



FY 2018/19 ADOPTED BUDGET

CITY OF FORT BRAGG, CALIFORNIA



CITY OF FORT BRAGG

ADOPTED BUDGET

FISCAL YEAR 2018 – 2019



CITY COUNCIL

Lindy Peters, *Mayor*

Will Lee, *Vice Mayor*

Bernie Norvell, *Councilmember*

Dave Turner, *Councilmember*

Mike Cimolino, *Councilmember*

Tabatha Miller

City Manager

ABOUT THE COVER

Aerial View of the North Coastal Trail

Glass Beach

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.....	44
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	
Fort Bragg Tourism Marketing & Promotions.....	89
Finance	93
Non-Departmental.....	99
Community Organizations	
Caspar Closure & Landfill	
Other Non-Departmental	
Public Safety.....	105
Police Department	
Fire Protection District	
Community Development Department	115
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

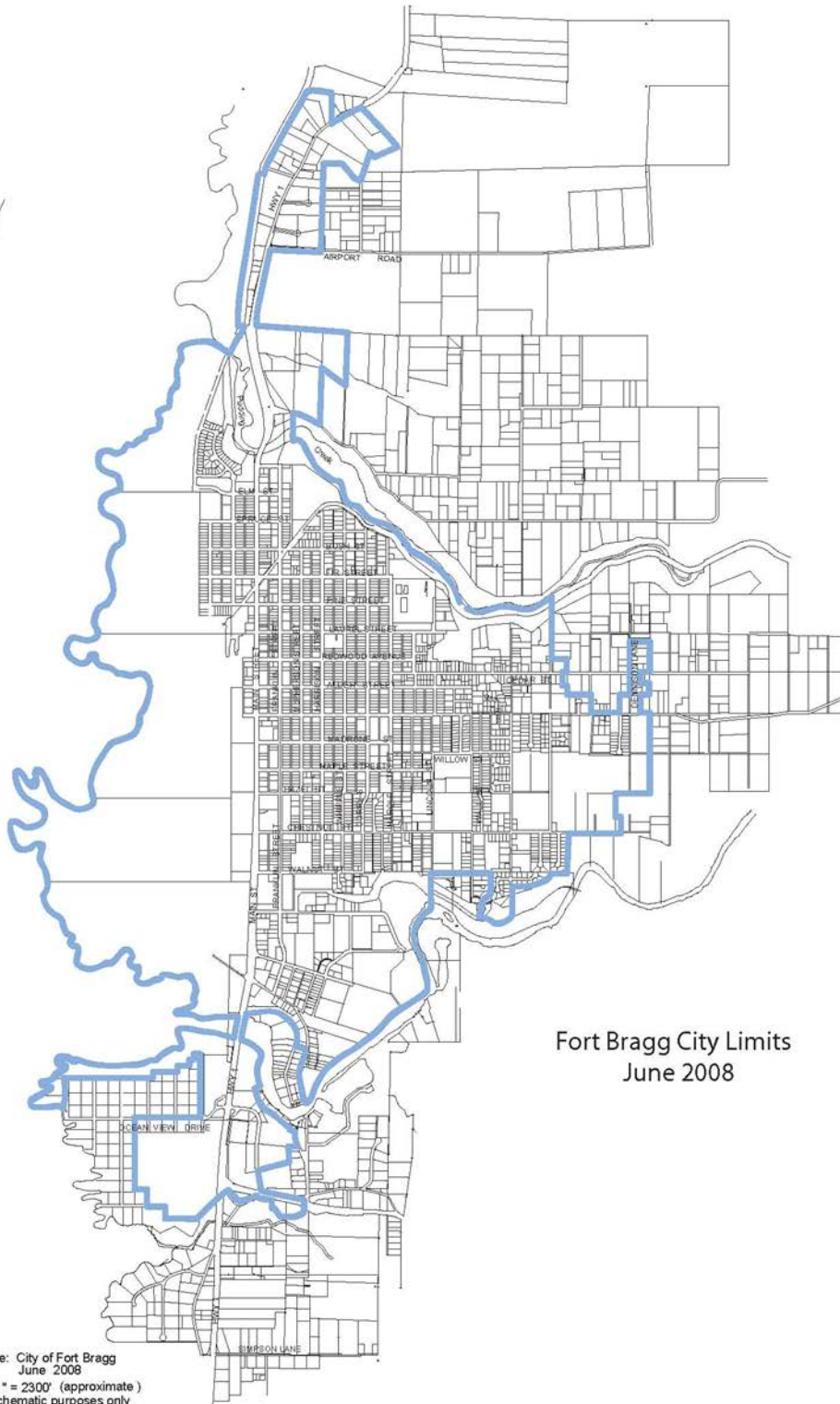
Grants.....	191
Special Revenue Funds.....	197
Fort Bragg Redevelopment Successor Agency.....	201

CAPITAL IMPROVEMENT PROGRAM

Capital Improvement Program Overview 205
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 213
Detail 214

STATISTICAL SECTION..... 241

GLOSSARY..... 265



Fort Bragg City Limits
June 2008

Source: City of Fort Bragg
June 2008
Scale 1" = 2300' (approximate)
For Schematic purposes only





CITY OF FORT BRAGG

Incorporated August 5, 1889

416 N. Franklin Street
Fort Bragg, CA 95437
Phone: (707) 961-2823
Fax: (707) 961-2802

June 6, 2018

Honorable Mayor and members of the City Council, Residents and Business Owners:

I am pleased to present the Fiscal Year (FY) 2018-19 Budget for the City of Fort Bragg, the Fort Bragg Municipal Improvement District, No. 1, and the Fort Bragg Redevelopment Successor Agency. The annual budget provides a comprehensive statement of the City's organization, operations and resources. It expresses City Council and District Board policies and priorities in all areas of the City's operations and it links near-term priorities with the resources available to achieve them. Over the course of the year, the City's budget serves as a financial management tool and as a work plan for the delivery of City services and implementation of capital projects. The proposed FY 2018-19 Budget was reviewed by City Council on May 22, 2018 and, based on the direction provided, a final budget was prepared for adoption at the June 11, 2018 City Council meeting.

Highlights of the FY 2018-19 Budget:

- Balanced General Fund Operating Budget
- Includes a cost of living increase of 2% for City Staff
- Focus on improvements to the City's infrastructure with a \$22.2 million Capital Improvement Program (CIP) budget
- Funding for a General Fund operating and a litigation reserve established
- Utility rates set to provide \$1 million in each utility for capital reserves
- Internal Service Fund reserves maintained to smooth out annual expenditures
- \$10.6M in Grant Fund Revenues, including \$9.4M for the Wastewater Treatment Plant upgrade

Balancing the Budget

During the Mid-year Budget Review in early March, the City Council and staff had a lengthy conversation about the ongoing challenge to balance the General Fund Operating Budget. Staff presented a historical summary of adopted budgets compared to the actual financial results as presented in the City's Audited Comprehensive Annual Financial Report. In the last ten years, only once has the City Council adopted a balanced budget. In nine of the ten years, the total budgeted expenditures exceeded total budgeted revenues. However, in contrast, only three of the last ten years actually resulted in an operating deficit. Net revenue over expenditures for the same ten years was a positive \$1.85 million (including the estimated results of the current fiscal year 2017-18).

