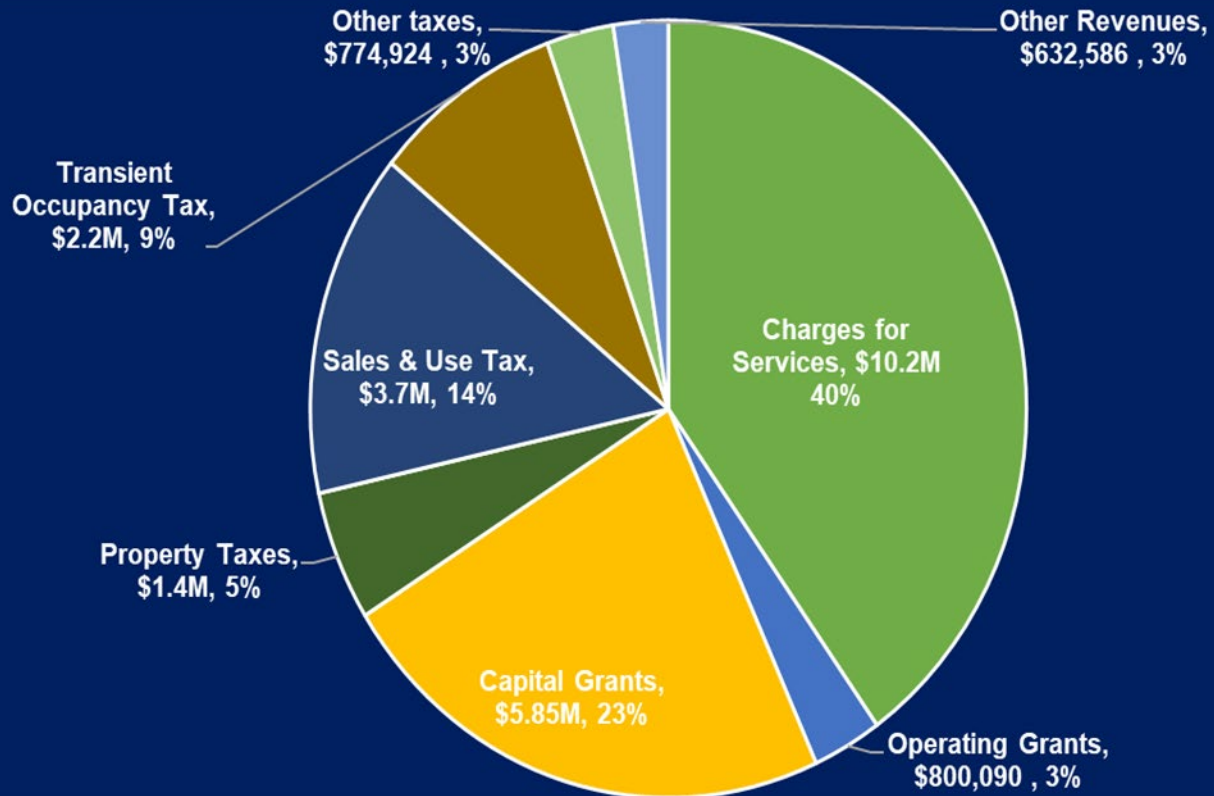
2019-20

2012-13

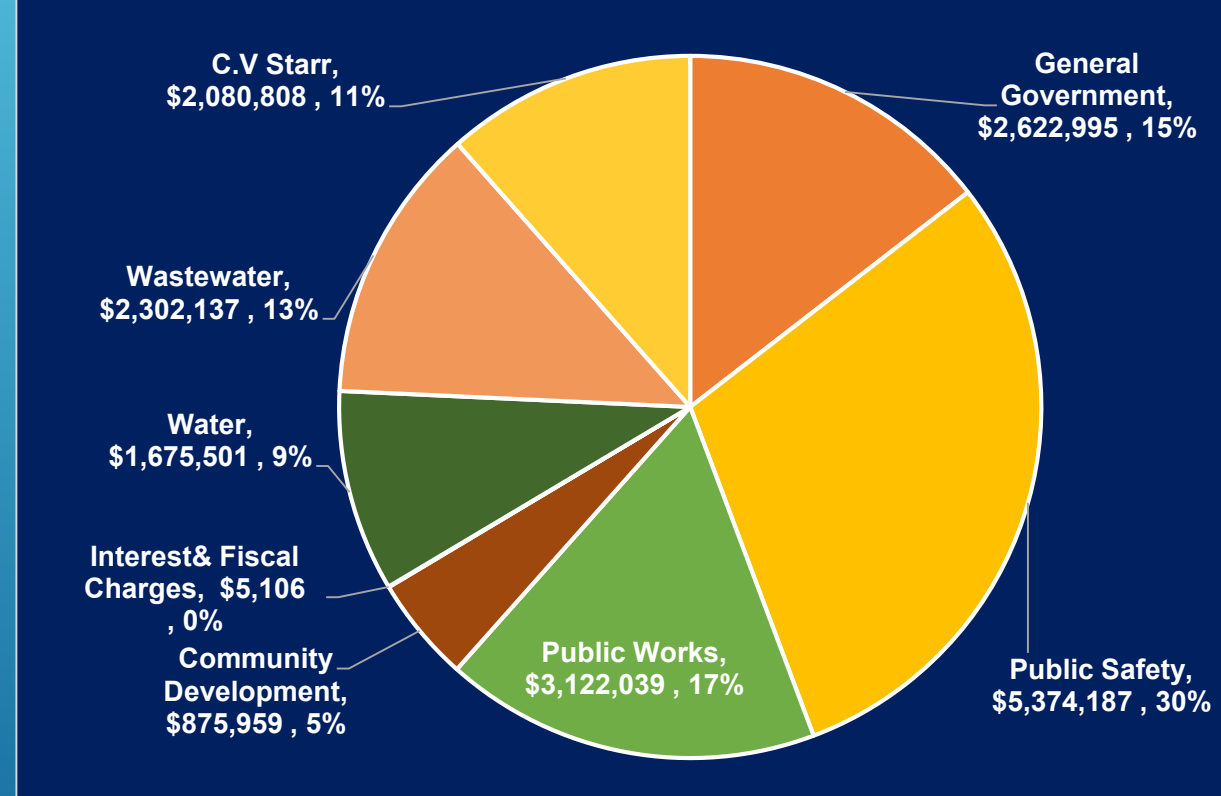
Business Name	2019-20		2012-13	
	Number of Employees	Total Employment (%)	Number of Employees	Total Employment (%)
Mendocino Coast District Hospital	336	11.39%	296	8.78%
Fort Bragg Unified School District*	232	7.86%	268	7.95%
Parents & Friends Inc	163	5.53%		
Safeway	138	4.68%	120	3.56%
Mendocino Coast Clinics Inc	116	3.93%	110	3.26%
North Coast Brewing CO Inc (1)	102	3.46%	106	3.15%
Sherwood Oaks Health Ctr	93	3.15%	100	2.97%
Mendocino County**	88	2.98%	51	1.51%
Anderson Logging Inc	82	2.78%	87	2.58%
Silver At The Wharf (Anchor Lodge)	62	2.10%		
City of Fort Bragg	58	1.97%	60	1.78%
Fort Bragg Recreation Center			68	2.02%
Total Top Employers	1,470	49.83%	1,266	37.57%

