



**CITY OF  
FORT BRAGG**

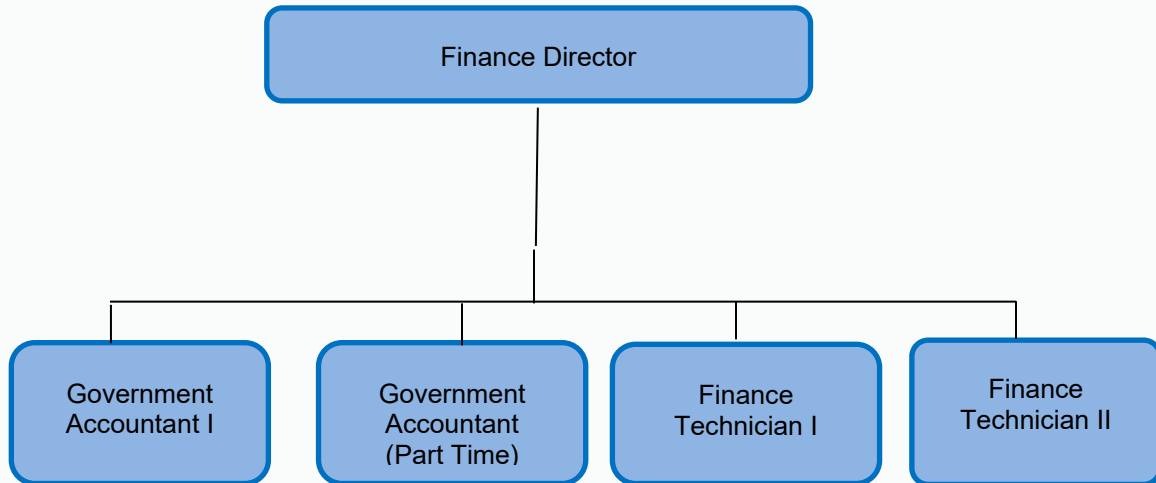
**Fiscal Year**  
**2024**  
**Proposed Budget**



**FINANCE  
DEPARTMENT**

# 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**

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- 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
<b>BUDGET/CAFR/AUDIT</b>			
Receive GFOA Distinguished Budget award	Yes	Yes	Yes
Receive GFOA Award for Excellence in Financial Reporting	Yes	Yes	Yes
Audit Findings	Nil	Nil	Nil
<b>REVENUE COLLECTION &amp; UTILITY BILLING</b>			
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
<b>ACCOUNTS PAYABLE/PAYROLL</b>			
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

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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

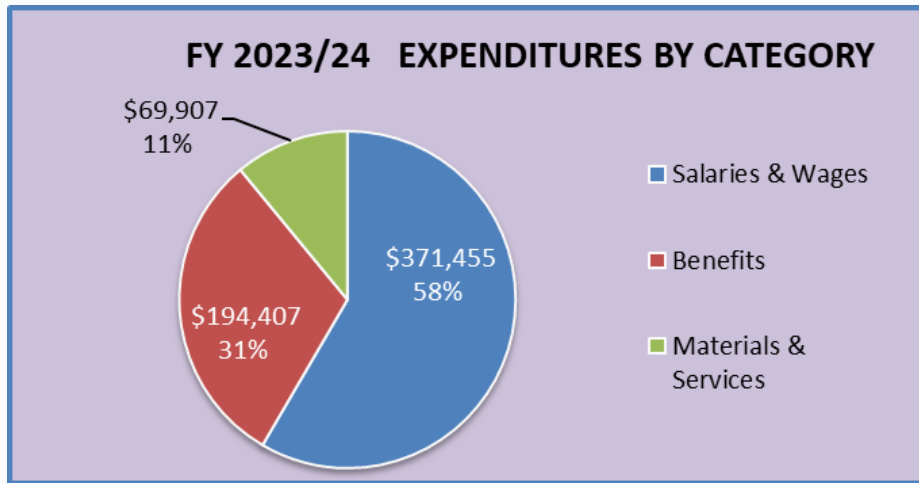
Description	FY 2021/22 Audited	FY 2022/23 Amended Budget	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
<b>Expenditure Summary</b>					
Personnel Services	\$ 459,496	\$ 557,124	\$ 502,500	\$ 565,863	13%
Non-Personnel Services	77,638	60,347	60,519	69,907	16%
Total Departmental Expenditure	537,133	617,471	563,019	635,770	13%
<b>Revenue Summary</b>					
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%
<b>Cost Allocation Summary</b>					
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%
<b>Net Expenditure</b>	<b>\$ 122,386</b>	<b>\$ 210,560</b>	<b>\$ 272,188</b>	<b>\$ 222,947</b>	<b>-18%</b>