Following the Mid-year Budget Review, in early May the Finance and Administration Committee reviewed the Financial Goals used to develop the budget. The conclusion was that with limited resources, the City could not meet each goal and that an order of priority would help the Council and staff make better budgetary decisions. The Finance and Administration Committee recommended the Goals in order of

priority and the Council concurred at the May 22nd Budget Workshop. Those goals are listed below in order of priority:

1. Adopt a balanced budget
2. Maintain a General Fund operating reserve and litigation reserve
3. Maintain long-term funding plans in the City's three internal service funds
4. Continue budgeting conservatively but more realistic or "most likely"
5. Maintain current level of service (no staff layoffs, no program cuts)
6. Provide for additional contributions to CalPERS in order to pay the unfunded liability off earlier than 30 years
7. Provide cost of living adjustments for staff in years to come
8. Provide funding for emergency reserves
9. Continue to make additional contributions to the OPEB trust

As a result of establishing the Financial Goal of adopting a balanced operating budget as the highest priority, changes were made to the Proposed FY 2018-19 Budget. In order to close what was an estimated \$419k short fall during the Mid-year Budget Review, revenue sources were reviewed and instead of projecting those conservatively, staff is presenting "most likely" projections. As well, a more recent trend of increasing interest rates for City investments has provided the finance staff with an opportunity to actively manage the City's cash and investments in order to increase revenue on investments.

On the expenditure side, a couple of additional grant opportunities will be leveraged. For example, a United States Department of Agriculture (USDA) fifty-percent (50%) match grant for public safety vehicles has been applied for. Additionally, expenditure budgets were scrutinized and reductions made. An open police officer position was frozen, cuts were made to all departments' travel and training budgets, no pay adjustments or employee promotions were considered, and essentially all requests for increases above the 2017-18 budget baseline were rejected. The Council directed staff to delay the Glass Beach Staircase project and return those funds to the General Fund to provide for ongoing operations. Finally, based on the low-priority listing of the Financial Goal of continuing to fund the additional Other Post-Employment Benefit (OPEB)¹ Trust, savings of \$78k will come from not funding that trust at the recommended amount of \$83k.

Proposed General Purpose Sales Tax Measure

At the Mid-year Budget Review, the Mayor established an Ad Hoc Revenue Committee, to evaluate and propose new revenue sources that could close the projected budget deficit and fix the long-term structural budget deficit facing the City. The Committee recommended placing a three-eighths (3/8th) cent sales tax measure on the November 2018 ballot. Staff estimates that the additional sales tax would generate approximate \$625k per year.

The state sales tax rate is 7.25%. Cities, counties and countywide agencies may impose sales taxes that are added to that 7.25% base. State law limits the maximum added sales tax in any location to 2%. Between the Cities and County existing add-on taxes, the remaining capacity in the sales tax is .375% or 3/8th a percent.² The City's opportunity to utilize the additional sales tax capacity could be limited or usurped by the passage of a County-wide sales tax. A general purpose city sales tax ballot question can only be placed on the ballot at the same time as a City Councilmember election, so the next opportunity

¹ The City's OPEB is a retiree healthcare plan, which was closed six years ago and only grandfathered employees will receive benefits.

² .50% CV Starr Center
.50% City Street and Alley Repair
.125% Libraries
.50% County Mental Health
1.625% Total Current Add-on Sales Tax

for Fort Bragg to pose the question to voters will be November of 2020, assuming the capacity still existed.

The three-eighths figure provides the City funding to pay down the \$9.4 million unfunded liability on the City's California Public Employee Retirement System (CalPERS). By amortizing the unfunded liability over 15 years instead of the expected 30 years, the City is projected to save \$4.1 million. However, this would require an additional \$300k payment in FY 2018-19 and an average additional amount of \$200k per year for 15 years. Without an additional revenue source or without significant cuts to existing City staff and services, funds are not available to make these early payments.

The pre-payment of the outstanding OPEB trust would be revived and funded from the proceeds of the 3/8th cent sales tax. Additional funds would also reinstate the frozen police officer position and fund repair and maintenance projects for nonutility projects in the City. Like many municipalities nation-wide, regular maintenance was deferred during the recession and years of tepid recovery. Fort Bragg, like many other cities, continues to financially struggle with balancing current day-to-day services against what should be regularly scheduled maintenance.

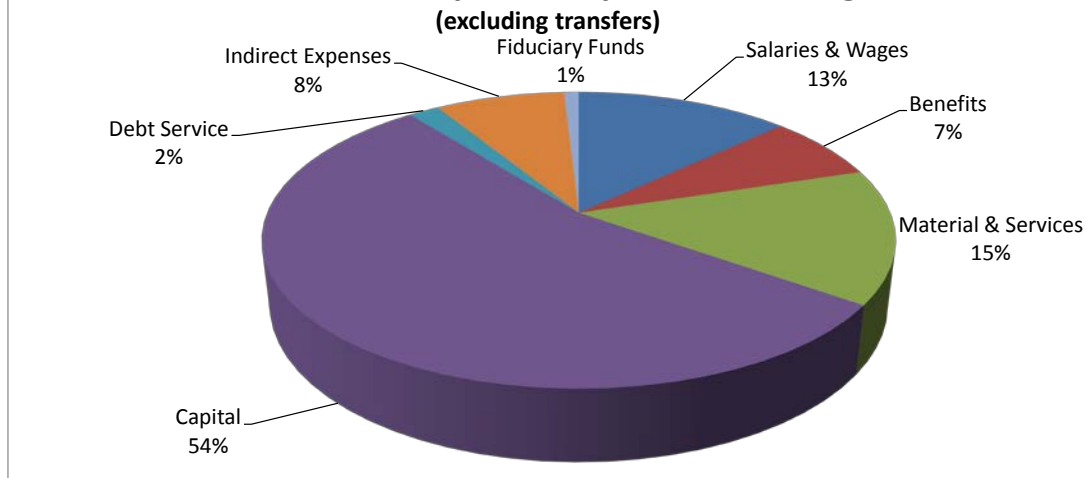
This budget does not make the assumption that the proposed 3/8th cent sales tax will be successful. However, whether the sales tax measure is successful or not will not change the fact that the unfunded \$9.4 million pension liability and \$3.4 million unfunded OBEB remain a City liability. The combined \$12.8 million represents benefits that have already accrued to employees. Pension reforms enacted by the legislature and effective for employees hired after January 1, 2013 are only for new employees and thus, will not have a substantial impact on reducing those liabilities for decades.

Budget Overview

The City's total proposed expenditure budget (excluding transfers) for FY 2018-19 is \$41.4 million. This is an increase of 6.8% from the amended FY 2017-18 Budget of \$38.8 million. The increase is primarily due to several large Capital Improvement Program (CIP) projects. The total Capital budget is \$22.6 million or 54% of the total budget, which includes \$22.2 million for CIP projects and just under \$400k in capital expenditures. The CIP projects include the \$17.6 million Waste Water Treatment Facility Upgrade, \$1 million for the rehabilitation of three wastewater lift stations and \$2 million for street resurfacing, alley and structural repairs. The chart below and the graph on the following page summarize the annual expenditures of the City (excluding transfers).

