

TABLE OF CONTENTS

INTRODUCTION

User's Guide to the Budget	1
City of Fort Bragg – Overview	7
Directory of Elected and Appointed City Officials	10
Organizational Chart	11
Budget Guidelines	13
Fiscal Policies	15
Investment Policy	22

SUMMARY

Summary of Revenue, Expenditures and Fund Balance	27
Budget Summary – All Funds	30
Budget Summary – General Fund	47
Operating Transfers	59
Cost Allocation Plan	61
Salary/Benefit & Overhead Allocations	71
Ten Year City Authorized Position Staffing Comparison	72
Ten Year Authorized Staffing Comparison Graph	73
Appropriations Limit	74

OPERATING BUDGET DETAIL

City Council	77
Administration	81
Administrative Services Office	
City Attorney's Office	
City Clerk's Office	
Finance	89
Non-Departmental	95
Community Organizations	
Caspar Closure & Landfill	
Other Non-Departmental	
Public Safety	101
Police Department	
Fire Protection District	
Community Development Department	111
Fort Bragg Tourism Marketing & Promotions	119
Public Works	123
Internal Service Funds	135
Facilities Repair & Maintenance	
Technology Maintenance & Replacement	
Fleet & Equipment Services	
Debt Service Policy & Summary	153
Interfund Loan Policy & Summary	

ENTERPRISE FUNDS DETAIL

Water Enterprise	165
Wastewater Enterprise	175
C.V. Starr Center Enterprise	187

SPECIAL REVENUE FUNDS

Grants	191
Special Revenue Funds	197
Fort Bragg Redevelopment Successor Agency	201

CAPITAL IMPROVEMENT PROGRAM

Capital Improvement Program Overview	206
FY2017/18 Capital Projects Status Report	207
FY2018/19 Capital Projects & Appropriations	210
FY 2018/19 to FY 2022/23 Projects by Category	212
FY 2018/19 to FY 2022/23 Projects by Funding Source	214
Detail.....	216

STATISTICAL SECTION	241
---------------------------	-----

GLOSSARY	265
----------------	-----

FORT BRAGG WATER DEPARTMENT

The Water Enterprise is responsible for ensuring the provision of safe, clean water at adequate pressures and volumes to serve residents, businesses and public facilities in the City of Fort Bragg.

SUMMARY OF SERVICES

The services provided by the Water Department include raw water collection, water treatment, and distribution of treated water for domestic and commercial use for Fort Bragg. The Water Enterprise meets and reports water treatment levels of regulatory agencies, provides for water conservation, provides for maintenance and construction of capital improvements, reviews new development projects, assists with public education, and engages in data collection and analysis.

STRATEGIC GOALS AND OBJECTIVES

- Ensure an adequate supply of high quality drinking water to meet existing and future customer needs.
- Manage the City's water sources in a manner that is protective of both environmental and human health.
- Improve the reliability of the City's water supply, treatment and distribution system through on-going maintenance and replacement of aging infrastructure.
- Seek grant funding and other low-cost financing for capital projects.
- Operate the City's water system in an efficient and cost-effective manner and establish fair and reasonable utility rates.

FY 2017/18 TOP ACCOMPLISHMENTS

- Continued expansion of monitoring, reporting and testing procedures to meet the State Water Resources Control Board Division of Drinking Water requirements.
- Removed sediment build up from Waterfall Gulch intake.
- Installed monitoring equipment at Summers Lane Reservoir to record water flows.
- Received amended water right license allowing storage of Waterfall Gulch source water in the Summers Lane Reservoir.
- Completed construction of Summers Lane Reservoir.
- Installed flow meters at Waterfall Gulch intake to monitor and record flows.
- Installed new chlorine residual analyzer.

FY 2018/19 TOP PRIORITIES

- Continue to improve the water plant's efficiencies in order to conserve water.
- Install flow meters at Newman Reservoir to monitor and record flows.
- Complete engineering for raw water lines, Phases II through V.
- Complete engineering for Water Treatment Plant Overhaul Project.
- Replace raw water line from Noyo River to the Water Plant.
- Complete engineering and construction of a 1.5 million gallon finished water tank.
- Continue to seek funding for replacement of key segments of the raw water line between the Waterfall Gulch water source and the Water Treatment Plant.
- Replace and install valves in the distribution system.
- Install floating cover on Summers Lane Reservoir to reduce algae growth and reduce evaporation.

PERFORMANCE/WORKLOAD MEASURES

INDICATORS	FY16	FY17
WATER		
Avg. Number of Customer Accounts billed-Monthly	2,806	2,823
Water annual demand in thousand gallons	1,895	1,976
Available supply of water in thousand gallons	20,800	21,300
Total Customer Service Calls	1,253	1,488
Meter Installs/removals/change outs	16	14
Meter Repairs	1	34
Leak Investigations	11	34
Service Profiles	65	31
Turn on/off	669	878
Manual Reads	416	444
Misc.	75	53

BUDGET SUMMARY

OVERVIEW

The FY 2018/19 Water Enterprise Fund budget is \$2.2M an increase of \$117k or 6% over the FY 2017/18 year-end projection. Revenues for the Water Enterprise Fund are primarily received in the form of rates charged to customers. Charges for Services are expected to increase by 6% or \$176k due to the increase in rates that went into effect on July 1, 2017.

NET POSITION (FUND BALANCE)

In an Enterprise Fund, fund balance is presented as Net Position, and a year to year analysis of Net Position can help to identify current or potential future problems that could impact the fiscal health of the Enterprise Fund. The FY 2017/18 projected year-end Net Position for the Water Enterprise is expected to be \$3.8M and the FY 2018/19 Net Position is budgeted at \$3.7M.

The following table includes the operating fund as well as the Capacity Fees fund and the Capital Reserve.

	Audited FY 2016/17	Projected FY 2017/18	Proposed FY 2018/19
Water Operating Fund Unrestricted Net Position	\$ 3,120,650	\$ 3,791,767	\$ 3,669,227

As shown above, the Net Position of the Water Enterprise operating fund is expected to increase by approximately \$671k between FY 2016/17 and FY 2017/18. This is attributable to a cash transfer from the General Fund in connection with prior year non-personnel cost over allocations and the increase in water service rates that went into effect in 2016. The fund will be drawn down in FY 2018/19 with \$1.05M planned in capital projects funded with fund balance offset with \$561k of projected operating net revenues.

WATER ENTERPRISE FUND RESERVES

The Water Enterprise Fund Capital Reserve is established in accordance with the City's Fund Balance & Reserve Policy which is intended to plan for future capital projects and unanticipated emergencies. Each year, all unrestricted fund balance in the Water Enterprise Fund in excess of 25% of the prior year's operating expenditures is transferred to the Capital Reserve. The City Council periodically reviews and updates its reserve policies and budgeted reserve amounts to ensure that the Water Enterprise has sufficient resources to adequately

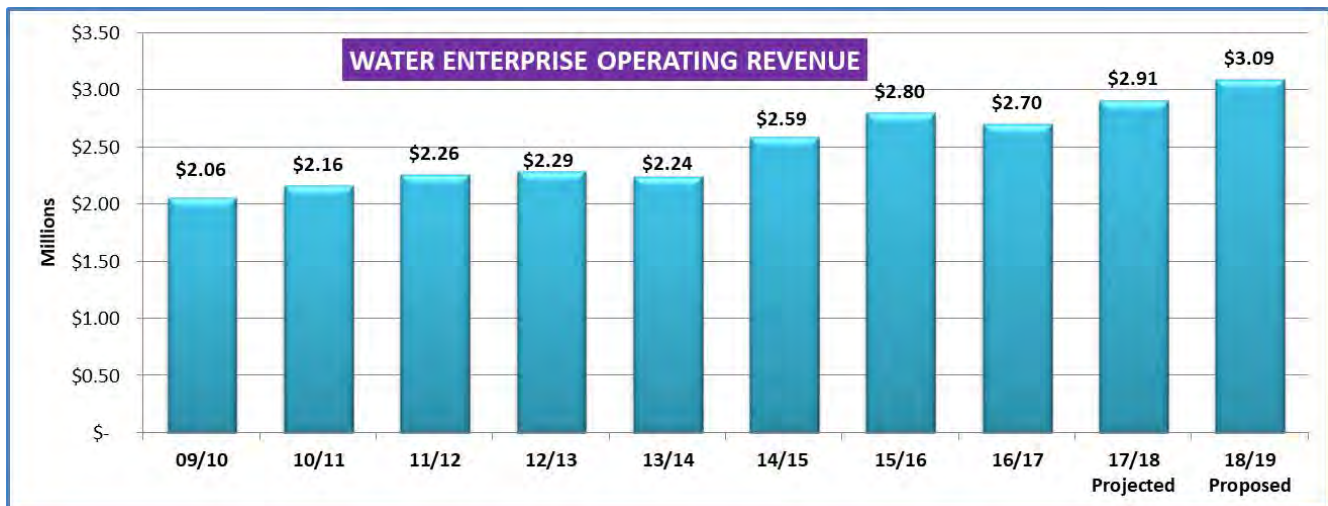
provide for emergencies and capital projects. In FY 2018/19 the threshold is projected to be \$513k. No excess fund balances are expected to be transferred to the capital reserve, however, a true up of \$58k will be returned to the Water Enterprise fund.

The City collects water capacity charges for new water connections. These fees are committed for improvements to facilities in existence at the time the charge is imposed or for new facilities to be constructed in the future. These fees are accounted for in the Water Enterprise Capacity Fees Fund. This accounts for the increase in the Capacity Fees Fund balance. The balance is expected to amount to \$198k at FY 2018/19 year-end.

	Audited FY 2016/17	Projected FY 2017/18	Proposed FY 2018/19
Water Enterprise Capacity Fees Fund	\$ 177,501	\$ 164,529	\$ 197,934
Water Enterprise Capital Reserve	1,652,747	3,008,532	2,957,315
Unrestricted Balance	1,290,402	618,706	513,978
	<u>\$ 3,120,650</u>	<u>\$ 3,791,767</u>	<u>\$ 3,669,227</u>

DISCUSSION OF WATER ENTERPRISE FUND REVENUE TRENDS

FY 2018/19 Water Enterprise Fund revenues (before transfers in) are projected to total \$3.12M, an increase of 7% from the \$2.9M projected in FY 2017/18. Revenues in FY 2016/17 saw a decline due to the suspension of rate increases and reduction in water consumption per the Stage three water emergency declaration enacted by the City. In 2006, the California Supreme Court ruled that utility rates charged by governmental entities are considered property-related fees and therefore are subject to the procedural requirements of Proposition 218, Article 130 of the California Constitution. Prop 218 requires governmental agencies that charge for utility services to conduct a majority protest hearing prior to adopting any changes in utility rates. The legislation provided for future rate increases within prescribed limits to be approved without holding a hearing each year for up to an additional four years. In June 2014, the City Council adopted a four -year schedule of rate increases based on a Utility Rate Study. In FY 2016/17, the adopted rate schedule establishes a water rate increase of 10% which was scheduled to take effect on July 1, 2016. Due to the City's new Cost Allocation Plan, the Water Enterprise received a lower allocation of administrative shared costs and Council therefore authorized a suspension of the July 1, 2016 rate increase. A new utility rate study was conducted in FY 2016/17 and presented to the Council's Finance & Administration Committee. The rate study indicated that, due to the expectation of lower operating costs, it would be prudent to roll out the remaining two rate increases over a four-year period, thus the original four-year roll out becomes a seven-year roll out. The Committee recommended resumption of the previously adopted rate schedule according to the following updated schedule:



A 10-year comparison of the Water Enterprise Fund's revenues:

ENTERPRISE FUNDS - WATER DEPARTMENT

Adopted Water Rates as of September 1, 2014

Customer Classes/Meter Sizes	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017-2018	FY 2018/2019	FY 2019/2020	FY 2020/2021
Fixed Charges for Residential Customers:							
5/8 & 3/4 inch	\$ 29.00	\$ 31.90	\$ 31.90	\$ 33.50	\$ 35.10	\$ 36.86	\$ 38.61
1 inch	\$ 41.25	\$ 45.38	\$ 45.38	\$ 47.65	\$ 49.92	\$ 52.42	\$ 54.92
1.5 inch	\$ 49.42	\$ 54.36	\$ 54.36	\$ 57.09	\$ 59.81	\$ 62.80	\$ 65.79
2 inch	\$ 85.92	\$ 94.51	\$ 94.51	\$ 99.24	\$ 103.96	\$ 109.16	\$ 114.36
3 inch	\$ 124.17	\$ 136.59	\$ 136.59	\$ 143.42	\$ 150.25	\$ 157.76	\$ 165.27
4 inch	\$ 162.44	\$ 178.68	\$ 178.68	\$ 187.62	\$ 196.55	\$ 206.38	\$ 216.20
6 inch	\$ 391.98	\$ 431.18	\$ 431.18	\$ 452.74	\$ 474.30	\$ 498.01	\$ 521.72
Fixed Charges for Non-Residential Customers:							
5/8 & 3/4 inch	\$ 59.00	\$ 64.91	\$ 64.91	\$ 68.16	\$ 71.40	\$ 74.98	\$ 78.55
1 inch	\$ 90.56	\$ 99.63	\$ 99.63	\$ 104.62	\$ 109.60	\$ 115.09	\$ 120.57
1.5 inch	\$ 111.61	\$ 122.78	\$ 122.78	\$ 128.93	\$ 135.07	\$ 141.83	\$ 148.59
2 inch	\$ 216.82	\$ 238.52	\$ 238.52	\$ 250.46	\$ 262.40	\$ 275.53	\$ 288.66
3 inch	\$ 322.03	\$ 354.27	\$ 354.27	\$ 372.00	\$ 389.73	\$ 409.24	\$ 428.74
4 inch	\$ 427.25	\$ 470.01	\$ 470.01	\$ 493.54	\$ 517.06	\$ 542.94	\$ 568.82
6 inch	\$ 971.75	\$ 1,068.93	\$ 1,068.93	\$ 1,122.38	\$ 1,175.82	\$ 1,234.61	\$ 1,293.40
Commercial Low-Usage Customers:							
5/8 & 3/4 inch	\$ 29.00	\$ 31.90	\$ 31.90	\$ 33.50	\$ 35.10	\$ 36.86	\$ 38.61
Variable Charges:							
<u>Single Family Residential Rates per HCF</u>							
Tier 1: 1-5 HCF	\$ 2.74	\$ 3.02	\$ 3.02	\$ 3.17	\$ 3.32	\$ 3.49	\$ 3.65
Tier 2: 6-10 HCF	\$ 4.11	\$ 4.52	\$ 4.52	\$ 4.75	\$ 4.98	\$ 5.23	\$ 5.47
Tier 3: 11+ HCF	\$ 6.17	\$ 6.78	\$ 6.78	\$ 7.12	\$ 7.46	\$ 7.84	\$ 8.21
<u>Non-Single Family Residential</u>				\$ -		\$ -	
Rate per HCF	\$ 4.73	\$ 5.20	\$ 5.20	\$ 5.46	\$ 5.72	\$ 6.01	\$ 6.30

DISCUSSION OF WATER ENTERPRISE FUND EXPENDITURE TRENDS

Water Enterprise Fund expenditures are expected to increase by \$17k year over year.

Salary and Benefit allocations of \$813k (paid to the General Fund and the Wastewater Enterprise Fund) are the Fund's largest expense representing 37% of total expenses in FY 2018/19, followed by Debt Service and Materials & Services (20%). Increases in the Salary and Benefits allocation (\$70k) will be offset by decreases in Material & Services by (12%) or \$59k. Additionally, Non-routine maintenance will increase by \$84k from FY 2017/18 projected year end to cater for needed maintenance work.

	Audited FY 2016/17	Projected FY 2017/18	Proposed FY 2018/19
Salary/Benefit Allocation	\$ 666,122	\$ 743,275	\$ 813,356
Facilities, Fleet, and Administration Allocations	277,259	312,315	336,980
Materials and Services	395,596	507,358	448,780
Miscellaneous	7,682	4,491	5,000
Non-Routine Maintenance	37,055	49,548	133,000
Debt Service	123,029	454,378	451,796
	<u>\$ 1,506,743</u>	<u>\$ 2,071,364</u>	<u>\$ 2,188,912</u>

Personnel Services

The Salary/Benefit Allocation includes wages and the City's contributions to health benefits and retirement costs for those employees who perform services on behalf of the Water Enterprise Fund. This allocation is expected to

increase 9% in FY 2018/19 when compared to FY 2017/18 due to increased benefits costs coupled with cost of living adjustments and merit increases for employees.

Non-Personnel Services

Water Enterprise Fund Materials and Services are budgeted to decrease by \$59k or 12%. The decrease is attributed to the decrease in legal fees as litigation pertaining to the summers lane reservoir has been resolved in FY17/18.

Non-routine maintenance increases by \$84k due to necessary maintenance for Madsen Hole, Waterfall Gulch and treatment units to be undertaken in FY 18/19.

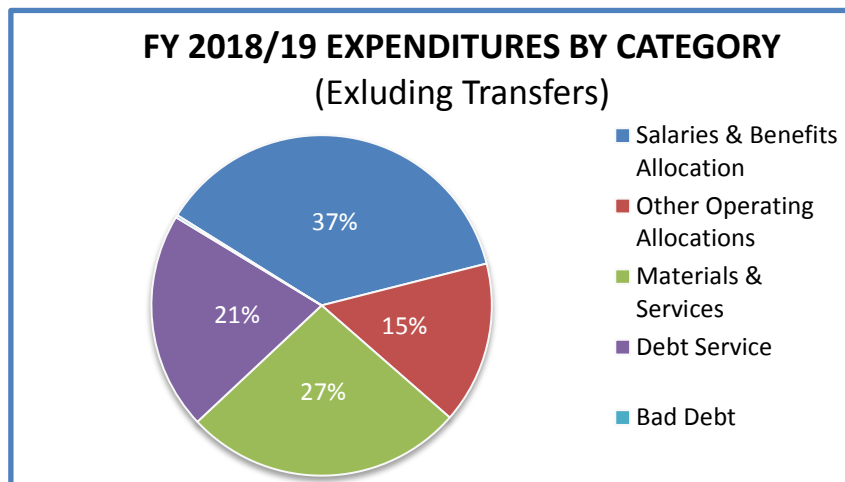
WATER ENTERPRISE BUDGET SUMMARY

Fund 610

Department: 4610,4611 AND 4612

Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Proposed Budget	% + /-
Salary/Benefit Allocation	\$ 666,122	\$ 743,275	\$ 743,275	\$ 813,356	9%
Other Operating Allocations	277,259	312,315	312,315	336,980	8%
Non-Personnel Services	565,463	1,092,098	1,015,774	1,038,576	2%
Total Expenditures	1,508,844	2,147,688	2,071,364	2,188,912	6%
Charges for Services	2,667,911	2,639,448	2,900,119	3,076,336	6%
Use of Money & Property	31,885	22,300	9,292	30,358	227%
Miscellaneous	619,419	5,000	5,611	10,000	78%
Total Revenue	3,319,215	2,666,748	2,915,022	3,116,694	7%
NET EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	1,810,372	519,060	843,658	927,782	10%
Transfers In	1,923,662	667,831	2,967,488	86,393	-97%
Transfers Out	(1,072,025)	(667,831)	(2,474,155)	(1,143,393)	-54%
CHANGE IN NET POSITION	\$ 2,662,009	\$ 519,060	\$ 1,336,992	\$ (129,218)	-110%

* To arrive at audited change in net position on the full accrual basis subtract depreciation expense and loan principal paid.
\$2,664,110 Less \$648,897 (depreciation) equals \$2,013,111 as published in the FY2016/17 CAFR)



BUDGET EXPENDITURE DETAIL:

Fund #610

Department: 4610, 4611, 4612

Object	Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Proposed Budget	% + /-
0801	Salary/Benefits Allocation	\$ 666,122	\$ 743,275	\$ 743,275	\$ 813,356	9%
	Personnel Services	666,122	743,275	743,275	813,356	9%
0310	Engineering	-	-	-	-	
0311	Legal	62,077	40,000	100,000	20,000	-80%
0312	Auditing & Accounting	7,052	8,000	7,200	8,400	17%
0313	Laboratory	8,847	15,000	15,000	15,000	0%
0319	Professional Services	52,366	118,320	88,802	96,340	8%
0320	Dues & Memberships	575	800	800	800	0%
0342	Laboratory Supplies	8,193	12,000	10,000	12,000	20%
0343	Chemicals	35,731	37,000	37,000	40,000	8%
0351	Equipment Repair & Maint	27,839	37,500	37,500	37,500	0%
0353	Building Repair & Maint	6,020	6,000	6,000	6,000	0%
0354	Laundry/Cleaning/Janitorial	675	500	500	600	20%
0360	Property Premium	15,948	17,200	14,470	16,000	11%
0362	Telephone & Communication	2,814	2,900	2,686	2,740	2%
0366	Training/Travel Reimbursement	6,287	9,000	9,500	9,500	0%
0372	Postage	8,368	9,300	7,200	8,700	21%
0373	Licenses & Permits	10,683	17,000	14,000	8,500	-39%
0373	Licenses & Permits	10,683	17,000	14,000	8,500	-39%
0375	General Supplies	33,090	28,500	28,500	28,500	0%
0376	Medical/Safety Supplies	2,035	1,500	1,500	1,500	0%
0381	Small Tools & Equipment	4,737	8,000	6,500	6,500	0%
0382	Fuels & Lubricants	90	-	-	-	0%
0383	Utilities	95,988	120,000	120,000	130,000	8%
0384	Books & Subscriptions	184	200	200	200	0%
0619	Miscellaneous	2,276	-	-	-	0%
0619/0630	Stage Three Water Emergency	5,822	-	-	-	0%
	Materials & Services	397,697	488,720	507,358	448,780	-12%
0911	Principal	-	353,628	353,628	362,849	3%
0912	Interest	122,479	97,350	97,350	85,347	-12%
0913	Fees	550	3,400	3,400	3,600	6%
	Debt Service	123,029	454,378	454,378	451,796	-1%
0606	Bad Debt Sent to Collection	7,682	5,000	4,491	5,000	11%
	Bad Debt	7,682	5,000	4,491	5,000	11%
0731	Construction	15,066	-	-	-	0%
0751	Infrastructure-Water	-	35,000	35,000	-	-100%
0741	Machinery & Equipment	21,989	109,000	14,548	133,000	814%
	Non-Routine Maintenance	37,055	144,000	49,548	133,000	168%
	Total Non-Personnel Services	565,463	1,092,098	1,015,774	1,038,576	2%
0322	Fleet Services	41,696	60,422	60,422	64,985	8%
0396	Allocation to IT Int Serv Fund	68,655	90,120	90,120	104,825	16%
0397	Alloc to Facilities Maint	58,321	47,783	47,783	67,656	42%
0399	Admin Costs Allocation	108,587	113,990	113,990	99,514	-13%
	Other Operating Allocations	277,259	312,315	312,315	336,980	8%
0799	Transfer to Other Funds	1,072,025	667,831	2,474,155	1,143,393	-54%
	Total Water Enterprise	\$ 2,580,869	\$ 2,815,519	\$ 4,545,519	\$ 3,332,305	-27%