**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	
<b>Charges for Services</b>						
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%
<b>Total Charges for Services</b>		37,818	8,046	4,960	34,828	602%
<b>Reimbursements</b>						
3499	Overhead/Admin Cost Recovery	344,305	342,832	342,832	342,832	100%
<b>Total Reimbursements</b>		344,305	342,832	342,832	342,832	100%
<b>Licenses &amp; Permits</b>						
3701	Business License Fee	60,704	66,213	60,000	61,800	3%
<b>Total Licenses &amp; Permits</b>		60,704	66,213	60,000	61,800	3%
<b>Fines &amp; Forfeitures</b>						
3519	Miscellaneous Fines	5,104	1,500	17,975	10,000	-44%
<b>Total Fines &amp; Forfeitures</b>		5,104	1,500	17,975	10,000	-44%
<b>Total Finance Revenue</b>		<b>\$ 447,931</b>	<b>\$ 418,591</b>	<b>\$ 425,767</b>	<b>\$ 449,460</b>	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	
<b>Total Personnel Costs</b>		<b>565,863</b>	<b>\$ 565,863</b>

**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	
	<b>Total Material &amp; Services</b>		<b>69,907</b>	<b>69,907</b>

**Total - Finance Department** **\$ 635,770**







**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

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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

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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.

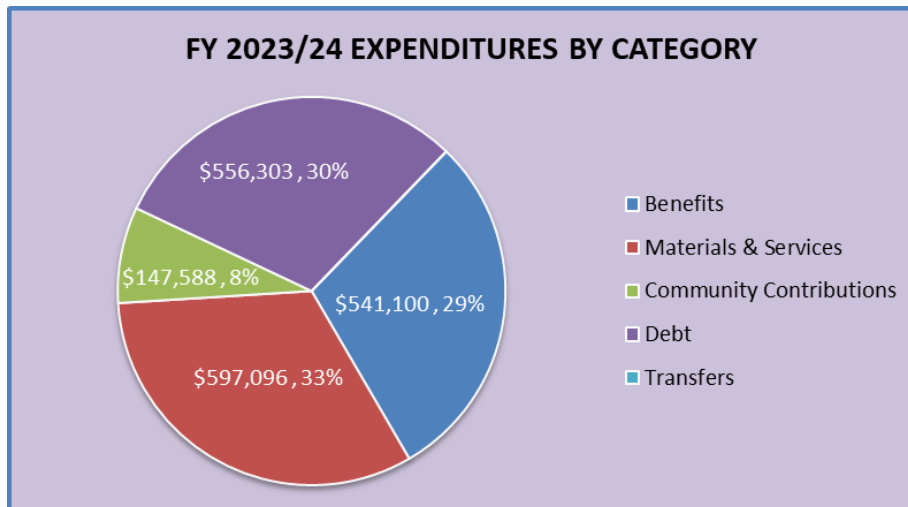
Community contributions include funding for the Noyo Center and Special Projects from Measure AB, approved in 2016.

**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%
<b>Total Departmental Revenue</b>	<b>37,393</b>	<b>4,300</b>	<b>41,000</b>	<b>39,000</b>	<b>-5%</b>
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%
<b>Total Departmental Expenditure</b>	<b>1,210,611</b>	<b>1,615,189</b>	<b>1,649,618</b>	<b>1,842,087</b>	<b>12%</b>
<b>Cost Allocation Summary</b>					
Expense - Cost Allocations	(733,972)	(637,327)	(637,327)	(637,327)	100%
Revenue - Personnel Allocations	487,025	389,010	389,010	487,025	100%
<b>Net Cost Allocation</b>	<b>(246,948)</b>	<b>(248,317)</b>	<b>(248,317)</b>	<b>(150,302)</b>	<b>-39%</b>
<b>Net Expenditure</b>	<b>\$ (926,270)</b>	<b>\$ (1,362,572)</b>	<b>\$ (1,360,301)</b>	<b>\$ 1,652,785</b>	<b>-222%</b>



DEPARTMENT DETAILS – NON-DEPARTMENTAL

Line Item Detail

Fund #110		Account	Category	FY 2023/24
Department: 4190		Detail	Detail	Proposed Budget
<b>Personnel Costs</b>				
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>	
<b>Total Employee Benefits</b>				<b>\$ 541,100</b>
<b>Materials &amp; Services</b>				
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	
<b>Total Material &amp; Services</b>				<b>596,096</b>
<b>Other Expenditures</b>				
110-4190-0619	Other Expenditures		1,000	
	Graffiti removal	<u>1,000</u>		
<b>Total Other Expenditures</b>				<b>1,000</b>
<b>Total - Non-Departmental</b>				<b><u>\$ 1,138,196</u></b>



DEPARTMENT DETAILS – NON-DEPARTMENTAL

Line Item Detail

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

Line Item Detail

Fund #110		Account	Category	FY 2023/24
Department: 4390 & 4391		Detail	Detail	Proposed Budget
<b>Community Organizations</b>				
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		70,231	
<b>Total - Community Organization Support</b>				<b>\$ 147,588</b>

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%
	<b>Net Cost Allocation</b>	<b>\$ (246,948)</b>	<b>\$ (248,317)</b>	<b>\$ (248,317)</b>	<b>\$ (150,302)</b>	<b>-39%</b>