	Proposed FY 2018-19	Amended FY 2017-18	\$ Variance	% Variance
Salaries & Wages	\$ 5,401,582	\$ 5,523,427	\$ (121,845)	-2.2%
Benefits	2,944,195	2,971,310	(27,115)	-0.9%
Material & Services	6,073,632	6,003,346	70,286	1.2%
Capital	22,592,069	20,090,400	2,501,669	12.5%
Debt Service	775,098	724,024	51,074	7.1%
Indirect Expenses	3,270,681	3,092,481	178,200	5.8%
Fiduciary Funds	375,278	400,709	(25,431)	-6.3%
Total	\$ 41,432,535	\$ 38,805,696	\$ 2,626,839	6.8%

City of Fort Bragg, California FY 2018-19 Proposed Expenditure Budget



The City has three major operating funds: General Fund; Water Enterprise; and Wastewater Enterprise. In addition, the City's chart of accounts includes the C.V. Starr Center Enterprise, special revenue funds, grant funds, capital project funds and internal service funds. The General Fund is the principal operating fund of the City and is supported primarily by taxes and fees that generally do not have restrictions on their use. Because of the lack of restrictions on use of funds, the General Fund has the most demands on its limited dollars. The Enterprise funds – Water and Wastewater are fully supported by user fees. Special revenue funds and accounts are used to account for proceeds of a specific revenue source that has legal restrictions on how the funds may be spent.

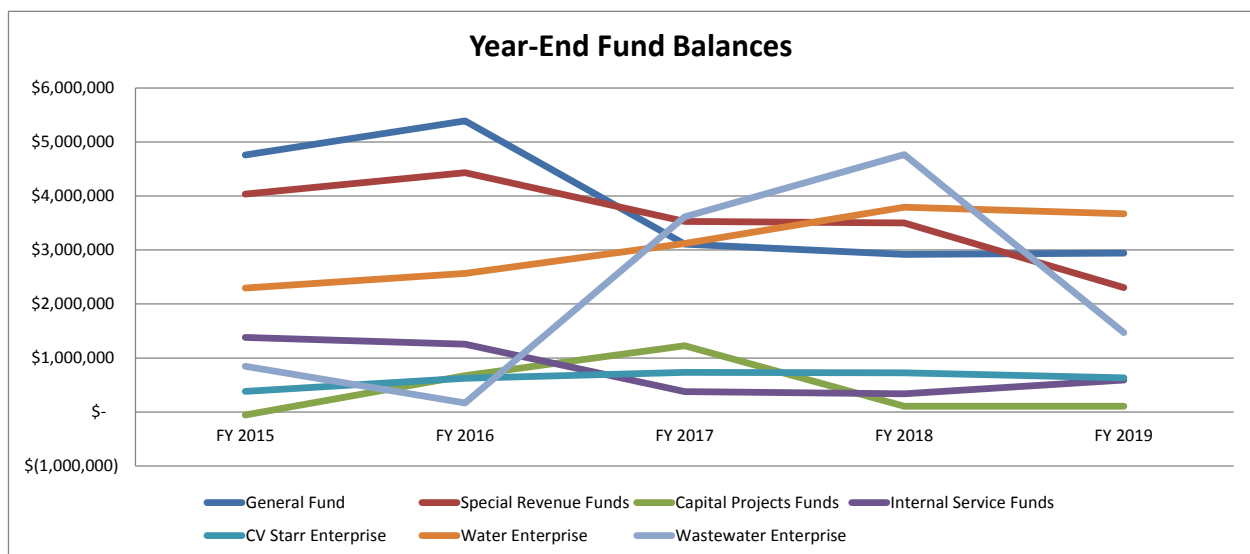
Projected Fund Balances

The year-end fund balances (or net position for enterprise funds) and the changes over time provide a narrative about the financial condition of each fund or fund group. One-time declining balances are generally not bad and typically reflect one-time capital or other large expenditures. Often times these are planned for expenditures such as the upgrade to the City's Wastewater Treatment Plant this next year and revenues have been accumulated to cover the cost or a portion of the cost of the project. Fund balances that continue to decline each year from operating deficits or unplanned expenses may be a cause for concern or indicate a long-term structural deficit. Overall, the financial health of the City is improving and fund balances have been growing. The significant drop in FY 2018-19 is the result of planned for capital projects, including the \$17.6 million Wastewater Treatment Plant Upgrade.

In any case, some funds are in better financial condition than others. The decline in the General Fund fund balance in FY 2016-17 was the result of the a new cost allocation plan and repayment of prior year over-allocations made by the Water and Wastewater Enterprise funds. Changes in the Special Revenue, Capital and Internal service funds are typically tied to capital projects and expenditures and can fluctuate accordingly.

The chart and graph on the following page provide a five-year "picture" of the City's fund balances.

Funds	06/30/2015 Audited Fund Balance	06/30/2016 Audited Fund Balance	06/30/2017 Audited Fund Balance	06/30/2018 Projected Fund Balance	06/30/2019 Projected Fund Balance
General Fund	\$ 4,757,789	\$ 5,388,494	\$ 3,106,934	\$ 2,918,110	\$ 2,940,642
Special Revenue Funds	4,034,226	4,430,343	3,528,495	3,502,509	2,303,864
Capital Projects Funds	(55,078)	675,031	1,227,204	106,905	106,905
Internal Service Funds	1,382,796	1,255,766	377,150	338,510	593,363
CV Starr Enterprise	382,643	622,651	735,611	725,306	634,369
Water Enterprise	2,295,569	2,567,432	3,120,650	3,791,767	3,669,406
Wastewater Enterprise	847,312	168,822	3,615,944	4,765,372	1,468,365
Total	\$ 13,645,257	\$ 15,108,539	\$ 15,711,988	\$ 16,148,479	\$ 11,716,914



**Enterprise and Internal Services funds do not include fixed assets, restricted for debt service or depreciation expense.*

Operating Budget

If you remove the one-time CIP projects and capital expenditures, the City's operating budget (excluding transfers) is \$18.8 million, which is an increase of 0.7% or \$125k over the Amended FY 2017-18 Budget. See Operating Expenditure Chart below.

	Proposed FY 2018-19	Amended FY 2017-18	\$ Variance	% Variance
Salaries & Wages	\$ 5,401,582	\$ 5,523,427	\$ (121,845)	-2.2%
Benefits	2,944,195	2,971,310	(27,115)	-0.9%
Material & Services	6,073,632	6,003,346	70,286	1.2%
Debt Service	775,098	724,024	51,074	7.1%
Indirect Expenses	3,270,681	3,092,481	178,200	5.8%
Fiduciary Funds	375,278	400,709	(25,431)	-6.3%
Total	\$ 18,840,466	\$ 18,715,296	\$ 125,170	0.7%

The largest portion of the City's operating expenditure budget is salary and benefits which makes up 44% of the total. This is also one of the more challenging expenditures for the City to manage in the long-term. Generally, salary increases are managed through labor negotiations. Staff received a 3% cost of living increase in FY 2017-18 and a 2% cost of living increase in FY 2018-19. As already mentioned, the CalPERS pension costs and unfunded liability will continue to be a challenge, not only for the City of Fort Bragg but for most public agencies in California. Those costs are projected to increase an average of 14% per year and double within the next six to seven years.

General Fund Budget

The General Fund is projected to have \$9,560,365 of revenue in FY 2018-19 and expenditures of \$9,541,005. As discussed earlier, the \$19k operating surplus, while not large, is noteworthy because it is the first time in ten years that the City will have adopted a balanced General Fund budget. The General Fund is predominately supported by taxes (sales tax, Transient Occupancy Tax, property tax, and franchise taxes). These tax revenues have been slow to recover since the recession and as noted earlier, based on recent trends, staff is projecting those sources "more likely" rather than conservatively. Part of the reason for the change in approach, is the efforts of the Visit Fort Bragg Marketing and Promotions program and the nearly \$300k per year that is allocated to promoting the tourism economy with the stated goal of increasing Transient Occupancy and sales tax revenues for the City.