Water Enterprise Administration Division
Line Item Detail

Fund #610		Account	Category	FY 2018/19
Department: 4610		Detail	Detail	Proposed Budget
Materials & Services				
610-4610-0311	Legal		\$ 20,000	
610-4610-0312	Auditing & Accounting		8,400	
610-4610-0319	Utility Billing Professional Services		27,440	
	48 Hour phone calls	430		
	ACH & credit card fees	5,920		
	Bank fees - Lockbox	8,830		
	General account services	6,870		
	Print services	5,390		
		27,440		
610-4610-0360	Property Insurance		16,000	
610-4610-0362	Telephone & Communication		2,740	
610-4610-0372	Postage		8,700	
Total Material & Services			\$ 83,280	
Other Expenditures				
610-4610-0606	Bad Debts Sent to Collection		5,000	
Total Other Expenditures			\$ 5,000	
Allocations				
610-4610-0396	IT Internal Service Fund		104,825	
610-4610-0399	Admin Costs		99,514	
610-4610-0801	Salary/Benefits		813,356	
Total Allocations			\$ 1,017,695	
Total - Water Enterprise Administration Division			\$ 1,105,975	

Water Enterprise Maintenance Division
Line Item Detail

Fund #610		Account	Category	FY 2018/19
Department: 4611		Detail	Detail	Proposed Budget
Materials & Services				
610-4611-0366	Training/Travel Reimbursement		\$ 2,500	
610-4611-0375	General Supplies		25,000	
610-4611-0381	Small Tools & Equipment		3,500	
Total Material & Services			\$ 31,000	
Allocations				
610-4611-0397	Facilities Maintenance		67,656	
Total Allocations			\$ 67,656	
Total - Water Enterprise Maintenance Division			\$ 98,656	

Water Enterprise Treatment Division
Line Item Detail

Fund #610 Department: 4612		Account Detail	Category Detail	FY 2018/19 Proposed Budget
Materials & Services				
610-4612-0313	Laboratory		\$	15,000
		Analysis	\$	8,200
		License		1,600
		Supplies		2,900
		Well Testing		2,300
				<u>15,000</u>
610-4612-0319	Professional Services			68,900
		AWWA water audits to prepare for Urban Water M		6,500
		Backflow		4,500
		Backwash solids removal - roll		10,000
		Cathodic protection maintenance		3,500
		Fire extinguisher maintenance		400
		Groundwater development - roll		20,000
		PLC support		10,000
		For Sanitary Survey needs to be done by 12/31/		14,000
				<u>68,900</u>
610-4612-0320	Dues & Memberships			800
		Operator/lab certification		800
				<u>800</u>
610-4612-0342	Laboratory Supplies			12,000
		Analytical equipment parts/service		4,500
		Lab Supplies		4,000
		Reagents & buffers 3500		3,500
				<u>12,000</u>
610-4612-0343	Chemicals			40,000
610-4612-0351	Equipment Repair & Maintenance			37,500
		Pumps and controls		15,000
		Equipment Replacement		10,000
		Treatment unit parts		7,500
		Electrical parts		5,000
				<u>37,500</u>
610-4612-0353	Building Repair & Maintenance			6,000
610-4612-0354	Laundry/Cleaning/Janitorial			600
610-4612-0366	Training/Travel Reimbursement			7,000
		Safety Training		4,000
		Technical Training		3,000
				<u>7,000</u>
610-4612-0373	Licenses & Permits			8,500
		SWRCB Fees		6,500
		County Hazmat Fees		1,000
		AQMD		1,000
				<u>8,500</u>
610-4612-0375	General Supplies			3,500
610-4612-0376	Medical/Safety Supplies			1,500
610-4612-0381	Small Tools & Equipment			3,000
610-4612-0383	Utilities			130,000
610-4612-0384	Books & Subscriptions			200
				<u>200</u>
Total Material & Services				\$ 334,500
(continued on next page)				

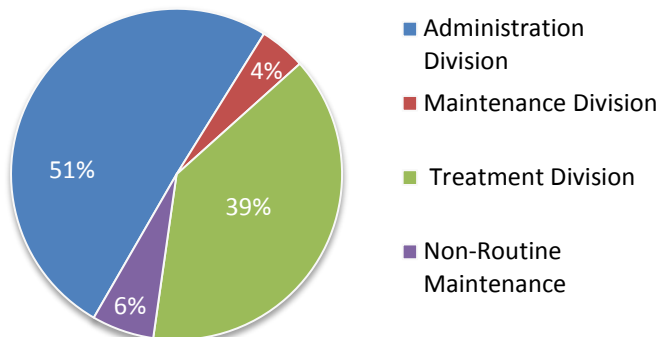
Water Enterprise Treatment Division Cont'd

Fund #610		Account	Category	FY 2018/19
Department: 4612: Continued		Detail	Detail	Proposed Budget
Allocations				
	610-4612-0322 Fleet Services		64,985	
	Total Allocations		\$ 64,985	
Debt Service				
	610-4612-0911 Principal		362,849	
	610-4612-0912 Interest		85,347	
	610-4612-0913 Fees		3,600	
	Total Debt Service		451,796	
Transfers Out				
	610-7999-0799		1,143,393	
	To 614, Non-routine maintenance	28,498		
	To 651, Sweep Excess Fund Balance to Capital Reserve	1,057,000		
				1,143,393
Total - Water Enterprise Treatment Division				\$ 1,994,674

Water Enterprise Non-Routine Maintenance
Line Item Detail

Fund #614		Account	Category	FY 2018/19
Department: 4614		Detail	Detail	Proposed Budget
Materials & Services				
	614-4614-0741 Machinery & Equipment		133,000	
	Removal & Rehab Madsen hole Pump	30,000		
	Wireless connection: Plant to Madson Hole	44,000		
	Waterfall Gulch Fencing-roll over	45,000		
	Treatment units transducers for clarifiers	14,000		
	Total Material & Services		133,000	
Total - Water Enterprise Non-Routine Maintenance				\$ 133,000

FY 2018/19 EXPENDITURES BY DIVISION





FORT BRAGG WASTEWATER DEPARTMENT

The Wastewater Enterprise is operated by the Municipal Improvement District No. 1 and is responsible for ensuring the provision of a safe and effective sanitary sewer system to serve residents, businesses and public facilities in the City of Fort Bragg. It also is responsible for operation of a wastewater treatment facility in compliance with state and federal regulations.

SUMMARY OF SERVICES

Services provided by the Wastewater Enterprise include coordinating operations, monitoring, maintenance and related activities of the wastewater treatment plant and sanitary pumping stations. The Enterprise provides primary and secondary treatment of wastewater as well as treatment and conditioning of the solids removed at the treatment facility resulting in a high quality effluent that can be discharged to the ocean.

STRATEGIC GOALS AND OBJECTIVES

- Operate, maintain, and upgrade the City's wastewater collection system and treatment facilities.
- Ensure compliance with all regulatory requirements, including discharge limitations, monitoring and reporting, and safety procedures.
- Seek grant funding and other low-cost financing for capital projects.
- Manage the City's wastewater system in a cost-effective and efficient manner.

FY 2017/18 TOP ACCOMPLISHMENTS

- Completed design and engineering of the Wastewater Treatment Facility Upgrade Project.
- Design and engineering completed for influent flow meter project. Contract awarded; construction underway.
- Biosolids were transported to Redwood Landfill.
- Installed Wemco grit pumps.
- Installed Jones Attwood Jetta drives for grit removal.
- Purchased and installed an additional Chemtrac Chlorine analyzer.
- Purchased and installed an additional ATI sulfite analyzer.
- Installed Kohler diesel generator at Elm Street lift station.
- Installed a Conery Freeflo Base Elbow Guide Rail system at the Native American Lift Station.

FY 2018/19 TOP PRIORITIES

- Rehabilitate Native American Lift Station electrical system.
- Award construction contract for the Wastewater Treatment Facility Upgrade project.
- Complete Lift Station SCADA system (wireless communication.)
- Design and install a vacuum truck dump station.
- Identify inflow and infiltration deficiencies that require immediate repair and complete cure in place pipe projects, as funding allows.



PERFORMANCE/WORKLOAD MEASURES

INDICATORS	FY16	FY17
WASTEWATER DEPARTMENT		
Customer Service calls, wastewater	52	43
New customer sewer lines installed	1	4
Sewer mains cleaned/flushed in miles	15	17.38
Sewer mains and laterals repaired in number of jobs	11	12
Sewer manholes inspected	363	374
Sewer spill responses	5	1

BUDGET SUMMARY

OVERVIEW

The FY 2018/19 Wastewater Enterprise Fund budget is \$2.6M, an increase of 5% or \$125k over the previous fiscal year. Revenues for the Wastewater Enterprise Fund are primarily received in the form of rates charged to customers. Charges for Services revenues are expected to tick up 3% or \$105k.

NET POSITION (FUND BALANCE)

In an Enterprise Fund, fund balance is presented as Net Position. Over time, Net Position trends can help identify current and potential future problems that could undermine the fiscal health of an enterprise fund. The FY 2017/18 projected year-end Net Position is expected to be \$4.8M and the FY 2018/19 year-end Net Position is budgeted at \$1.5M.

The following table includes the operating fund as well as the Capacity Fees fund and the Capital Reserve:

	Audited FY 2016/17	Projected FY 2017/18	Proposed FY 2018/19
Wastewater Fund Unrestricted Net Position	\$ 3,615,944	\$ 4,765,372	\$ 1,463,092

As shown above, the Net Position of the Wastewater Enterprise operating fund is expected to increase by approximately \$1.2M between FY 2016/17 and FY 2017/18. This is attributable to a rate structure designed to save approximately \$1M per year in the Enterprise capital reserve. The fund will be drawn down in FY 2018/19 with \$18.7M planned in Capital Improvement Program projects. Funding for the Enterprise Capital Improvement Program consists of \$4.3M from the Capital Reserve, \$5M in bond proceeds as well as \$9.4M in grant funding.

WASTEWATER ENTERPRISE RESERVES

The Wastewater Enterprise Fund Capital Reserve is established in accordance with the Fund Balance & Reserve Policy which is intended to ensure the continued financial well-being of the City by planning for unanticipated emergency and contingency needs as well as future capital projects. Each year, all unrestricted fund balance in the Wastewater Enterprise Fund in excess of 25% of the prior year's operating expenditures is transferred to the Capital Reserve. The Improvement District Board periodically reviews and updates its reserve policy and budgeted reserve amounts to ensure that the Wastewater Enterprise has sufficient resources to adequately provide for capital projects and unforeseen emergencies. In FY 2018/19, the 25% threshold is projected to be \$585k. Excess fund balance in the amount of \$1.1M is expected to be transferred to the capital reserve.

The City collects capacity charges for new wastewater connections. These fees are committed for improvements to facilities in existence at the time the charge is imposed or for new facilities to be constructed in the future. These fees are accounted for in the Wastewater Enterprise Capacity Fees fund. The balance of the Capacity Fees fund has grown steadily over the years and is expected to reach \$364k in FY 2018/19.