GOVERNMENT WIDE REVENUES & EXPENDITURES

REVENUES: \$25.6 million



EXPENDITURES: \$18.2 million



GOVERNMENT WIDE NET POSITION

Total Assets
\$119 million

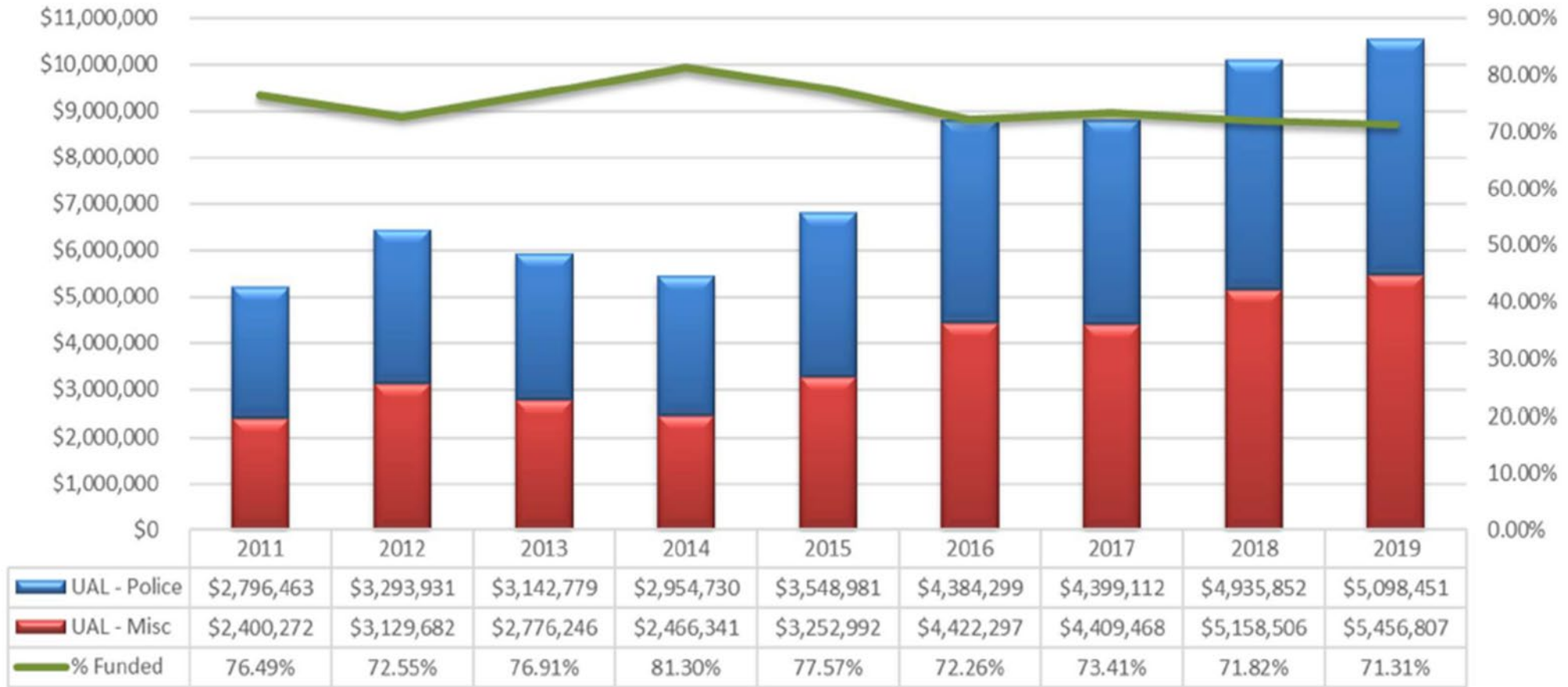
- ▶ **Cash and Investments: \$15.5M**
- ▶ **Capital Assets: \$94M**
- ▶ **Accounts Receivables: \$6M**

Total Liabilities
\$25 million

- ▶ **Debt obligations: \$8.9M**
- ▶ **OPEB: \$3.2M**
- ▶ **Accounts Payable: \$2.2M**
- ▶ **CALPERS Pension Liability: \$9.9M**