The Proposed FY 2018-19 expenditures of \$9,541,005 represent a decrease of \$165k or 1.7% from the Amended FY 2017-18 expenditures. The General Fund expenditure budget is a lean budget. Because of the high portion of labor related costs in the General Fund, it is most impacted by the increased pension costs and other benefits such as health insurance. Without increased revenues in future years, from new or existing sources, a higher level of scrutiny will be needed to focus on which programs and services should or could be reduced or eliminated. The chart below summarizes the General Fund Expenditures.

General Fund Expenditures by Category	FY 2017-18 Amended Budget	FY 2017-18 FYE Projected	FY 2018-2019 Proposed Budget	FY 2017-18 Budget vs. FY 2018-19 Budget
Salaries & Wages	\$ 3,913,064	\$ 3,885,313	\$ 3,753,299	\$ (159,765)
Benefits	2,550,804	2,531,473	2,488,175	(62,629)
Material & Services	2,319,120	2,100,858	2,242,530	(76,590)
Other Expenditures	135,973	82,543	153,801	17,828
Debt Service	185,533	185,533	185,533	-
Allocation to Internal Service Funds	601,333	601,334	717,667	116,334
Total General Fund Expenditures	\$ 9,705,827	\$ 9,387,054	\$ 9,541,005	\$ (164,822)

Conclusion and Acknowledgements

As public servants, it is important for us to remember who we work for and what we are here to do for our citizens and visitors. Some of the services the City provides are vital and not always acknowledged. For instance, it is easy to forget how important our wastewater treatment system is to our Community, or the significance of clean drinking water.

I would like to thank all of the public servants with whom I work. Without each and every one of them, the City of Fort Bragg would not be the unique and amazing place where we live and work. I must also acknowledge our elected officials, who are also public servants with very little pay for what essentially amounts to many many hours of volunteer work. It is their leadership that provides the structure for what we do each day. This budget is the product of much work by the management team and supporting staff, without whom we could not have closed the budget gap. That said, without the Finance Department this whole document and all it stands for could not come together. I would like to thank Victor Damiani, the

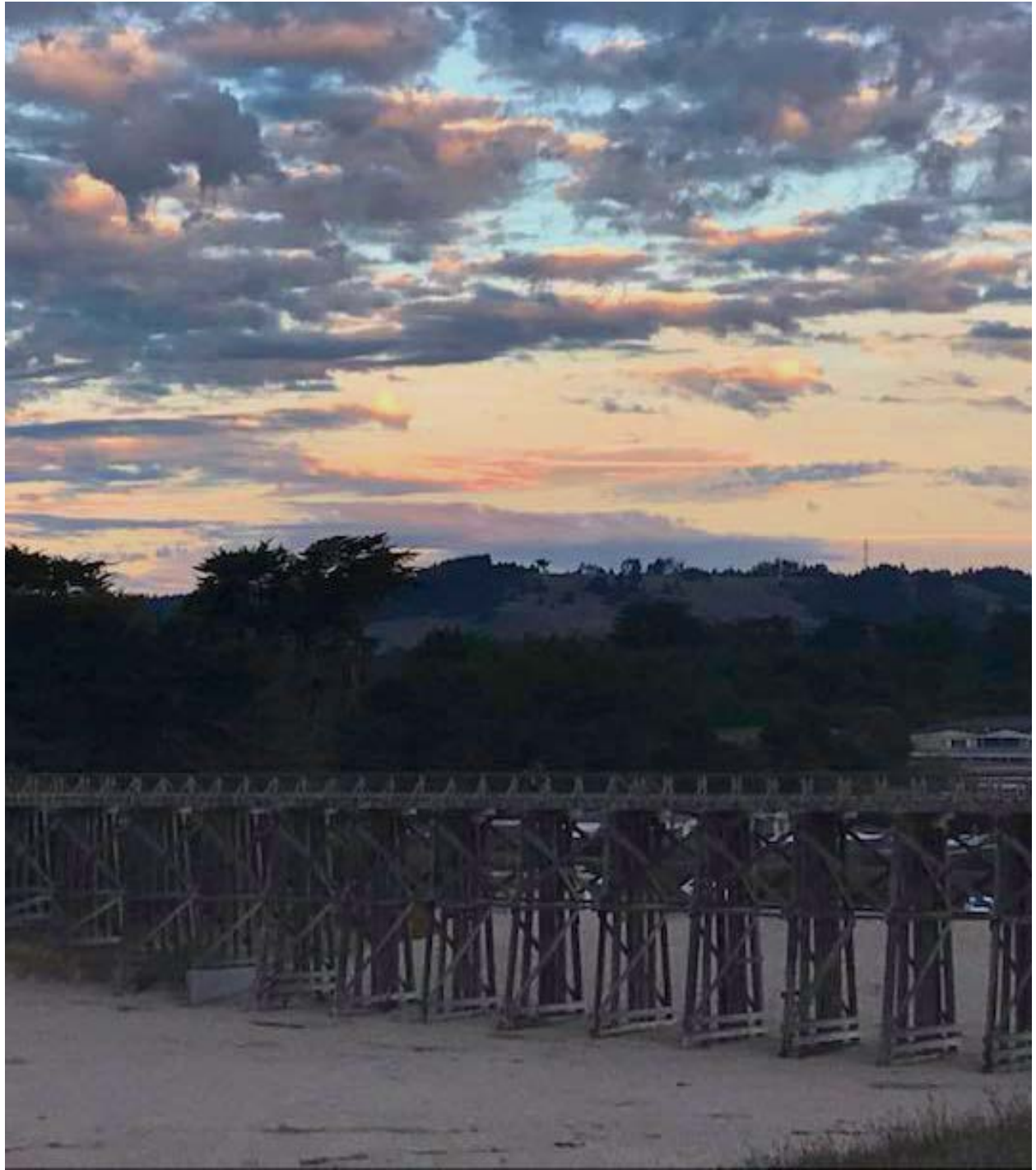
City's Finance Director, and Isaac Whippy, Government Accountant, for the extraordinary job they do in pulling this together. They work hard each year to not only put the budget together but to also improve the process and this document.

This next year will no doubt offer the City new challenges and opportunities. I look forward to tackling those challenges and leveraging those opportunities, next year and into the future.

Respectfully Submitted,

Tabatha Miller

Tabatha Miller
City Manager



USER'S GUIDE TO THE BUDGET

The functions of local government stem from three levels of policy direction: federal, state and local. Within this intergovernmental system, local government is responsible for providing basic public services such as maintaining streets and roadways, providing traffic management systems, maintaining parks, providing community services, and ensuring public safety. Local government must also fulfill certain state and national policy objectives such as transportation and environmental protection while addressing the expectations and values of its citizens. For local governments, the primary tool used to coordinate the provision of governmental services and to provide legal authorization for the expenditure of funds is the annual budget. A local government budget is a financial plan that matches existing resources with the needs of the community.

The City of Fort Bragg's budget is developed and adopted by the City Council and provides Fort Bragg residents and City staff with a plan for implementation of the services, goals and objectives specified by the City Council. The City's Wastewater Enterprise is operated by the Municipal Improvement District No. 1 (MID) Board. The City Council serves concurrently as the MID Board of Directors. The budget for the Wastewater Enterprise is included in this budget document.

The Operating Budget is a guide for the receipt and disbursement of funds used to provide daily, routine public services to the community. The Five-Year Capital Improvement Program (CIP) and Capital Projects Budget provide citizens and City officials with detailed information about capital projects that are planned for near- or mid-term implementation.