ENTERPRISE FUNDS – WASTEWATER

	Audited	Projected	Proposed
	FY 2016/17	FY 2017/18	FY 2018/19
Wastewater Capacity Fees Fund (committed)	\$ 302,130	\$ 330,977	\$ 363,801
Wastewater Education Fund (committed)	5,095	4,441	2,197
Wastewater Enterprise Capital Reserve (committed)	434,475	3,864,517	428,401
Restricted for Debt Service			83,923
Unrestricted Balance	2,874,244	565,437	584,770
	<u>\$ 3,615,944</u>	<u>\$ 4,765,372</u>	<u>\$ 1,463,092</u>

DISCUSSION OF WASTEWATER ENTERPRISE FUND REVENUE TRENDS

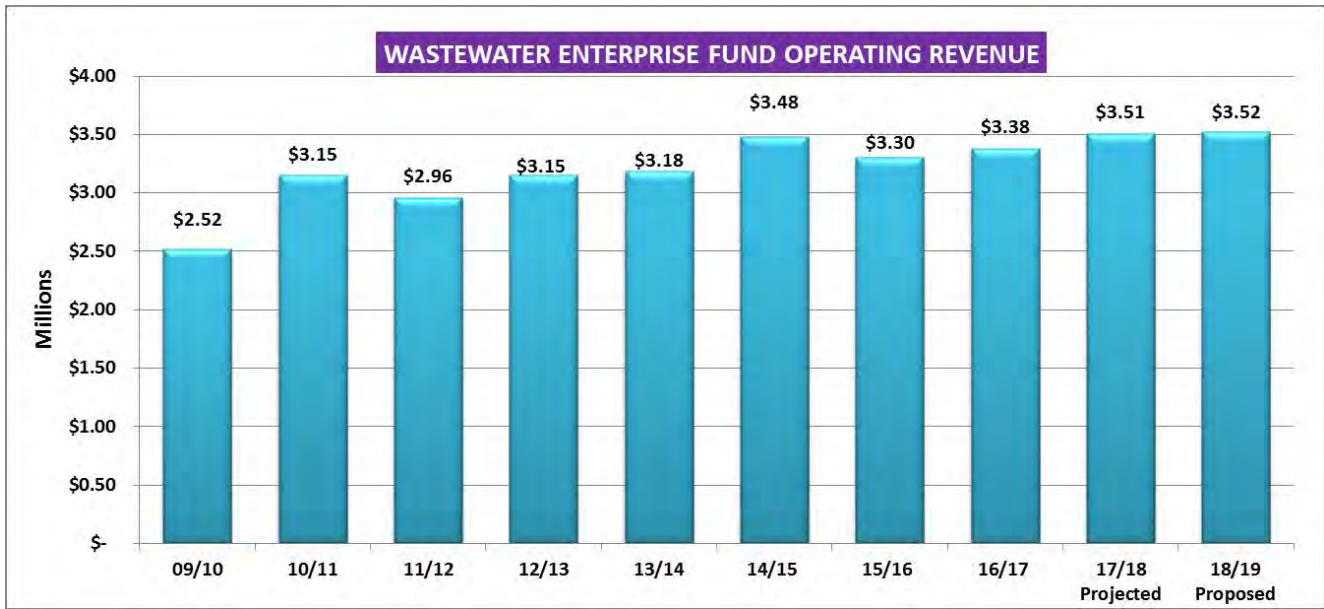
FY 2018/19 Wastewater Enterprise Fund revenues (before transfers in and bond proceeds) are projected to total \$3.62M, a decrease of 2% from the \$3.69M projected in FY 2017/18. Charges for Services will see a 3% increase or \$105k while Other Revenue will decrease 65% or \$180k. The decrease in Other Revenue is attributable to a one-time payment in FY2017/18 from the General Fund as the final re-payment for prior year over-allocations which were discovered in FY2016/17.

In 2006, the California Supreme Court ruled that utility rates charged by governmental entities are considered property-related fees and therefore are subject to the procedural requirements of Proposition 218, Article 130 of the California Constitution. Prop 218 requires governmental agencies that charge for utility services to conduct a majority protest hearing prior to adopting any changes in utility rates. The legislation provided for future rate increases within prescribed limits to be approved without holding a hearing each year for up to an additional four years. In June 2014, the City Council adopted a four-year schedule of rate increases based on a Utility Rate Study. In FY 2016/17, the adopted rate schedule establishes a wastewater rate increase of 6% which was scheduled to take effect on July 1, 2016. Due to the City's new Cost Allocation Plan, the Wastewater Enterprise received a lower allocation of administrative shared costs and Council therefore authorized a suspension of the July 1 rate increase. A new utility rate study was conducted in FY 2016/17 which was presented to the Council's Finance & Administration Committee. The rate study indicated that, due to the expectation of lower operating costs, it would be prudent to roll out the remaining two rate increases over a four-year period. Thus the original four-year roll out becomes a seven-year roll out. The Committee recommended resumption of the previously adopted rate schedule according to the following updated schedule:

Adopted Sewer Rates as of July 1, 2014

Customer Class	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017-2018	FY 2018/2019	FY 2019/2020	FY 2020/2021
<u>Fixed Charges:</u>							
<u>Residential:</u>							
Single Family Residential	\$ 24.50	\$ 26.46	\$ 26.46	\$ 27.26	\$ 28.05	\$ 28.89	\$ 29.73
Multifamily Residential	\$ 24.50	\$ 26.46	\$ 26.46	\$ 27.26	\$ 28.05	\$ 28.89	\$ 29.73
Mobile Home Parks	\$ 24.50	\$ 26.46	\$ 26.46	\$ 27.26	\$ 28.05	\$ 28.89	\$ 29.73
<u>Commercial:</u>							
Low Strength	\$ 24.50	\$ 26.46	\$ 26.46	\$ 27.26	\$ 28.05	\$ 28.89	\$ 29.73
Medium Strength	\$ 24.50	\$ 26.46	\$ 26.46	\$ 27.26	\$ 28.05	\$ 28.89	\$ 29.73
High Strength	\$ 24.50	\$ 26.46	\$ 26.46	\$ 27.26	\$ 28.05	\$ 28.89	\$ 29.73
<u>Variable Charges:</u>							
<u>Residential:</u>							
Single Family Residential	\$ 6.19	\$ 6.69	\$ 6.69	\$ 6.89	\$ 7.09	\$ 7.31	\$ 7.52
Multifamily Residential	\$ 2.78	\$ 3.00	\$ 3.00	\$ 3.09	\$ 3.18	\$ 3.28	\$ 3.38
Mobile Home Parks	\$ 0.20	\$ 0.21	\$ 0.21	\$ 0.22	\$ 0.22	\$ 0.23	\$ 0.24
<u>Commercial:</u>							
Low Strength	\$ 8.40	\$ 9.07	\$ 9.07	\$ 9.34	\$ 9.61	\$ 9.90	\$ 10.19
Medium Strength	\$ 8.63	\$ 9.33	\$ 9.33	\$ 9.61	\$ 9.89	\$ 10.19	\$ 10.48
High Strength	\$ 21.52	\$ 23.24	\$ 23.24	\$ 23.94	\$ 24.64	\$ 25.38	\$ 26.12

A 10-year comparison of the Wastewater Enterprise Fund's operating revenue follows:



DISCUSSION OF WASTEWATER ENTERPRISE FUND EXPENDITURE TRENDS

Wastewater Enterprise Fund expenditures are budgeted for FY 2018/19 at \$2.58M, an increase of 5% or \$125k from FY 2017/18 projections. Increases in Salary & Benefits due to increasing pension costs as well as cost of living adjustments (\$90k) are offset by lower Salary & Benefits allocations (\$31k). Debt Service is expected to increase \$76k.

	Audited FY 2016/17	Projected FY 2017/18	Proposed FY 2018/19
Salaries/Wages/Benefits	\$ 849,314	\$ 868,825	\$ 959,098
Salary/Benefit Allocation	345,715	399,734	368,674
Fleet, IT and Administration Allocations	357,107	429,137	462,115
Materials and Services	427,286	499,256	482,534
Miscellaneous	3,709	2,946	8,000
Non-Routine Maintenance	209,198	195,578	164,000
Debt Service	9,067	61,573	137,769
	<u>\$ 2,201,396</u>	<u>\$ 2,457,049</u>	<u>\$ 2,582,191</u>

Personnel Services

Salaries/Wages/Benefits increased \$90k or 10% primarily due to increasing pension costs as well as cost of living adjustments. The Salary/Benefit Allocation to the General Fund includes wages and the City's contributions to health benefits and retirement costs for those General Fund employees who perform services on behalf of the Wastewater Enterprise Fund. The Wastewater Enterprise also allocates personnel costs to the Water Enterprise for employees that are shared between the two. In FY 2018/19 two maintenance workers are expected to shift more time to the Water Enterprise resulting in a lower cost to the Wastewater Enterprise (\$31k).

Non-Personnel Services

Wastewater Enterprise Fund Materials and Services are budgeted to decrease approximately 3% or \$16k.

The Wastewater Enterprise Fund expects to upgrade the City's aging Wastewater Treatment Facility in FY 2018/19 and FY2019/20. The Capital project is budgeted at over \$17.6M with a significant portion of the funding expected to come from State and federal grants (\$9.4M). The Wastewater Enterprise Fund balance is anticipated to provide \$3.2M of the funding. Additional funding will be contributed via a low interest USDA loan in the amount of \$5M. In addition to the \$3.2M contributed to the Wastewater Treatment Facility project, the Enterprise will also fund \$1M for the rehabilitation of three lift stations as well as \$120k for Sewer Main Rehabilitation. For more detail on the Wastewater Enterprise Capital Improvement Program see pages 207 thru 218

Debt Service is budgeted to increase \$76k due to the Enterprise issuing Certificates of Participation (a type of bond funding) in connection with the Wastewater Treatment Facility upgrade project. The City's Joint Powers Financing Authority (JPFA) will sell a revenue bond for which the sole purchaser will be USDA. The JPFA will use the funds to construct the wastewater treatment plant and then sell the project to the City via an Installment Sales agreement. The City will purchase the project from the JPFA with periodic payments made from the operating revenue of the wastewater enterprise (MID). The bonds will be issued at \$5M with a 40 year term and an interest rate of 2%. Annual debt including principal and interest is expected to be approximately \$185k. FY2018/19 however, is slated for an interest only payment at approximately \$76k plus \$3k in loan administration fees. For more detail on the Wastewater Enterprise Debt Service requirements see pages 154 thru 164

Other Operating Allocations

Allocations to Internal Service Funds are budgeted \$32k higher in FY 2018/19 than in the previous year. In FY 2017/18, the long-term plan for the Information Technology Internal Service fund was increased from three years to five and the long-term plan for the Fleet Internal Service fund was increased from three years to ten. Each year the long-term plans are updated, and in FY2018/19 the plans indicated a need for increased funding.

