



City of Fort Bragg

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Meeting Minutes Finance and Administration Committee

Wednesday, April 5, 2017

11:00 AM

Town Hall, 363 N. Main Street

MEETING CALLED TO ORDER

Chair Peters called the meeting to order at 11:00 AM.

ROLL CALL

Staff Present: Administrative Services Director Scott Schneider; Finance Director Victor Damiani; Director of Public Works Tom Varga; Government Accountant II Isaac Whippy; and Administrative Assistant Brenda Jourdain.

Present: 2 - Lindy Peters and Bernie Norvell

Absent: 1 - Will Lee

1. APPROVAL OF MINUTES

1A. [17-088](#) Approve Minutes of February 1, 2017

A motion was made by Chair Peters and Seconded by Committee Member Norvell, that these minutes be approved for Council review. The motion was carried by a unanimous vote.

2. PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

3. CONDUCT OF BUSINESS

3A. [17-156](#) Receive Report and Make Recommendation to City Council and District Board Regarding Water and Wastewater Utility Rate Studies

Finance Director Damiani gave a background and overview of the staff report prepared for this item and handed out a revised Attachment 2 - Water Utility Rate Study.

Public Comment:

None.

Discussion:

- * It was discussed to either do a percent increase or a per year increase to the utility rate structure.
- * Committee asked if staff took into consideration that we had a dry year and are customers still conserving water? Staff replied, the revenue analysis was lowered from the original plan due to the amount of revenue received.
- * Committee suggested that the utility rate increase on a gradual basis each year, this will make it easier on the ratepayers.
- * Committee asked if the first utility rate study was done because of the over allocation error of non-personnel overhead costs to Water and Wastewater Enterprise Funds? Staff replied that

it was before the allocation error was discovered.

* Committee direction on this item will be reflected in the draft FY 2017-18 Budget.

Committee consensus recommends to City Council and District Board implementation of smaller increases for each fiscal year (2017-18 through 2020-21) creating a gradual and smoother rate increase to ratepayers and rates will still be held within the previous approved caps.

3B. [17-182](#)

Receive Report and Make Recommendation to City Council Regarding New Methodology for Calculating Storm Drainage Impact Fees

This item was continued by Chair Peters for a future Finance and Administration Committee meeting.

3C. [17-119](#)

Receive Oral Update from Staff on Departmental Activities

- Government Accountant II Whippy reported transfers. In the 3rd quarter FY 2016/17 there were six department budgetary line item transfers and as per the finance fiscal policy on budgetary controls it is required to report this to committee. These transfers are:
 1. Public Works - increase in general supplies for cold patch materials due to wet winter weather. Transfer from professional services to general supplies.
 2. Parks & Facilities - additional training for a botany course in Eureka. Re-appropriated funds from professional services to travel and training.
 3. Wastewater Department - training needed for maintenance workers to improve response to sanitary sewer overflows. Training and travel appropriated from small tools and equipment.
 4. Wastewater Operation and Maintenance - class hours for three employees for distribution license renewal. Transfer to training and travel from general supplies.
 5. Wastewater Non-Routine Maintenance - additional cost for the SCADA Project. Cost savings from infrastructure (sewer line project) where appropriated to machinery & equipment (SCADA project).
 6. Mid-Year Budget Adjustments:
 - Community Development - media budget request that was brought to council, re-appropriate funds from professional services to travel & training due to high anticipated training and meeting cost.
 - Wastewater Department - chemicals needed due increase in flows. Transferred from professional services to chemicals.
- Finance department has asked departments to use the money in the budget and transfer from other line items if needed instead of asking for more money.
- Public Works Director Varga explained training needs for Public Works department.
- Business licenses renewal process has been finished. Found 40 - 50 delinquent business license accounts. Staff will follow up on investigating if they are still in operation.
- Finance has created a Budgeting Brief Brochure for public and Council.

MATTERS FROM COMMITTEE / STAFF

None.

ADJOURNMENT

Chair Peters adjourned the meeting at 11:22 AM.