This budget outlines the many municipal services, programs and projects provided by the City of Fort Bragg over the course of the fiscal year. It identifies revenue projections and specific expenditures necessary to deliver services to the community. The budget is intended to provide transparency to City residents about programs and services as well as the policies underlying the City Council's spending decisions.

DISTINGUISHED BUDGET PRESENTATION AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Distinguished Budget Presentation Award to the City for its Fiscal Year 2017/18 Budget. This was the second year that the government has achieved this prestigious award. Achievement of the award reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the City had to satisfy nationally-recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- **A Policy Document** – to describe financial and operating policies, goals, and priorities for the organization.
- **A Financial Plan** – to provide revenue and expenditure information by fund, department, division, and category.
- **An Operations Guide** – to describe activities and objectives for the fiscal year.
- **A Communications Tool** – to provide information on budgetary trends, planning processes, and integration of the operating and capital budgets.

The Distinguished Budget Presentation Award is valid for one year. Our Fiscal Year 2018/19 budget will again be submitted to the GFOA and we are confident that we will once again achieve the award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Fort Bragg
California**

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morill

Executive Director

BUDGET ORGANIZATION

The FY2018/19 Budget includes eight basic sections as follows:

- 1. **City Manager's Transmittal.** Provides an introduction to the budget including a summary of critical economic issues, Council-directed core services, and basic operational and strategic goals for FY2018/19.
- 2. **Introduction.** Includes this Users' Guide, a directory of elected and appointed City officials, a Citywide organization chart, an overview of the City of Fort Bragg, a definition of the funds included in the financial reporting model of the City, and the City's budget guidelines and fiscal policies. This section provides the reader with the policies and documents that guide the City's financial practices.
- 3. **Summary.** Includes a comprehensive overview of fund balance projections and individual summaries of revenues and expenditures for all funds and the General Fund. Also included are interfund transfers, interfund cost reimbursements and the City's cost allocation plan. Summaries for the Water, Wastewater and C.V. Starr Enterprise Funds are included in the detail section for each fund.
- 4. **Fund Detail - Departmental Summaries.** Presents detailed information on the City's operating departments and Enterprise funds as follows:

City Council	Public Works
Administration	Internal Services
Finance	Debt Service
Non-Departmental	Water Enterprise
Public Safety	Wastewater Enterprise
Community Development	C.V. Starr Center Enterprise
Tourism Marketing & Promotions	

Additional information about services provided by the City is included in each departmental section. Department summary information includes organizational charts, departmental services description, summaries of accomplishments and goals, a comparison of the total proposed budget to the prior fiscal year, and a summary of expenditures over the last three fiscal years. More specific information about the current year appropriations is provided in the budget detail section. With the FY2017/18 Budget the presentation was expanded to include a summary of revenue generated by each department.

- 5. **Grants and Special Revenue Funds.** Provides an overview of each of the City's Special Revenue Funds, including fund descriptions, revenues and expenditures. Special Revenue Funds are classified into one of four categories: Revenue, Grants, Internal Service Funds, and Trust and Agency.
- 6. **Capital Improvement Program (CIP) and Capital Projects Budget.** The Multi-Year CIP includes descriptions of individual projects and details the acquisition, construction or rehabilitation of major capital facilities and infrastructure. The Capital Projects Budget is used to account for the receipt and disbursement of funds for specific CIP projects. For many projects, revenue resources and expenditures may extend over several years. The FY2018/19 CIP budget has been upgraded to show the impact various Capital Projects will have on the City's operating budget.
- 7. **Statistical Data.** Presents historical information for the past 10 years regarding the City's finances, operations, constituents and the local economy.
- 8. **Glossary.** A list of specialized words and acronyms used in the budget document and their definitions.

BUDGET PROCESS & ADOPTION

The City develops an annual budget according to legal and policy direction which includes:

- Prepare a budget for all funds of the City.
- Strive to adopt a budget that is balanced as to resources and appropriations.
- Adopt a budget that does not exceed State constitutional limits.
- Adopt a budget prior to the beginning of the fiscal year in which it is to take effect.
- Allow for adjustments to the budget with proper approvals.
- Strive to maintain reserves in accordance with established Council policies.
- Utilize encumbrances of appropriations as a budgetary control technique.
- Adopt the budget through City Council and Municipal Improvement District Board resolutions.
- Exercise budgetary controls at the department level.

The City of Fort Bragg operates on a fiscal year basis, starting July 1 and ending June 30. The budget is prepared by the Finance Department under the supervision of the City Manager. The budget process typically begins in January once the audit reports for the prior fiscal year are complete. The Finance Department prepares a Mid-Year Performance Report and the City Council conducts a Mid-Year Budget Workshop (typically in March). At that workshop, revenue and expense projections are presented for the current fiscal year and the Council provides policy direction to staff regarding preparation of the budget for the coming fiscal year. Following the mid-year workshop, a proposed budget is assembled for the next fiscal year and it is reviewed by the Council and the public at a budget workshop (typically in May). Following the budget workshop, a revised budget is prepared and transmitted to the City Council in June for further review, public input, deliberation and adoption prior to the beginning of each new fiscal year (July 1).

Copies of the proposed budget are made available to the general public prior to the City Council's budget workshop. After providing opportunities for public review and discussion at the budget workshop(s), the budget is adopted by the City Council prior to June 30 at either a regular or special City Council meeting. After adoption, the budget may be amended by City Council resolution.

BASIS OF ACCOUNTING AND FUND DEFINITIONS

The modified accrual basis of accounting is used by all General, Special Revenue and Capital Projects Funds. This means that revenues are recognized when they become both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when liabilities are incurred, except that principal and interest payments on long-term debt are recognized as expenditures when due. The accrual basis of accounting is utilized by all Enterprise and Internal Service Funds. This means that revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

To demonstrate fiscal accountability, various funds are established in accordance with objectives of special regulations, restrictions, and/or limitations. Each fund is considered a separate accounting entity with a self-balancing set of accounts. The funds that are used in the financial reporting model for the City of Fort Bragg as follows:

The **General Fund** is the City's primary operating fund. It is used to account for resources traditionally associated with general government activities which are not required (legally or by sound fiscal management) to be accounted for in another fund.

Special Revenue Funds are used to account for revenues that are legally restricted for a particular purpose. The City has several Special Revenue Funds including the Special Sales Tax for Street Repairs, Asset Forfeiture, General Plan Maintenance Fee, Gas Taxes and Fire Equipment Tax. Special Revenue Funds are also used to account for grants obtained to fund City projects and activities.

Capital Project Funds are used to account for financial resources to be used for construction or acquisition of fixed assets, such as buildings, equipment, or roads. A Capital Project Fund exists only until completion of the project.

Internal Service Funds are used by the City to account for the financing of goods and services provided by one department to other departments within a government organization on a cost-reimbursement basis. They are set up to take advantage of economies of scale, to avoid duplication of effort, and to accurately identify costs of specific governmental services. The City utilizes three Internal Service Funds: Facilities Repair & Maintenance, Technology Replacement & Maintenance and Fleet & Equipment Services.

Enterprise Funds are used to account for operations that are supported by a fee charged to external users for services, similar to a private business. The City has three Enterprise Funds: Water, Wastewater, and C. V. Starr Center.

Fiduciary Funds are used to account for resources that a government holds as a trustee or agent on behalf of an outside party and therefore cannot be used to support the government's own programs. The City has one fiduciary fund: Successor Agency to Fort Bragg Redevelopment Agency.