Municipal Improvement District #1; Wastewater Enterprise

Fund 710

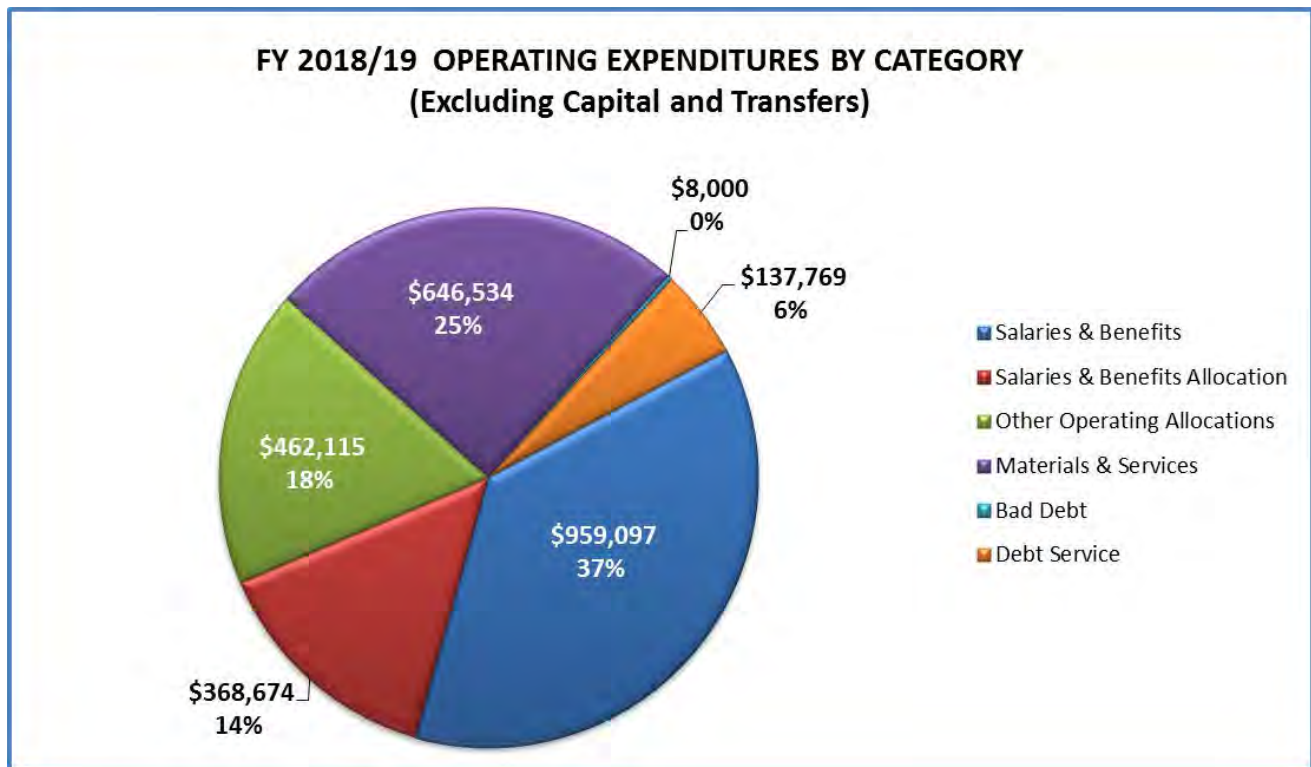
Department: 4710, 4711 & 4712

Appropriations & Revenue

Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	FY 2017/18 FYE Projected	FY 2018/19 Proposed Budget	% + /-
Salaries & Benefits	\$ 849,314	\$ 879,108	\$ 868,825	\$ 959,097	10%
Salary/Benefit Allocation	345,715	399,734	399,734	368,674	-8%
Other Operating Allocations	357,107	429,138	429,137	462,115	8%
Non-Personnel Services	649,260	828,051	759,353	792,303	4%
Total Appropriations	2,201,396	2,536,030	2,457,049	2,582,190	5%
Charges for Services	3,305,285	3,299,727	3,416,510	3,521,411	3%
Other Revenue	654,306	65,237	276,986	96,199	-65%
Total Operating Revenue	3,959,590	3,364,964	3,693,496	3,617,610	-2%
NET EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENSES	1,758,194	828,935	1,236,447	1,035,420	-16%
Transfers In	2,171,200	12,269,785	5,896,791	18,428,543	213%
Transfers Out	(1,019,731)	(3,852,869)	(5,983,809)	(9,042,843)	51%
NET CHANGE IN FUND BALANCE	\$ 2,909,664	\$ 9,245,851	\$ 1,149,429	\$ 10,421,120	807%

* To arrive at audited change in net position on the full accrual basis subtract depreciation expense.

\$2,909,664 less \$645,828 (depreciation) equals \$2,263,835 (as published in the FY2016/17 CAFR)



BUDGET EXPENDITURE DETAIL:

Municipal Improvement District #1; Wastewater Enterprise

Fund #710

Department: 4710,4711,4712

Object	Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	FY 2017/18 FYE Projected	FY 2018/19 Proposed Budget	% + /-
0100	Salaries & Wages	\$ 551,265	\$ 544,070	\$ 536,158	\$ 598,449	12%
0200	Employee Benefits	298,049	335,037	332,668	360,649	8%
	Salaries & Benefits	849,314	879,108	868,825	959,097	10%
0801	Salary/Benefits Allocation	345,715	399,734	399,734	368,674	-8%
	Salary/Benefits Allocation	345,715	399,734	399,734	368,674	-8%
	Personnel Services	1,195,029	1,278,841	1,268,559	1,327,771	5%
0312	Auditing & Accounting	10,058	10,350	9,827	11,734	19%
0313	Laboratory	29,134	26,660	26,660	27,000	1%
0319	Professional Services	63,337	108,196	105,571	95,440	0%
0320	Dues & Memberships	2,701	2,300	2,300	2,300	0%
0342	Laboratory Supplies	3	-	-	-	0%
0343	Chemicals	52,298	65,000	65,000	58,000	-11%
0351	Equipment Repair & Maint	65,904	80,022	80,022	70,000	0%
0353	Building Repair & Maint	2,111	5,000	5,000	5,000	0%
0354	Laundry/Cleaning/Janitorial	1,067	1,000	1,000	1,000	0%
0359	Liability Deductible	1,885	1,000	500	2,000	300%
0360	Property Premium	15,077	15,400	15,133	16,000	6%
0361	Property Deductible	-	1,000	500	1,000	100%
0362	Telephone & Communication	895	750	743	760	2%
0366	Training/Travel Reimbursement	5,741	9,000	9,000	8,500	-6%
0372	Postage	8,339	9,200	11,700	13,200	13%
0373	Licenses & Permits	12,183	15,700	15,700	15,000	-4%
0375	General Supplies	8,277	9,500	9,500	9,500	0%
0376	Medical/Safety Supplies	5,351	6,500	6,500	6,000	-8%
0377	Boot Expense	1,098	1,800	1,800	1,800	0%
0381	Small Tools & Equipment	6,748	9,500	9,500	8,000	-16%
0383	Utilities	133,565	120,000	123,000	130,000	6%
0384	Books & Subscriptions	-	300	300	300	0%
0619	Miscellaneous	1,515	-	-	-	0%
	Materials & Services	427,286	498,178	499,256	482,534	-3%
0606	Bad Debt Sent to Collection	3,709	3,000	2,946	8,000	172%
	Bad Debt	3,709	3,000	2,946	8,000	172%
0741	Machinery & Equipment	73,741	135,300	125,371	44,000	-65%
0751	Infrastructure	135,458	130,000	70,207	120,000	71%
	Capital Expenditures	209,198	265,300	195,786	164,000	-16%
	Principal	-	55,000	55,000	55,000	0%
	Interest	6,492	4,373	4,373	77,569	1674%
	Fees	2,575	2,200	2,200	5,200	136%
	Debt Service	9,067	61,573	61,573	137,769	124%
	Non-Personnel Services	649,260	828,051	759,560	792,303	4%
0322	Fleet Services	43,166	104,231	104,231	134,553	29%
0396	Allocation to IT Int Serv Fund	68,655	90,120	90,120	104,825	16%
0397	Alloc to Facilities Maint	58,321	47,783	47,783	67,656	42%
0399	Admin Costs Allocation	186,965	187,003	187,003	155,082	-17%
	Other Operating Allocations	357,107	429,138	429,137	462,115	8%
0799	Transfer to Other Funds	1,019,731	3,852,869	5,983,809	9,042,843	51%
	Total Wastewater Enterprise	\$ 3,221,127	\$ 6,388,899	\$ 8,441,065	\$ 11,625,033	38%

Municipal Improvement District #1
Wastewater Enterprise Administration Division
Line Item Detail

Fund #710		Account	Category	FY 2017/18
Department: 4710		Detail	Detail	Proposed Budget
Materials & Services				
	710-4710-0312	Auditing & Accounting	\$ 11,734	
	710-4710-0319	Profession Bank Fees- Lockbox	27,440	
	710-4710-0359	Liability Deductible	2,000	
	710-4710-0360	Property Premium	16,000	
	710-4710-0361	Property Deductible	1,000	
	710-4710-0362	Telephone & Communication	760	
	710-4710-0372	Postage	8,700	
Total Material & Services				\$ 67,634
Other Expenditures				
	710-4710-0606	Bad Debts Sent to Collection	8,000	
Total Other Expenditures				8,000
Allocations				
	710-4710-0396	IT Internal Service Fund	104,825	
	710-4710-0399	Admin Costs	155,082	
Total Allocations				259,906
Operating Transfers				
	710-7999-0799	Transfers to Other Funds		
		To 717 - Debt Service	79,111	
		To 717 - Debt Service Reserve	18,590	
		To 717- Short Lived Asset Reserve	65,333	
		To 715 - Sweep Excess Fund Balance to Capital Reserve	1,063,284	
		To 716 - Funding for WWTP	2,814,225	
		To 716- Proceeds of Loan	5,000,000	
		To 110 - Storm Drains Outreach and Education	2,300	
Total Operating Transfers				9,042,843
Total - Wastewater Enterprise Administration Division				\$ 9,378,383

Municipal Improvement District #1
Wastewater Enterprise Maintenance Division
Line Item Detail

Fund #710		Account	Category	FY 2017/18
Department: 4711		Detail	Detail	Proposed Budget
Materials & Services				
	Training/Travel Reimbursement		\$ 2,500	
	General Supplies		5,000	
	Small Tools & Equipment		<u>3,500</u>	
	Total Material & Services			\$ 11,000
Allocations				
	Facilities Maintenance Allocation		<u>67,656</u>	
	Total Allocations			67,656
	Total - Wastewater Enterprise Maintenance Division			<u>\$ 78,656</u>

Municipal Improvement District #1
Wastewater Enterprise Treatment Division
Line Item Detail

Fund #710		Account	Category	FY 2017/18
Department: 4712		Detail	Detail	Proposed Budget
Personnel Costs				
	Salaries & Wages		\$ 598,449	
	Employee Benefits		360,649	
	Salary/Benefits Allocation from General Fund		575,103	
	Salary/Benefits Allocation to Water Enterprise		(206,429)	
Total Personnel Costs				\$ 1,327,771
Materials & Services				
	Laboratory		27,000	
	Professional Services		68,000	
	Biosolids (3 yr contract)	\$ 50,000		
	Receiving Water Monitoring	12,000		
	Backflow test	1,500		
	Fire Extinguishers maintenance	1,500		
	Flow Meter Calibrations	3,000		
		68,000		
	Dues & Memberships		2,300	
	Chemicals		58,000	
	Equipment Repair & Maintenance		70,000	
	Boiler Maint.	1,500		
	Electrical Maint	12,000		
	Electrical Hardware	6,000		
	Lift Station replacement fittings	10,000		
	Pump repair	18,000		
	Replacement press belts	2,000		
	Small projects and Improvements	19,000		
	Stainless Steel/PVC hardware	1,500		
		70,000		
	Building Repair & Maintenance		5,000	
	Fencing and Gates	1,000		
	Lift stations	1,800		
	Roof and door maintenance	1,400		
	SWPPP BMPS	800		
		5,000		
	Laundry/Cleaning/Janitorial		1,000	
	Training/Travel Reimbursement		6,000	
	Postage		4,500	

(continued on next page)