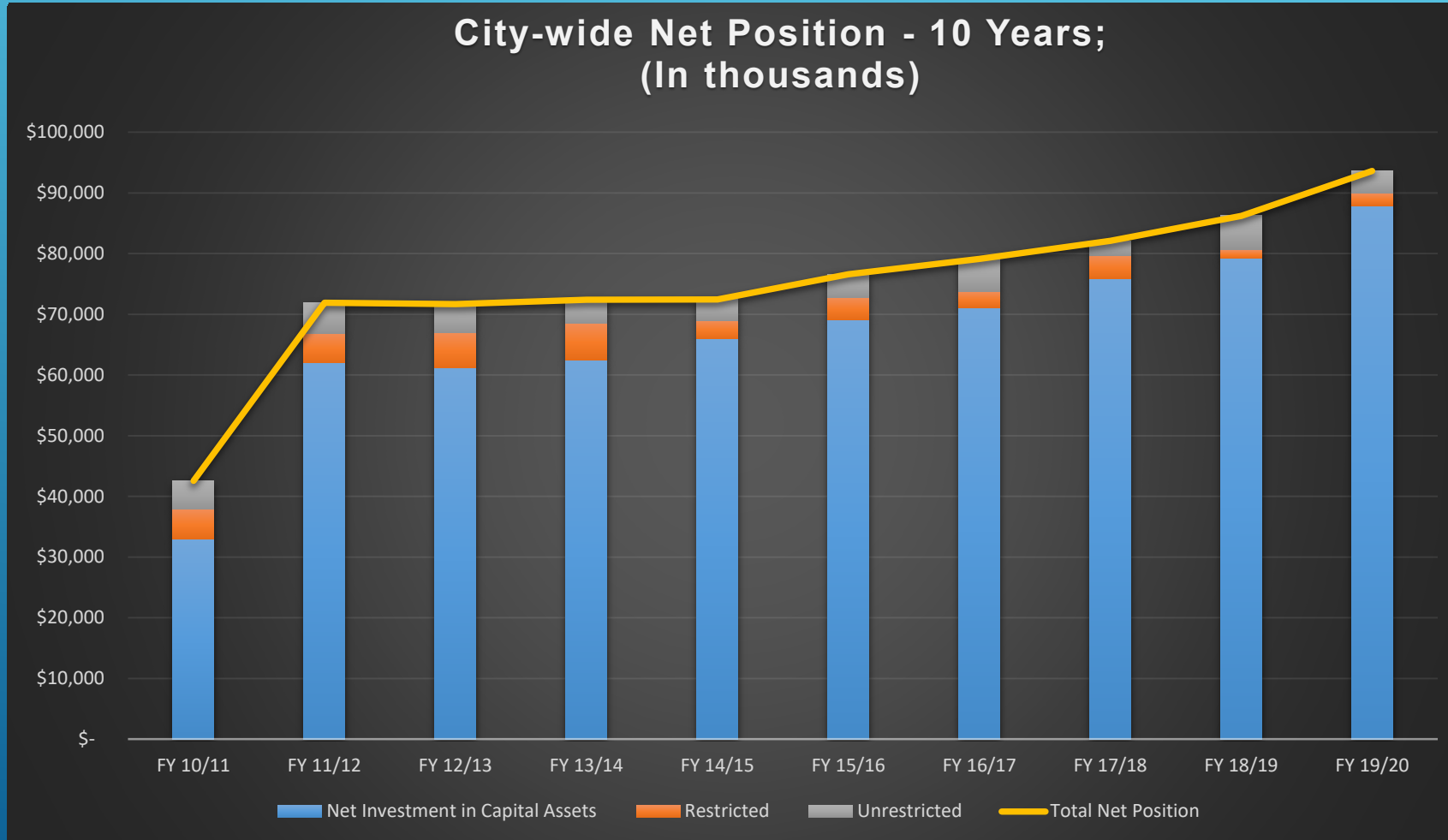
PENSION UNFUNDED LIABILITY

Unfunded Actuarial Liability & Funding Level



GOVERNMENT-WIDE NET POSITION

► FY 2019/2020: \$93.6 million



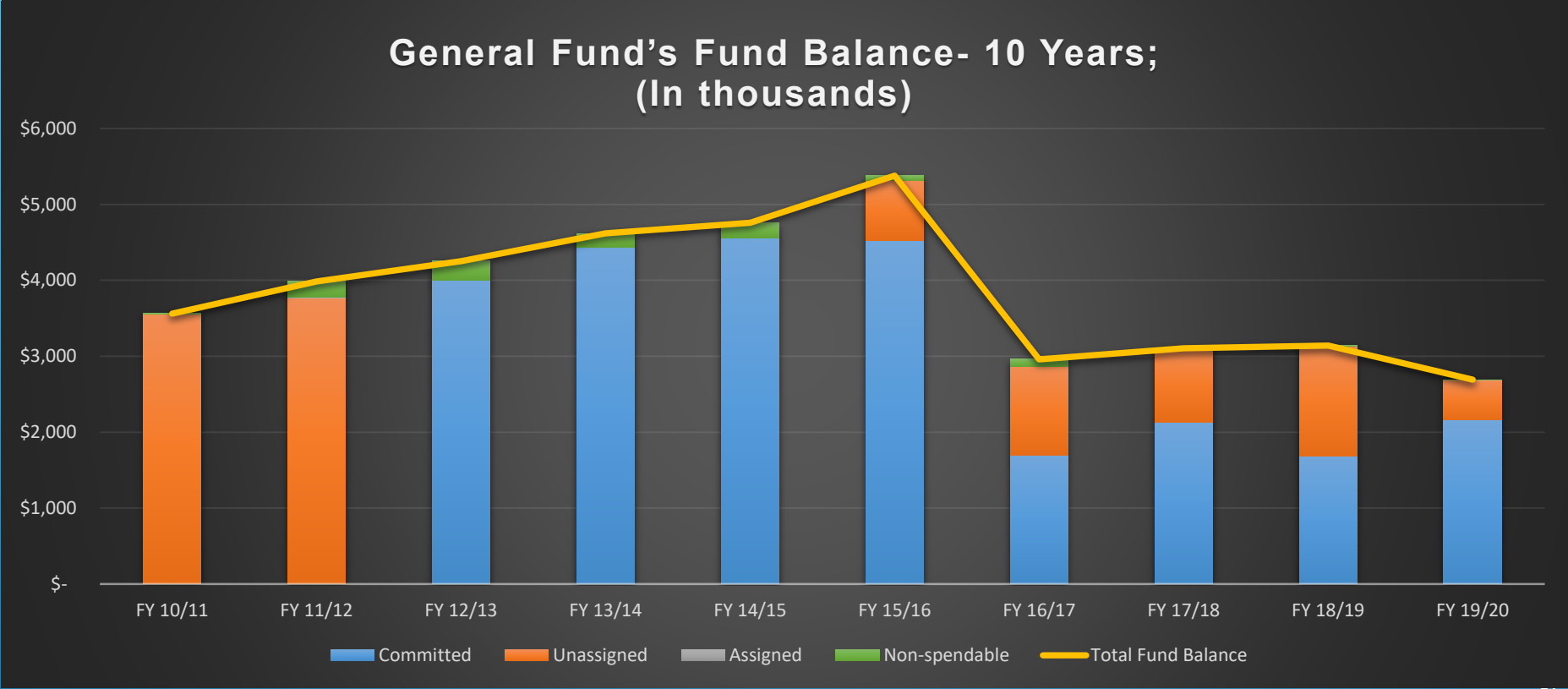
GENERAL FUND REVENUES

General Fund Revenues	Amended Budget FY 19/20	Actuals	Variance
Charges for Services/Reimbursements	\$2,761,556	\$2,541,587	\$(219,969)
Transient Occupancy Tax (TOT)	2,864,535	2,204,151	(660,384)
Sales Tax	1,941,692	1,797,520	(144,172)
Property Tax	1,125,271	1,107,039	(18,232)
Other Taxes	803,340	774,924	(28,416)
Operating Grant Revenue	268,537	167,609	(100,928)
Other Revenues	116,083	236,913	120,830
TOTAL GENERAL FUND REVENUES	\$9,881,014	\$8,829,743	\$(1,051,271)

GENERAL FUND EXPENDITURES

General Fund Expenditures	Amended Budget FY 19/20	Actuals	Variance
Public Safety	\$4,334,947	\$4,341,045	\$225,834
General government	2,040,206	2,080,122	17,984
Public Works	1,871,606	1,549,986	321,620
Community Development	514,900	498,338	62,775
Marketing and Promotions	216,500	185,621	43,354
Cost Allocations	634,887	474,904	159,983
Debt Service	185,533	185,533	-
TOTAL GENERAL FUND EXPENDITURES	\$9,798,579	\$9,315,649	\$839,090