COST ALLOCATION PLAN AND DIRECT CHARGES

The City employs a multi-step process for distributing the indirect costs of central service departments (City Council, Administration, Finance, Non-Departmental and Public Works personnel and non-personnel costs) and the City's Internal Service Funds to various departments and funds.

Costs of the City's central service departments are allocated through the City's Cost Allocation Plan (CAP). The CAP allocates costs that originate in one department but benefit one or more other departments. By way of example; the Administrative Services Department performs the function of "Records Management" which benefits multiple other departments within the City organization. The costs associated with "Records Management" are allocated from the Administrative Services Department to the multiple other departments that benefit from the service. Allocations are based primarily on the Personnel Staffing Allocations presented on pages 66 and 67. Personnel Staffing Allocation percentages are reviewed as part of the budget process to ensure they are consistent with each year's authorized staff positions, anticipated work load and capital project plans. Beginning with each year a year-end true-up is performed so that allocations are based on actual results rather than budgeted forecasts. For example, if actual administrative costs end the year less than budgeted, then allocated costs will be revised down.

The City's Internal Service Funds are allocated as direct charges to the City's public service departments. For example, the budget for the Fleet & Equipment Services Fund is allocated to public service departments (such as the Police Department or Public Works Department) based on the number of vehicles purchased and/or in use by each department.

CONCLUSION

Financial forecasting is, at best, an inexact science. Many experts and studies offer varied opinions and forecasts, each completely logical and reasonable. Staff has developed revenue and expenditure estimates based on trends and forecasts available as of May 2018. These estimates take into account what has happened in the local economy, current revenue and expenditure experiences, and, to the extent possible, what is projected to happen over the next 13 months.

CITY OF FORT BRAGG OVERVIEW

HISTORY OF FORT BRAGG

The north coast of Mendocino County was inhabited by Native Americans of the Pomo tribe for approximately 10,000 years. The Pomo people were hunter-gatherers with a close relationship to the land and the sea. Seasonal Pomo villages were located along the coast with permanent villages located north of the Ten Mile River.

In 1855, an exploration party from the Bureau of Indian Affairs visited the area in search of a site on which to create a reservation and, the following year, the Mendocino Indian Reservation was established. It spanned an area from the south side of the Noyo River to north of the Ten Mile River and east to Little Valley and Glen Blair. In 1857, the Fort Bragg military post was installed on the Mendocino Indian Reservation approximately 1½ miles north of the Noyo River and its purpose was to maintain order on the reservation. During the same year, a lumber mill was established on the Noyo River starting what would become the major industry of the region. The military post was short-lived and records show that November 23, 1861 was the last date on which army units occupied the fort. In 1865, after 300 Native Americans were marched forcibly from the Mendocino Indian Reservation to a reservation in Round Valley, Fort Bragg as a military post was abandoned.

On August 5, 1889, Fort Bragg was incorporated as a city. C.R. Johnson, president of the Fort Bragg Redwood Company, was the first mayor and his company laid out the town much as it exists today— with a uniform street grid and mid-block alleys. In 1893, the Union Lumber Company was created when the Fort Bragg Redwood Company absorbed some of the smaller lumber companies in the area. In 1901, the Union Lumber Company incorporated the National Steamship Company to carry lumber, passengers and supplies. The steamships provided Fort Bragg's only link to manufactured comforts and staples like sugar and coffee. In 1905, the California Western Railroad was formed and a rail line was established from Fort Bragg to Willits where train connections could be made to San Francisco. The 1906 Earthquake resulted in a fire at the lumber mill that threatened the entire City. Brick buildings throughout the City were damaged, if not destroyed completely, and many frame homes were knocked off their piers. The fire burned the downtown area bordered by Franklin Street, Redwood Avenue and McPherson Street. Within 12 months following the earthquake, all downtown reconstruction was completed. The earthquake brought prosperity to Fort Bragg as the mills furnished lumber for the rebuilding of San Francisco. By 1916, Fort Bragg had become a popular place to visit – and to settle.

Commercial fishing also played an important role in the formation of the economic base of Fort Bragg. Noyo Harbor was once a major commercial fishing port known for its quality fish products that were distributed to major metropolitan markets. In recent years, the fishing industry has declined and Fort Bragg's economic base has transitioned from "resource extraction" (i.e., timber and fishing industries) to a more service-oriented economy serving a regional coastal population of approximately 20,000 residents as well as hundreds of thousands of visitors each year.



CITY GEOGRAPHY

The City of Fort Bragg is located approximately 165 miles north of San Francisco and 185 miles west of Sacramento on the scenic coast of Mendocino County. The City occupies 2.7 square miles. Census 2010 places the City's population at 7,273. Although it is quite small, Fort Bragg is the largest city on the coast between San Francisco and Eureka. The largest employment categories in the City include services, wholesale and retail trade, local government, public education, health care, tourism, and fishing. The mild climate and picturesque coastline make Fort Bragg a popular tourist and recreational area.

CITY AUTHORITY

Fort Bragg is a general law city under California state law and its rights, powers, privileges, authority, and functions are established through the State constitution. These statutory rights include the power to: sue and be sued; purchase, receive by gift or bequest and hold land, make contracts and purchases and hold personal property necessary to the exercise of its powers; manage, sell, lease, or otherwise dispose of its property as the interest of its inhabitants require; levy and collect taxes authorized by law and exercise such other and further powers as may be especially conferred by law or as may be necessarily implied from those expressed.

CITY COUNCIL

Members of the Fort Bragg City Council are elected by the voters to serve overlapping four-year terms. The Mayor is elected by, and from, the City Council for a two-year term. The Council sets policy and exercises the legislative authority of the City. The Council holds meetings on the second and fourth Mondays of each month and at such other times as necessary. Current City Council members and the dates upon which their respective terms expire are as follows:

Mayor Lindy Peters	December 2018
Vice Mayor Will Lee	December 2020
Councilmember Michael Cimolino	December 2018
Councilmember Dave Turner	December 2018
Councilmember Bernie Norvell	December 2020

ADMINISTRATION AND MANAGEMENT

Fort Bragg operates under the Council-Manager form of government. The City Council appoints the City Manager who appoints other City staff and is charged with overseeing the City's daily operations. Several boards, commissions, and committees assist the City Council and administration in carrying out various aspects and functions of city government.

CITY SERVICES

The City provides a wide range of services to its residents including public safety services, construction and maintenance of streets and infrastructure, water service, community development, financial management and administrative services. Special Districts and Joint Power Authorities (JPAs) under the jurisdiction of the City provide emergency services, fire protection and wastewater treatment services. Other entities, not under the City's jurisdiction, that provide services to the City's population include the school district, hospital district, recreation district, harbor district, and other special districts.

FORT BRAGG MUNICIPAL IMPROVEMENT DISTRICT NO. 1

The members of the City Council serve concurrently as the Fort Bragg Municipal Improvement District No. 1 (MID) Board of Directors. The MID was formed in 1969 for the purpose of acquiring and constructing wastewater system improvements including construction of a wastewater treatment plant. The wastewater system serves approximately 3,000 residential and commercial connections in an area that includes the City of Fort Bragg and small areas of unincorporated territory on the periphery of the City. The MID Board of Directors meets on the same schedule as the City Council and can schedule special meetings as necessary. The MID is referred to within the Budget as the "Wastewater Enterprise Fund."