Municipal Improvement District #1 Cont'd

Fund #710		Account	Category	FY 2017/18
Department: 4712		Detail	Detail	Proposed Budget
Materials & Services, Continued				
	Licenses & Permits		15,000	
	Annual Fees	11,000		
	AQMD	3,000		
	County Hazmat	1,000		
		<u>15,000</u>		
	General Supplies		4,500	
	Medical/Safety Supplies		6,000	
	Confined Space	1,500		
	Respirator Maintenance	500		
	Safety supplies	<u>4,000</u>		
		6,000		
	Boot Expense		1,800	
	Small Tools & Equipment		4,500	
	Utilities		130,000	
	Books & Subscriptions		<u>300</u>	
	Total Material & Services			403,900
Allocations				
	Fleet Services		<u>134,553</u>	
	Total Allocations			134,553
Debt Service				
	Principal		55,000	
	Interest		77,569	
	Fees		<u>5,200</u>	
	Total Debt Service			137,769
Total - Wastewater Enterprise Treatment Division				<u>\$ 2,003,993</u>

Municipal Improvement District #1
Wastewater Enterprise Non-Routine Maintenance
Line Item Detail

Fund # 714		Account	Category	FY 2017/18
Department: 4713		Detail	Detail	Proposed Budget
Materials & Services				
	Machinery & Equipment		44,000	
	Stairscreen Wash Press Assembly	\$ 34,000		
	SCADA roll over	10,000		
		<u>44,000</u>		
	Infrastructure		120,000	
	Annual Pipe projects	<u>120,000</u>		
Total Material & Services				164,000
Total - Wastewater Enterprise Non-Routine Maintenance				<u>\$ 164,000</u>

C.V. STARR COMMUNITY CENTER

OVERVIEW

The C.V. Starr Community Center and Sigrid & Harry Spath Aquatic Facility (C.V. Starr Center) is a 43,000 square foot facility that includes an indoor water park, fitness, exercise and weight rooms and meeting rooms for community use. Its grounds include a dog park, a skateboard park, petanque courts and picnic and BBQ facilities. The City owns the facility and receives restricted sales tax and property tax revenues to help offset the costs of operation, maintenance and capital improvements at the C.V. Starr Center. These restricted sales and property tax funds are held in the C.V. Starr Enterprise Fund.

SUMMARY OF SERVICES

The City contracts with the Mendocino Coast Recreation and Parks District (MCRPD) for day-to-day operation and maintenance of the C.V. Starr Center.

GOALS AND OBJECTIVES

- Continue to coordinate with the MCRPD to ensure efficient and effective operation of the C.V. Starr Center in accordance with the Operating Agreement between the City and the MCRPD.
- Continue to ensure that financial procedures and fiscal controls are effectively implemented to address accounting, cash handling, payroll processing, purchasing and procurement, inventory controls, record-keeping, auditing and reporting.
- Coordinate closely with the MCRPD District Administrator to ensure completion of necessary maintenance and repairs and implementation of capital improvement projects.



BUDGET OVERVIEW

The C.V. Starr Center's annual operating budget is adopted as a stand-alone budget for the facility. The C.V. Starr Enterprise Fund receives special sales tax revenues and property tax revenues that are restricted and used to help offset the costs of operation, maintenance and capital improvements at the Center. Revenue generated from operating the C.V. Starr Center is collected through user fees, the sale of merchandise, and other miscellaneous sources.

Operating revenues for FY 2018/19 are budgeted at \$689k which is essentially flat compared to the FY 2017/18 projected result of \$687k. Revenues are budgeted essentially flat despite the anticipated closure of the Center's swimming pool for nearly two months while the basin is resurfaced in the coming winter months. Following the City's lead, the CV Starr Center budget was developed using less conservative revenue forecasting. The FY2018/19 budget is based upon an assumed rate increase at the start of calendar year 2019. The increase is modest and will bring the rates back to levels that were previously decreased. MCRPD Staff will present the rate increases to the MCRPD Board as well as the City of Fort Bragg City Council for approval.

Operating expenditures are costs directly related to the operation of the C.V. Starr Center, such as wages, benefits, utilities, services, and supplies. These expenses are budgeted for FY 2018/19 at \$1.7 million, essentially flat over FY2017/18.

For FY 2018/19, multiple capital projects are proposed to address some deferred maintenance items. Smaller projects totaling \$55k will be undertaken by the Center's staff including installation of a "wattstopper", a "pulsar tub" and a security system. The Pool Basin Resurfacing project is budgeted at \$180k and will be managed by the City's Public Works department and administered by the City's Finance department.

Enterprise Fund - Summary of Unrestricted Net Position

	FY 16/17 Audited Results	FY 17/18 Revised Budget	FY18/19 Proposed
Beginning Unrestricted Net Position	\$ 686,110	\$ 735,611	\$ 725,306
Operating Revenue	695,552	687,254	689,800
Sales Tax Revenue	880,985	908,962	928,120
Property Tax Revenue	234,006	236,900	246,376
Non-Operating Revenue	7,095	4,500	2,000
Operating Expense	(1,589,387)	(1,701,829)	(1,721,733)
Non-Operating Expense	(1,630)	(7,259)	-
Capital Assets Net of Debt payments	(177,120)	(138,833)	(235,500)
Unrestricted Net Position	<u>\$ 735,611</u>	<u>\$ 725,306</u>	<u>\$ 634,368</u>
Operating Reserve	\$ 388,893	\$ 397,347	\$ 425,457
Capital Repair & Equip Reserve	346,719	327,959	208,911
Unrestricted Net Position	<u>\$ 735,611</u>	<u>\$ 725,306</u>	<u>\$ 634,368</u>

As can be seen in the table above, The Center is maintaining an Operating Reserve at 25% of the previous year's operating expenditures as well as a Capital Repair and Equipment Reserve. In FY2018/19 the Capital Reserve balance will decrease as a result of a robust capital work plan.

FY 2017/18 TOP ACCOMPLISHMENTS

- Continued to coordinate with the MCRPD to ensure the provision of excellent services at the C.V. Starr Center.
- Continued to provide financial oversight to ensure that financial procedures and fiscal controls are effectively implemented and to ensure adherence to the approved budget.
- Completed installation of the floor drains in the family changing rooms.
- Began preparation of a multi-year capital improvement plan and budget for the facility.

FY 2018/19 TOP PRIORITIES

- Continue to coordinate with the MCRPD to ensure the provision of excellent services at the C.V. Starr Center.
- Continue to provide financial oversight to ensure that financial procedures and fiscal controls are effectively implemented and to ensure adherence to the FY 2017/18 budget.
- Assist MCRPD as needed with implementation of FY 2017/18 capital improvements.
- Complete the Pool Basin Resurfacing project.
- Complete a multi-year capital improvement plan and budget for the facility.
- Prepare an equipment repair and maintenance plan and budget for the facility.

C.V. STARR CENTER ENTERPRISE BUDGET SUMMARY

Fund 810

Department: 4812

Appropriations & Revenue

Description	FY 2016/17 Audited	FY 2017/18 Amended	FY 2017/18 FYE Projected	FY 2018/19 Proposed	% /-	+
Personnel Services	\$ 952,744	\$ 1,063,621	\$ 1,063,621	\$ 1,068,238		0%
Non-Personnel Services	638,273	808,932	761,760	888,995		17%
Total Appropriations	1,591,017	1,872,553	1,825,381	1,957,233		7%
Revenue from Operations	695,552	679,468	678,801	682,300		1%
Property Tax	234,006	236,900	236,900	246,376		4%
Sales & Use Tax	880,985	881,100	908,962	928,120		2%
Other Revenue	7,095	11,393	12,953	9,500		-27%
Total Revenue	1,817,638	1,808,861	1,837,616	1,866,296		2%
NET EXCESS/(DEFICIENCY) OF REVENUES						
OVER/(UNDER) EXPENSES	\$ 226,621	\$ (63,692)	\$ 12,235	\$ (90,937)		-843%
Transfers In	-	-	-	-		
Transfers Out	-	-	-	-		
NET CHANGE IN FUND BALAN	\$ 226,621	\$ (63,692)	\$ 12,235	\$ (90,937)		-843%

* To arrive at audited change in net position on the full accrual basis subtract depreciation expense.

\$ 226,621 less \$729,437 (depreciation) equals <\$502,816>.

(as published in the FY2016/17 CAFR)



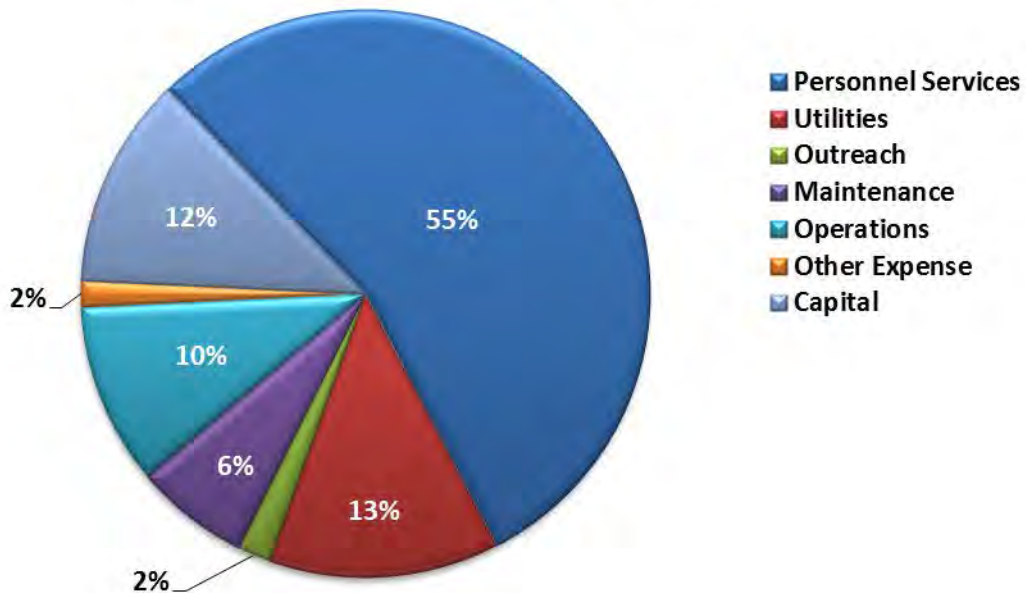
BUDGET DETAIL:

Fund #810

Department: 4812

	Description	FY 2016/17	FY 2017/18	FY 2017/18	FY 2018/19	% + /-
		Audited	Amended Budget	FYE Projected	Proposed Budget	
0101	Salaries, Wages & Benefits	\$ 952,744	\$ 1,063,621	\$ 1,063,621	\$ 1,068,238	0%
0200	Employee Benefits					
	Personnel Services	952,744	1,063,621	1,063,621	1,068,238	0%
0351	Equipment Repair & Maint	99,206	131,142	133,396	127,160	-5%
0383	Utilities	253,701	238,996	238,496	256,488	8%
0386	Operations	258,360	208,059	215,053	203,331	-5%
0385	Outreach	-	34,060	34,122	37,134	9%
0619	Other	25,376	23,800	24,400	29,382	20%
	Materials& Services	636,644	636,057	645,467	653,495	1%
0751	Capital	-	172,875	116,293	235,500	103%
	Capital	-	172,875	116,293	235,500	
0912	Loan Expense	1,630	-	-	-	n/a
	Debt Service	1,630	-	-	-	
	Total Non-Personnel	638,275	808,932	761,760	888,995	17%
	Total C.V. Starr Enterprise	\$ 1,591,019	\$ 1,872,553	\$ 1,825,381	\$ 1,957,233	7%

FY 2018/19 EXPENDITURES BY CATEGORY



GRANT SPECIAL REVENUE FUNDS

The City of Fort Bragg actively seeks grants to augment ongoing revenue sources. Over the years, the City has been very successful in obtaining grant funding for a wide variety of projects, ranging from planning activities to community services and capital projects. All City departments are involved in seeking and administering grants and the City has invested considerable resources to ensure sufficient staffing and training to write successful grant applications, implement grant-funded activities, and meet fiscal monitoring and reporting requirements.

