



City of Fort Bragg

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Meeting Minutes Finance and Administration Committee

Wednesday, August 12, 2015

3:00 PM

City Hall Conference Room, 416 N. Franklin Street

SPECIAL MEETING

MEETING CALLED TO ORDER

Chair Turner called the meeting to order at 3:02 PM.

ROLL CALL

Present: 2 - Doug Hammerstrom and Dave Turner

APPROVAL OF MINUTES

1. Approve Minutes from May 6, 2015 Meeting

A motion was made by Chair Turner, seconded by Committee Member Hammerstrom, that these Committee Minutes be approved for Council review. The motion carried by a unanimous vote.

2. Approve Minutes from May 29, 2015 Special Meeting

A motion was made by Chair Turner, seconded by Committee Member Hammerstrom, that these Committee Minutes be approved for Council review. The motion carried by a unanimous vote.

3. Approve Minutes from June 23, 2015 Special Meeting

A motion was made by Chair Turner, seconded by Committee Member Hammerstrom, that these Committee Minutes be approved for Council review. The motion carried by a unanimous vote.

4. Approve Minutes from July 1, 2015 Special Meeting

The Committee Members agreed to amend the next to last sentence on page 1 to strike the words, "with a recommendation from the Committee for adoption." The sentence to read: "Consensus of Committee was that, after review by the City Attorney, the two ordinances should be forwarded to City Council."

A motion was made by Chair Turner, seconded by Committee Member Hammerstrom, that these Committee Minutes be approved as amended for Council review. The motion carried by a unanimous vote.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

CONDUCT OF BUSINESS

1. Review and Discuss Application of the "California Municipal Financial Health Diagnostic Tool" to City of Fort Bragg Financials

City Manager Ruffing and Acting Finance Director Damiani answered questions about the "California Municipal Financial Health Diagnostic Tool."

Committee Member Hammerstrom expressed concern about how this tool will be used. Ruffing said it was initially thought that the financial health tool would be used to help with the budget process this year but that did not happen. She recommended running the tool for the General Fund with First Quarter performance reports, using FY 12-13 to current, and possibly presenting the results to City Council in November. Discussion was held regarding the staff time using this tool requires. Damiani stated the tool becomes less time consuming year after year. Ruffing suggested using it on the General Fund first, and then seeing how useful it is. If it proves very useful, it can be used on other funds as well, such as the Enterprise Fund. Chair Turner was concerned about the amount of work it would take to enter four years of financial information into the tool, considering the day-to-day workload Finance Department staff already has. He suggested the tool not be used or that someone be hired to enter the information.

Discussion was held about using the tool for unbudgeted current liabilities, fleet replacement, water and wastewater, facilities, technology, streets and long term maintenance and repair costs.

Committee Member Hammerstrom suggested setting up fund-to-fund replacements for long-term maintenance and repair. Turner recognized that it is hard to build in extra capacity to fund equipment and projects, but there is a need for it. Ruffing suggested either asking the new auditor or other cities how they do tracking or seek the advice of a consultant. She suggested contacting Michael Colman of Coleman Advisory Services regarding how other cities used this tool.

In response to a question from Committee Member Hammerstrom, Ruffing said the City does a fixed asset inventory every year. Hammerstrom recommended budgeting for all the repairs for each year. He asked what needed to be done next to use the tool. Damiani replied that the following steps needed to be taken: Prepare a list of assets, calculate how much it cost historically to repair, factor the amount for the life of the facility, and add the ongoing repairs.

Consensus of Committee was to direct staff to print a full asset listing with amounts and bring this item back to the next Finance and Administration Meeting to discuss how to move forward.

MATTERS FROM COMMITTEE / STAFF

None.

ADJOURNMENT

Chair Turner adjourned the meeting at 3:48 PM.