SUCCESSOR AGENCY TO FORT BRAGG REDEVELOPMENT AGENCY

From 1986 to 2012, the Fort Bragg Redevelopment Agency carried out redevelopment projects and promoted and supported economic development and affordable housing development in the redevelopment project area, an area which generally included properties within the Central Business District, commercial and industrial lands along Main Street, and the former Georgia Pacific mill site. In early 2012, the Redevelopment Agency was dissolved (as required by AB 1X26) and the City Council opted to serve as the Successor Agency to the Fort Bragg Redevelopment Agency. The Successor Agency is the legal entity tasked with winding down the affairs of the former Redevelopment Agency under the supervision of an Oversight Board. The Successor Agency plays a key day-to-day role in assuring that the existing debt service and other enforceable obligations of the former Redevelopment Agency are properly paid based upon a Recognized Obligation Payment Schedule (ROPS) approved by the Oversight Board and the State Department of Finance.

C. V. STARR COMMUNITY CENTER

The C.V. Starr Community Center and Sigrid & Harry Spath Aquatic Facility (the "C.V. Starr Center") is a 43,000 square foot recreation and aquatic facility that was built by the Mendocino Coast Recreation and Parks District (MCRPD), a special district providing recreational services to residents of the Mendocino Coast. The facility includes an indoor water park with an eight-lane competition pool and diving board, a leisure pool with a water-slide and a 'lazy river', a cardio-fitness center and weight room, and facilities for other fitness classes and enrichment activities. In addition, the C.V. Starr Center has meeting rooms for parties and community events, and the grounds include a dog park, a skateboard park, petanque courts and picnic/BBQ facilities.

After opening the C.V. Starr Center in 2009, the MCRPD found itself challenged by insufficient operating revenues. In March 2012, the voters of Fort Bragg approved a special sales tax to provide funding for operation, maintenance and capital improvements at the C.V. Starr Center facility. The ballot measure required that ownership of the C.V. Starr Center be transferred to the City of Fort Bragg and that the MCRPD assign a portion of its property tax revenues to the City. The facility reopened under City ownership in July 2012. The MCRPD now operates the facility under a contract with the City and the City provides continued financial and operational oversight.

**DIRECTORY OF ELECTED
AND APPOINTED CITY OFFICIALS**

As of June 30, 2018



Lindy Peters
Mayor



Will Lee
Vice Mayor



Mike Cimolino
Councilmember



Bernie Norvell
Councilmember



Dave Turner
Councilmember

Victor Damiani
Finance Director /City Treasurer

Marie Jones
Community Development Director

June Lemos
City Clerk

Tabatha Miller
City Manager

Russell A. Hildebrand
City Attorney

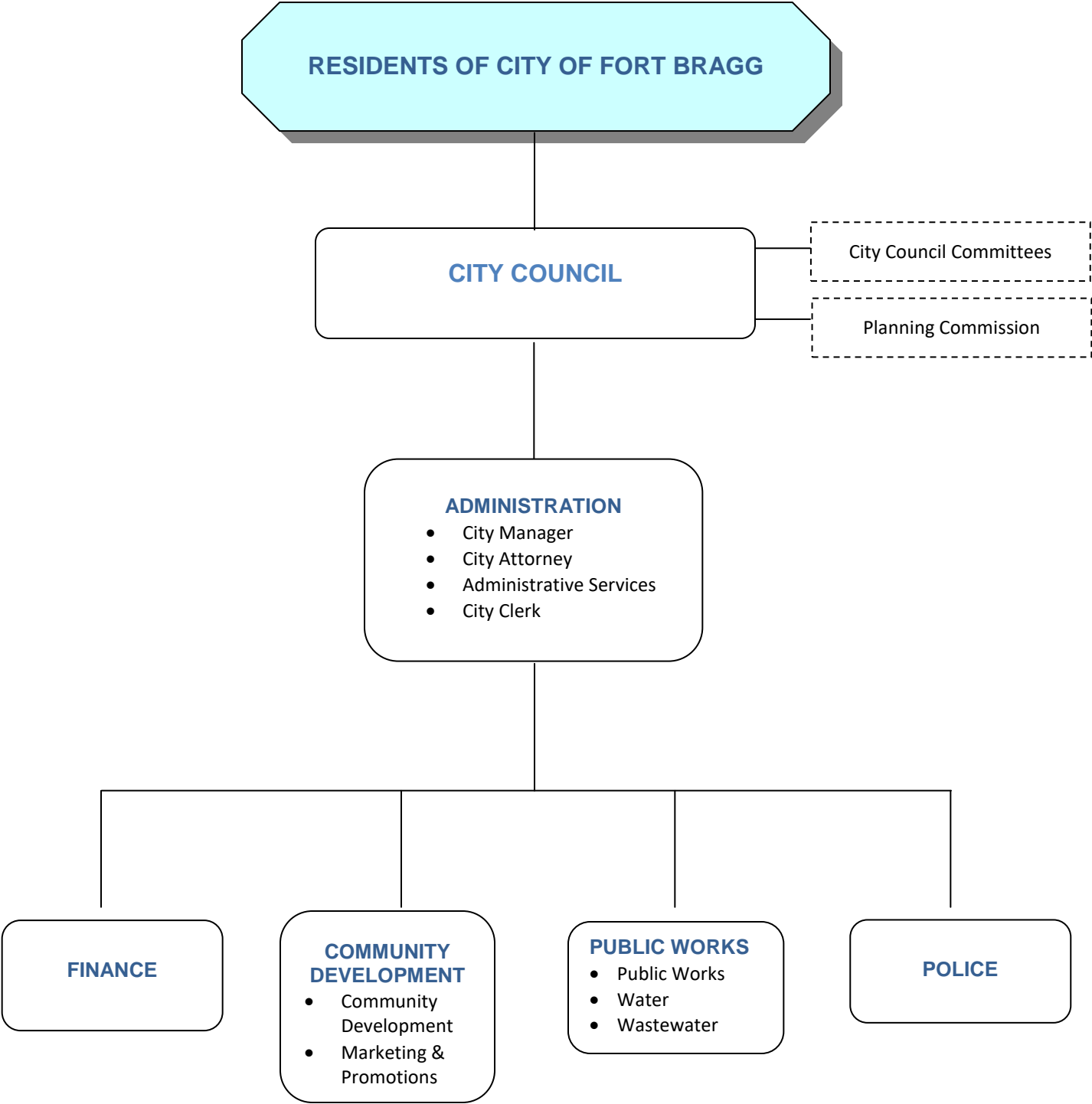
Scott Schneider
Administrative Services Director

Fabian Lizarraga
Chief of Police

Tom Varga
Director of Public Works

MASTER ORGANIZATIONAL CHART

As of June 30, 2018





BUDGET GUIDELINES

The annual operating budget is the primary short-term financial plan for the City and the Municipal Improvement District No. 1. The operating budget serves as the policy document to implement City Council goals and objectives. It sets forth estimates of resources available to fund services consistent with Council directives. Since no budget is an absolutely accurate predictor of future events, there must be some flexibility to make adjustments during the year, provided these adjustments do not materially alter the general intent of the City Council when adopting the budget. These guidelines are intended to provide that flexibility and to establish adequate controls through budget monitoring and periodic reporting to ensure that the overall distribution of resources achieves the results intended by the City Council.

Each year, as the budget is prepared, the City Council identifies priorities to provide guidance to management in preparing the budget. Through its legislative authority, the Council approves and adopts the budget by resolution. The City Manager is responsible for proposing to the City Council an annual operating budget and a capital projects budget which are consistent with the Council's service level priorities and sound business practices. The City Manager is also responsible for establishing a system for the preparation, execution, and control of the budget which provides reasonable assurances that the intent of Council policies is met. The Finance Director is responsible for providing periodic budget status reports to the City Manager, the City Council and Department Heads to facilitate control and compliance with the budget. Department Heads are responsible for monitoring their respective budgets for compliance with the intent of Council priorities and for ensuring that appropriations for their departments are not exceeded.