The City expects to apply for additional grants for which awards have not yet been announced, and any awards could provide additional funding for activities in the FY 2018/19 budget year. If additional funds are awarded, budget amendments will be processed, as needed, to reflect grant revenues and expenditures.

The following categories describe the grant programs and projects that are funded in FY 2018/19.

Fund No.	Grant Special Revenue	Description
314	Mendocino Council of Governments (MCOG)	<p>MCOG allocates funds to local agencies in Mendocino County for transportation planning and technical assistance through its Overall Work Program (OWP). In FY 2017/18, the City will have one active MCOG OWP project:</p> <ul style="list-style-type: none"> • <u>Noyo Harbor Bicycle and Pedestrian Access Plan</u> was approved in the 2014/15 OWP was completed in 2016. Grant Award; \$52,520 • <u>The 2018 City-Wide Street Safety Plan</u> was approved in 2016/17 and work has started on this project. The grant award amount is \$69,578 and the funds will be used to complete a pedestrian and bicycle street safety plan for the entire City • <u>Mill Site Reuse Plan Traffic Study</u> was approved in June of 2018. These funds will be used to complete a traffic study for the proposed Mill Site reuse Plan and LCP Amendment.
323	Caltrans Federal Funding Grants	<p>Caltrans administers federal transportation funded projects including:</p> <ul style="list-style-type: none"> • <u>Chestnut Street Multi-use Trail – ATP (Active Transportation Program) Grant</u>- \$259,000. This ATP grant allocates \$26,000 in Non-Infrastructure funding for Safe Routes to School Program activities. These funds were encumbered in FY 2015/16 and will be used for Non-Infrastructure activities until December 31, 2017. • <u>Coastal Trail Phase II – ATP (Active Transportation Program) Grant</u>. This grant includes \$770,000 in funding for construction of phase II of the Coastal Trail and the majority of these funds will be expended by the end of 2017.

Continued on next page

Fund No.	Grant Special Revenue	Description
327	State Water Resources Control Board (SWRCB)	<p>• STATE REVOLVING FUND - The City has been awarded \$6,000,000 in grant funding for the Wastewater Treatment Facility Upgrade Project from the State Revolving Fund.</p> 
319		<p>• PROP 84 -STORM WATER - The City will be reimbursed for \$700,000 expended during construction of the Summers Lane Reservoir. The Agreement for the Proposition 84 Integrated Regional Water Management 2014 Emergency Drought Grant was finalized in 2015, and construction of the reservoir was completed in FY 2016/17. The City is a sub-grantee under the primary grantee, the County of Humboldt, which is overseeing allocations to multiple sub-grantees. The State of California, Department of Water Resources disburses the funds to Humboldt County for reimbursement to the sub-grantees. The disbursement of the funds to the City has been delayed at the request of the State of California, Department of Fish & Wildlife. The Department of Fish & Wildlife has taken the position that an unrelated application for a Lake and Streambed Alteration Agreement covering the Waterfall Gulch diversion needs to be executed before the Proposition 84 funds can be released. The City reached a resolution with the Department of Fish & Wildlife in April, 2018 and expects reimbursement before the end of the FY 2017-18</p> 
320	California Safe Drinking Water	<p>• PROP 84 - The City's Coastal Restoration and Trail Project is primarily funded by the California Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84). A \$4,844,495 Prop 84 grant was the primary funding source for construction of Phase I of the Fort Bragg Coastal Restoration and Trail Project. Construction of Phase I was completed in FY 2015/16. The City was awarded an additional \$450,000 for construction of Phase II of the Coastal Trail (the middle section). Construction was completed in 2018. The project will need additional funds to connect to the Downtown upon successful acquisition of an access route from GP.</p>
331	Community Development Block Grant Funds 2016	<p>• 2016 SUPER NOFA was awarded at \$2,000,000 in October 2016. Activities expected to commence and be completed in FY2017/18 include the Water Tank Installation Project, the Mill Site Specific Planning activity, and the Economic Development Strategy Planning activity. A Business Assistance Loan Program, Microenterprise Technical Assistance and Support Services Programs, and Microenterprise Financial Assistance Program are expected to commence in FY2017-18 and continue until October 2019 or until funds are fully expended. The water tank is currently being installed. All grant expenditures for these activities must be completed by October 25, 2019.</p>  <p>• 2016 SUPER NOFA Supplemental Activities were added to the 2016 grant application in order to expend future CDBG Program Income that is projected to be received during the 2016 grant term. Two Supplemental Activities expected to be completed within the grant term are the Community Development Commission (CDC) Housing Rehabilitation Project at CDC's Glass Beach housing facility, and a Sewer Slip Line Project. These activities must be completed by October 25, 2019.</p>

Fund No.	Grant Special Revenue	Description
332	Other Grants	<p>•<u>MENDOCINO COMMUNITY FOUNDATION GRANT</u> - City was awarded a grant of \$5,000 for public art in Fort Bragg. The City expended these funds in 2017 for a Mural Competition. The City was awarded an addition \$4,150 for Storm Drain mural art and a storm drain education project. These funds will be expended in 2018.</p> <p>•<u>NATIONAL FISH AND WILDLIFE FOUNDATION GRANT</u> - City has applied for \$50,000 from the National Fish and Wildlife Foundation, Five Star and Urban Waters Restoration Program, for new 100% recycled plastic trash receptacles throughout town.</p>



SPECIAL REVENUE FUNDS - GRANTS
FY 2018/19 GRANTS IN PROGRESS

Fund	Description	GRANT AMOUNT AWARDED	PRIOR YEAR(S) ACTIVITY	FY 2018/19 PROPOSED BUDGET
314	MCOG OWP			
	City of Trails	\$ 85,000	\$ 85,000	\$ -
	Noyo Harbor Access	52,520	28,000	-
	2018 City-Wide Street Safety Plan	64,978	5,000	59,978
	Mill Site Reuse Plan - Traffic Study	45,000		45,000
	Total MCOG OWP	247,498	118,000	104,978
315	2014 CDBG Grants			
	2014 Super NOFA:			
	Homeless facility	1,162,791	1,162,055	-
	Home Energy Link Prog. Plus	213,953	213,953	-
	HELP H20	65,116	59,715	-
	Giving Garden Program	186,047	186,036	-
	Microenterprise Assistance	232,558	111,131	-
	General Admin	139,535	139,535	-
	Total Super NOFA	2,000,000	1,872,425	-
	2014 Supplemental Activities:			
	Food Bank Solar Project	75,000	75,000	-
	Bainbridge Park Improvements	125,470	125,470	-
	Total 2014 Supplementals	200,470	200,470	-
319	SWRCB Storm Water Prop 84			
	Summers Lane Reservoir	700,000	700,000	-
		700,000	700,000	-
320	State Parks Proposition 84			
	Coastal Trail Phase II	450,000	\$440,000	10,000
		450,000	440,000	10,000
323	CalTrans Federal Funding			
	Chestnut Street Multi-Use Trail	742,500	742,500	-
	Chestnut Street ATP	259,000	259,000	-
	Coastal Trail ATP	770,000	750,000	20,000
	Total CalTrans Federal Funding	1,771,500	1,751,500	20,000
326	HCD/HOME Program - 2016			
	2013 HOME Rehab Loans	370,500	-	370,500
	Activity Delivery	117,000	-	117,000
	General Admin	12,500	-	12,500
		500,000	-	500,000
327	State Water Revolving Fund			
	WW Treatment Facility upgrade	6,000,000	-	6,000,000
		6,000,000	-	6,000,000

Continued on next page

SPECIAL REVENUE FUNDS - GRANTS
FY 2018/19 GRANTS IN PROGRESS (Cont'd)

Fund	Description	GRANT AMOUNT AWARDED	PRIOR YEAR(S) ACTIVITY	FY 2018/19 PROPOSED BUDGET
329 Other State Grants				
	California State Parks			
	Mill Site Reuse LCP Amendment Grant	\$ 100,000	\$ 20,000	\$ 80,000
	Off Highway Vehicles (OHV)	16,744	16,744	-
	OES - Pudding Creek Water Main	1,700,000	-	205,000
		<u>1,816,744</u>	<u>36,744</u>	<u>285,000</u>
330 Other Federal Grants				
	U.S Department of Justice			
	PD - Body Worn Cameras	25,219	25,219	-
	U.S. Department of Agriculture			
	USDA - WW Treatment Plant	3,388,000	-	3,388,000
	USDA - PD Vehicle	-	-	25,850
		<u>3,413,219</u>	<u>25,219</u>	<u>3,413,850</u>
331 2016 CDBG Grant				
	2016 Super NOFA:			
	Water Tank Installation	1,395,349	1,395,349	-
	Business Assistance Loan Prog.	155,349	155,349	-
	Microenterprise Technical Assistance & Support Services	193,488	32,000	96,000
	Micreenterprise Financial Assistance	23,255	-	11,627
	Mill Site Specific Planning	46,512	46,512	-
	Economic Development Strategy Planning	46,512	5,000	41,512
	General Admininstration	139,535	28,900	47,416
	Total 2016 Super NOFA	<u>2,000,000</u>	<u>1,663,110</u>	<u>196,555</u>
	2016 Supplemental Activities:			
	CDC Housing Rehabilitaiton	75,000	-	75,000
	Water & Sewer Improvements	75,000	-	75,000
	Total 2016 Supplementals	<u>150,000</u>	<u>-</u>	<u>150,000</u>
332 Other Grants				
	Community Foundation - Stromwater Mural Project	8,000	8,000	-
		<u>8,000</u>	<u>8,000</u>	<u>-</u>
	Total FY 18/19 Grant Activity	<u>\$ 19,257,431</u>	<u>\$ 6,815,468</u>	<u>\$ 10,680,383</u>

(Concluded)

SPECIAL REVENUE FUNDS SUMMARY

Special Revenue Funds account for revenues received that have restrictions placed on their use or are committed for specified purposes either through statute or by City Council policy. The City has a number of different special revenue funds which are part of the non-operating budget. These include the following:

Fund No.	Fund Type	Description
116	General Plan Maintenance Fee	To account for General Plan Maintenance Fee revenue which is required to be used for costs related to the update of the City's General Plan and zoning code.
117	Housing Trust	To account for Inclusionary Housing In-Lieu fee revenue which is required to be used for affordable housing activities.
120	Parking	To account for parking permit revenues and the cost of maintaining City-owned public parking lots.
121	Parking In-Lieu Fees	To account for payments made by downtown property owners in lieu of providing on-site parking. Accumulated funds must be used for activities related to providing off-street parking facilities in the central business district. The requirement for payment of parking in-lieu fees was temporarily suspended by the City Council through December 31, 2017.
122	Parkland Monitoring and Reporting	To account for payments made by Georgia Pacific in connection with the City's acquisition of Noyo Headlands Park property to cover costs associated with on-going monitoring and reporting requirements related to the environmental remediation of the property.
124	State Tobacco License Fee	To account for fees and fines associated with the City's Tobacco Retailer licensing program.
125	State Disability Access Fee	To account for funds received under California SB-1186 which mandates a State fee of \$4 on any applicant for or renewal of a local business license, permit or similar instrument when it is issued or renewed. 30% of the collected fees are remitted to the California Division of the State Architect while 70% are retained to help increase the number of Certified Access Specialists in the City and to facilitate compliance with construction-related accessibility requirements.
139	COPS AB1913	To account for monies received from the State for law enforcement services under the Citizens Option for Public Safety (COPS) Program established by AB 1913.
146	OJP Bulletproof Vest Partnership Grant	To account for monies received under the Bulletproof Vest Partnership Grant Act. This program is designed to pay up to 50% of the cost of National Institute of Justice (NIJ) compliant armored vests purchases for local law enforcement.