GENERAL FUND'S FUND BALANCE



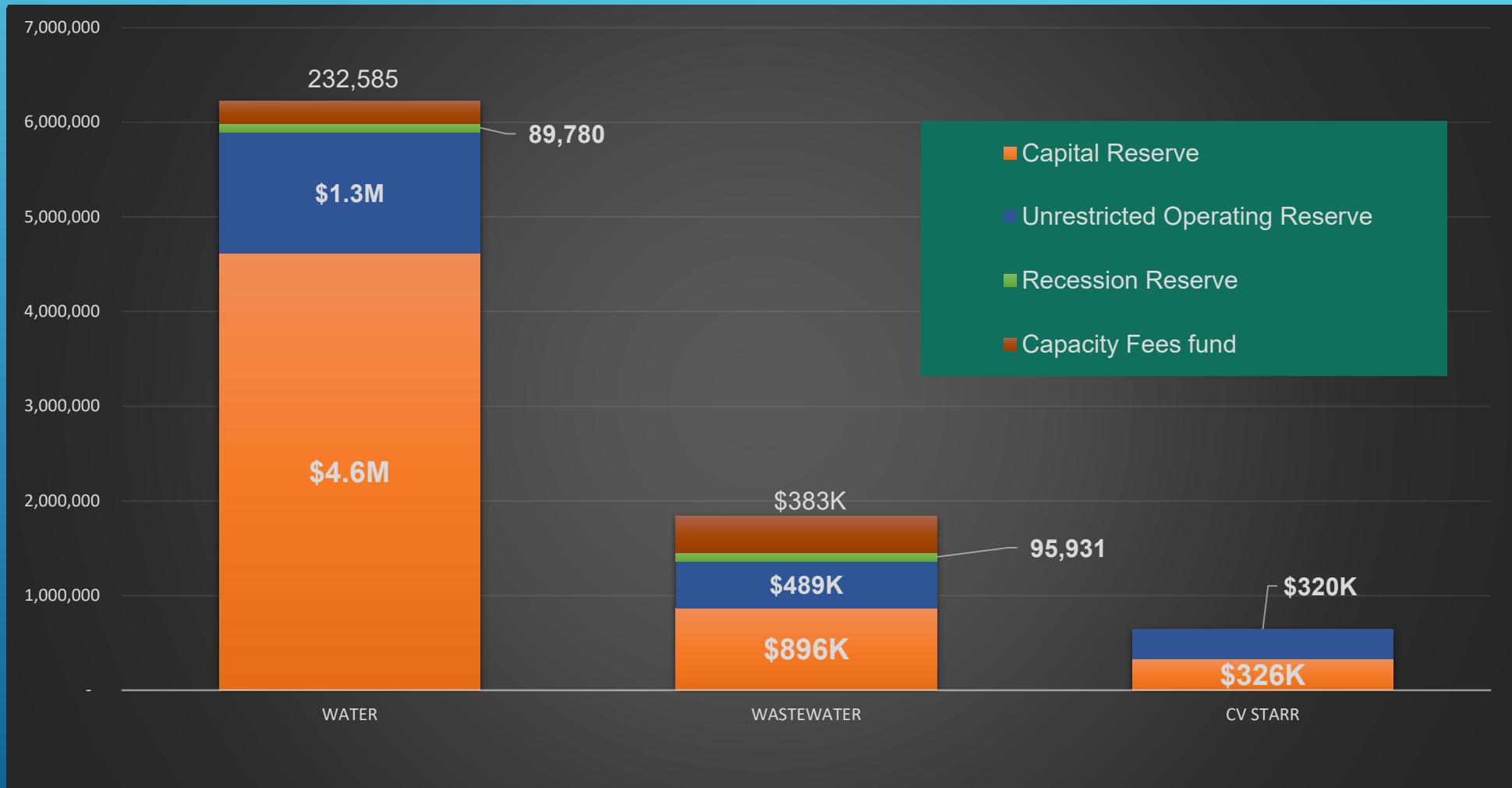
- **Operating Reserve: \$1,469,787**
- **Recession Reserve: \$489,929**
- **Litigation Reserve: \$200,000**
- **Unassigned Reserve: \$528,820**

TOTAL RESERVES \$2,691,242

ENTERPRISE FUNDS

	WATER	WASTE WATER	CV STARR
Operating Revenues	\$3,180,566	\$3,484,109	\$465,718
Other Revenues	183,928	4,540,819	1,196,182
Operating Expenditures	(1,601,425)	(2,217,531)	(2,080,808)
Net Transfers	(250)	(1,573,033)	-
Change in Net Position	\$1,650,440	\$7,380,430	\$(418,908)
Net Position as of 06/30/20	\$11,686,448	\$22,373,545	\$20,559,808
UNRESTRICTED RESERVES	\$6,220,235	\$1,838,526	\$645,608

ENTERPRISE RESERVES



ON THE HORIZON

- **Feb 22nd : Quarter 1 FY20/21 Financial Update**
- **March 4th: FY 20/21 Mid-Year Budget Workshop**
- **March – April: FY 2021/22 Budget Development**
- **May: FY 2021/22 Budget Workshop**