(continued)

SPECIAL REVENUE FUNDS, Cont'd

Fund No.	Fund Type	Description
167	Asset Forfeiture	To account for monies obtained from seized assets of criminal activities. The funds are used solely to support law enforcement purposes.
176	RDA Housing Successor	To account for revenues retained by the Fort Bragg Redevelopment Agency Successor Agency in connection with the winding-down of the former Redevelopment Agency. Funds must be expended on activities related to the development, retention or rehabilitation of affordable housing in Fort Bragg.
190	Construction/Demolition Ordinance Revenue	To account for deposits that are made in accordance with the City's Construction & Demolition Ordinance. Deposits are refunded if recycling goals are met. Otherwise, the deposits are forfeited and retained in the special revenue fund. The funds may used to improve solid waste recycling facilities, and to provide other related education and programs within the City.
220	Waste Management Community Benefit Revenue	To account for a one-time payment received from Waste Management at the time its franchise agreement for solid waste collection services within the City was extended. The City Council may designate the funds for community benefit purposes. To date, this fund has been used to help offset costs associated with the Noyo Center for Marine Science initiative, the Town Hall Remodel Project and the Downtown Wi-Fi Project.
221	Gas Tax	To account for the City's share of State of California's Highway User Tax collected by the State. These revenues are legally restricted to the maintenance and improvement of City roads and streets.
223	Regional Surface Transportation Program (RSTP) D1	To account for Regional Surface Program (RSTP) D1 funds. The purpose of the program is to provide funding to local jurisdiction for a wide variety of transportation planning and improvements projects, such as research, planning, construction, improvement, maintenance, and operation of public streets and highways (and their related public facilities for non-motorized traffic.)The City currently has D1 funds available to claim from MCOG in the amount of \$283k; it is anticipated that this balance will increase in FY 2017/18 by approximately \$98k.
230	Traffic & Safety	To account for revenue received from traffic fines which is restricted to City street repairs and traffic safety.
250	Street and Alley Repairs	To account for revenue received from a special half-cent sales tax which is restricted to City street and alley repairs.
280	Parcel Tax, Fire Equipment	To account for monies received from a parcel tax which is restricted to the purchase of Fire Equipment. The parcel tax was renewed by the voters in 2015.

SPECIAL REVENUE FUNDS - RESTRICTED

Fund	Fund Description	FY 2016/17 AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 PROPOSED BUDGET
116	General Plan Maintenance Fee	\$ 39,556	\$ 40,000	\$ 40,000	\$ 50,000
117	Housing Trust Funds	-	8,275	8,275	-
120	Parking	8,300	8,300	8,300	8,300
121	Parking In-Lieu	8,000	8,208	8,208	8,300
122	Parkland Monitoring and Reporting	-	93,794	1,930	93,767
124	Tobacco License Fee	-	1,100	3,300	1,100
125	State Disability Access Fee	31	40	40	60
139	COPS AB1913 Allocation	128,795	100,000	100,000	115,000
146	OJP Bulletproof Vest	2,100	3,517	1,500	872
167	Asset Forfeiture	281,947	150,000	127,015	50,000
176	RDA Housing Successor	-	-	-	250,000
190	Construction/Demolition Ord Fees	2,000	5,000	5,000	-
220	Waste Mgt Community Benefit	17,361	-	7,500	-
221	Highway User Tax (Gas Tax)	200,546	221,089	221,089	219,404
223	STP D1 MCOG Streets/Hwy	-	-	9,500	69,978
230	Traffic & Safety	1,911	4,797	8,407	5,900
250	Street/Alley Repair Sales Tax	2,402,013	347,179	481,691	2,000,000
280	Fire Equipment Fund	-	22,000	61,347	-
285	OJ Park Maintenance Fund	7,069	-	2,064	-
Total - Restricted Funds		\$ 3,099,629	\$ 1,013,299	\$ 1,095,166	\$ 2,872,681



FORT BRAGG REDEVELOPMENT SUCCESSOR AGENCY

OVERVIEW

The Fort Bragg Redevelopment Successor Agency and its Oversight Board are responsible for winding down the functions of the former Fort Bragg Redevelopment Agency. As a result of legislation enacted in 2011, all Redevelopment Agencies (RDAs) in California were dissolved and the assets, liabilities and costs associated with the dissolution are now administered by Successor Agencies. Property tax revenues previously allocated to the RDAs are now used to pay required payments on existing bonds, other obligations, and pass-through payments to local governments (defined as enforceable obligations). The remaining property tax revenues (amounts exceeding the enforceable obligations) are retained by the County and allocated back to cities, counties and special districts.

Each Successor Agency (SA) has an Oversight Board that supervises its work. The Oversight Board is comprised of representatives of the local agencies that serve the redevelopment project area: the city, county, special districts, and K-14 educational agencies. Oversight Board members have a fiduciary responsibility to holders of enforceable obligations, as well as to the local agencies that would benefit from property tax distributions from the former redevelopment project area.

The SA reports enforceable obligations to the California Department of Finance (DOF) on an annual basis (starting in FY 2016/17). The enforceable obligations are subject to approval by the DOF. The City can report costs each year for administration of the SA and winding down of enforceable obligations, subject to approval by the Oversight Board and DOF. If SA activities are reduced by the Oversight Board or by the DOF, through the disallowance of enforceable obligations, the administrative costs may be reduced accordingly. In FY 2016/17, the State of California began reducing the Fort Bragg Redevelopment Successor Agency's allowable administrative costs. The City received approval for \$115,279 of administrative costs for the period July 1, 2018 through June 30, 2019.

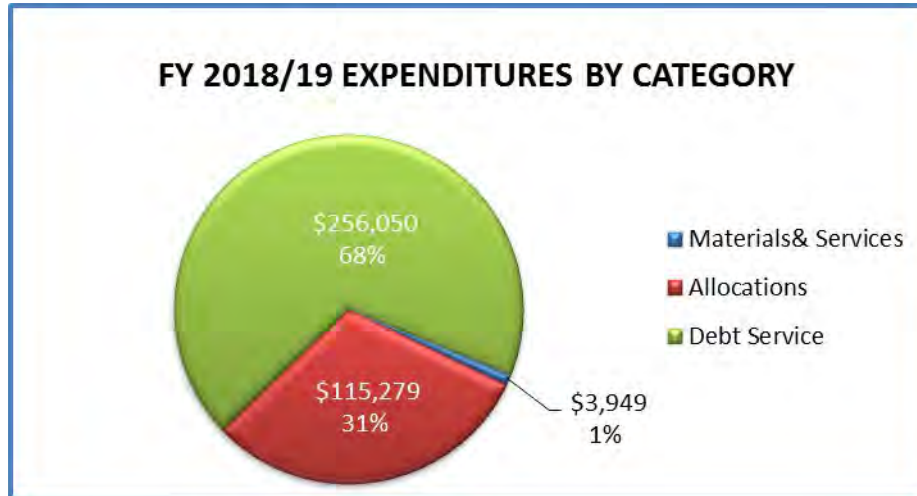
Fort Bragg Redevelopment Successor Agency

Fund 175

Department: 4810

Expense & Revenue

Description	FY 2016/17	FY 2017/18	FY 2017/18	FY 2018/19	% + /-
	Audited	Amended Budget	FYE Projected	Proposed Budget	
Expense	\$ 203,037	\$ 400,709	\$ 400,705	\$ 375,278	-6%
Total Expense	203,037	400,709	400,705	375,278	-6%
Redevelopment Property Tax Trust	382,824	400,709	385,066	375,278	-3%
Use of Money & Property	110	-	15,643	-	
Total Revenue	382,934	400,709	400,709	375,278	-6%
NET EXCESS/(DEFICIENCY) OF REVENUES					
OVER/(UNDER) EXPENSES	\$ 179,897	\$ -	\$ 4	\$ -	



BUDGET DETAIL:

Fund #175

Department: 4810

Object	Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	FY 2017/18 FYE Projected	FY 2018/19 Proposed Budget	% +/-
0312	Auditing & Accounting	\$ 3,503	\$ -	\$ 1,629	\$ 3,949	142%
	Materials& Services	3,503	-	1,629	3,949	0%
0399	Successor Agency-RDA Admin All	86,104	146,609	144,980	115,279	-20%
	Allocations	86,104	146,609	144,980	115,279	-20%
0911	Principal	(1)	150,000	150,000	155,000	3%
0912	Interest Expense	111,781	102,450	102,446	99,400	-3%
0913	Fees	1,649	1,650	1,650	1,650	0%
	Debt Service	113,430	254,100	254,096	256,050	1%
	Total Sucessor Agency	\$ 203,037	\$ 400,709	\$ 400,705	\$ 375,278	-6%

\$4,040,000

**Fort Bragg Redevelopment Successor Agency
Tax Allocation Bonds – Series 2015 Refunding**

Date: February 1, 2015
Interest: Semiannual each September and March, commencing September 1, 2015. Interest rates range from 2.0% to 3.25%.
Maturity: September 1, 2036
Rating: Standard and & Poor's A-
Purpose: To refinance 1993 and 2004 Redevelopment Agency (RDA) Bonds and finance certain Redevelopment Activities in the Project Area
Coverage Ratio: 1.25
Continuing Disclosure: Annual report due to the Municipal Securities Rulemaking Board by April 1st
Security: The Bonds are special obligations of the RDA and are payable from pledged tax revenues derived from property in the Project Area and allocated to the RDA pursuant to the Redevelopment Law.

RDA 2015 Refunding Tax Allocation Bonds

Fiscal Year	Principal	Interest	Total
FY 15 -16	\$ 90,000	\$ 111,475	\$ 201,475
FY 16 -17	150,000	105,450	255,450
FY 17 -18	150,000	102,450	252,450
FY 18 -19	155,000	99,400	254,400
FY 19 -20	160,000	96,300	256,300
FY 20 -21	165,000	93,150	258,150
FY 21 -22	170,000	89,900	259,900
FY 22 -23	165,000	86,550	251,550
FY 23 -24	175,000	83,200	258,200
FY 24 -25	175,000	79,800	254,800
FY 25 -26	180,000	75,425	255,425
FY 26 -27	190,000	70,100	260,100
FY 27 -28	190,000	64,550	254,550
FY 28 -29	195,000	58,850	253,850
FY 29 -30	205,000	53,075	258,075
FY 30 -31	210,000	47,075	257,075
FY 31 -32	215,000	40,850	255,850
FY 32 -33	225,000	34,206	259,206
FY 33 -34	230,000	27,056	257,056
FY 34 -35	240,000	19,663	259,663
FY 35 -36	250,000	12,025	262,025
FY 36 -37	155,000	4,063	159,063
	\$ 4,040,000	\$ 1,454,613	\$ 5,494,613

	Principal	Interest	Total	Fees	Total Payment
FY 2018/19 Requirements	\$ 155,000	\$ 99,400	\$ 254,400	\$ 1,650	\$ 256,050

Interest rates and terms on the following loans were revised by the Successor Agency Oversight Board on February 27, 2014 pursuant to Section 34176(e)(6)(B) of the California Health & Safety Code.