1. **Basis of Budgeting.** The City's operating and capital projects budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are considered budgetary expenditures in the year of the commitment to purchase, and capital project expenditures are budgeted on a project length basis rather than a fiscal year. For all governmental funds, revenues and expenditures are budgeted on a modified accrual basis. For all proprietary funds, revenues and expenditures are budgeted on an accrual basis.
2. **Budget Calendar.** A budget preparation calendar is provided to Department Heads and to the City Council at the beginning of the budget process each year. The calendar sets forth dates for the review of service level priorities by the City Council at a mid-year budget workshop and a presentation of the City Manager's proposed budget to the City Council, which should be adopted no later than the end of June.
3. **Form and Content of the Proposed Budget.** The proposed Budget should be presented in a form which is sufficient to allow the City Council to determine and review:
 - Provision of City Council priorities;
 - Projected revenues by major category;
 - Operating expenditures by department or program, and by fund;
 - Staffing by department;
 - Service levels;
 - Statements of objectives and accomplishments;
 - Recommendations for policy changes;
 - Capital improvement appropriations by project.

The proposed Budget should provide a comparison with the preceding year's actual results and current year's projected results for each category of revenue and expenditure shown in the budget. Descriptions of service levels to be provided under the proposed Budget will be included along with statements of services reduced or eliminated and services improved or added, as compared to the current year.

4. **City Council's Budget Principles.** Each year, the proposed Budget is developed in accordance with the Council's established budget principles:

- Most likely revenue projections should be incorporated into the budget.
 - The City strives to balance the operating budgets of each of the City's three major funds (General Fund, Water Enterprise, and Wastewater Enterprise) such that anticipated revenues meet projected expenditure obligations.
 - Recurring annual expenditures (e.g., personnel costs, supplies, equipment, operating and maintenance costs, debt service, legal costs, audit costs, etc.) should be funded with on-going annual revenues and should not rely upon one-time revenues, reserves, or the use of unassigned fund balances.
 - If unassigned fund balances are expended, uses should be restricted to funding one-time expenditures, not on-going operations.
 - Expenditures should be contained to the maximum extent possible. To the extent that line item cost increases occur, they should be limited to purchases necessary to support existing operations, essential capital improvement projects, mandated costs, and the City's contractual obligations.
 - Each year, the budget should be prepared in accordance with the City's Fund Balance & Reserve policies and the Council should allocate specific amounts to each of the City's established reserves.
5. **Adoption of the Budget.** The City Council should adopt the budget by resolution no later than June 30th of the previous fiscal year, setting forth the amount of appropriations and authority of the City Manager to administer the adopted budget. Unless otherwise directed, all funds that are presented in the operating budget document are subject to appropriation.
6. **Budget Amendments by the City Council.** The City Council may from time to time approve expenditures and identify funding sources not provided for in the adopted budget including those expenditures funded through unassigned fund balances.
7. **Automatic Adjustments and Re-appropriations.** Outstanding encumbrances at prior fiscal year-end will automatically be carried over to current year's budgets. Unspent appropriations that are authorized and funded by grant revenues from prior fiscal year will automatically be carried over to current year's budget. Incomplete multiple year project balances will be automatically carried over to the current year's budget.
8. **Budget Monitoring and Reporting.** The Finance Department will prepare a monthly budget report including actual expenditures and encumbrances for distribution to the City Manager and Department Heads to facilitate monitoring of the budget. The Finance Department will prepare a first-quarter and mid-year budget status report for presentation to the City Council. At a minimum, the report will include the status of General Fund revenues and expenditures, and Water, Wastewater, and C.V. Starr enterprise fund revenues and expenditures.
9. **Reserves.** Various unallocated reserves are established in the City's funds to protect the City in emergencies and times of economic uncertainty, and to finance unforeseen opportunities and/or requirements. Reserve policies for various funds are described in detail in the section entitled "Fiscal Policies."

FISCAL POLICIES

The City of Fort Bragg's fiscal policies are established to ensure that the finances of the City and the Municipal Improvement District No. 1 (collectively referred to as "the City") are managed in a manner that will:

- Maintain a financially viable local government that provides adequate levels of municipal services to its citizens.
- Provide for financial flexibility in order to adapt to local and regional economic changes.
- Preserve and enhance the sound fiscal condition of the City.

1. Operating Budget Policies

- a. The City Council/MID Board should adopt a balanced budget by June 30th of each year. The base operating budget will be developed by realistically projecting revenues and expenditures for the current and forthcoming fiscal year. During the annual budget development process, the existing base budget will be thoroughly examined to assure cost effectiveness of the services or programs provided. The annual operating budget will include the cost of operations of new capital projects. The City's operating budget will be prepared on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are considered budgetary expenditures in the year of the commitment to purchase and expenditures for multi-year capital projects are budgeted in their entirety in the year construction commences. Remaining expenditures are carried forward in subsequent years.
- b. The City will avoid balancing the current budget at the expense of future budgets unless the use of unassigned fund balance and/or reserves is expressly authorized by the City Council.
- c. The City will develop and maintain financial management programs to assure its long-term ability to pay the costs necessary to provide the services required by its citizens.

2. Budgetary Controls

- a. Adopted budget appropriations should not be adjusted subsequently unless specifically authorized by a Council/District resolution identifying the fund from which the appropriation is to be made, the amount of the appropriation and an account number.
- b. The City Manager has the authority to approve transfers of budget appropriations within any departmental budget provided:
 - Both line items are budgeted; and
 - Transfers from salary accounts and benefit accounts to non-personnel accounts are not allowed.
- c. Interfund and inter-departmental transfers require Council/District approval.
- d. The City Manager may review and approve change orders in accordance with established purchasing procedures. The City Manager may approve purchase orders for budgeted expenditures and un-budgeted purchase orders in accordance with established purchasing procedures.
- e. Annually, a report estimating the year-end results will be presented to the Council following the close of the fiscal year being reported. The report will compare revenue estimates with actual collections, appropriations budgets with actual expenditures and revenues to expenditures in major budgetary funds. This report will be followed by a presentation of the Comprehensive Annual Financial Report to the Council before January 31st.
- f. Semi-annually, at a mid-year budget session, there will be comprehensive review of the operations to date in comparison to the existing budget. Projections of revenues and expenditures through the end of the fiscal year will be submitted to the City Council at the mid-year budget session.

3. Revenue Policies

- a. The City strives to maintain a diversified and stable revenue stream to avoid over-reliance on any one revenue source.

- b. The City estimates its annual revenues by an objective, analytical process utilizing trends, judgment, and statistical analysis as appropriate. Revenue estimates are to be realistic and sensitive to both local and regional economic conditions.
- c. The City maximizes the availability of revenue proceeds through responsible collection and auditing of amounts owed to the City.
- d. The City actively pursues federal, State, and other grant opportunities when deemed appropriate. Before accepting any grant, the City should consider the implications in terms of ongoing obligations that will be required in connection with acceptance of the grant.
- e. The City seeks reimbursements for mandated costs whenever possible.
- f. User fees are reviewed annually for potential adjustments to recover the full cost of services provided, except when the City Council determines that a subsidy is in the public interest. The City's user fee policy:
 - Imposes user fees when appropriate to capture the cost for the delivery of services and goods; and
 - Attempts to establish levels of cost recovery that support all costs including administrative overhead and depreciation; and
 - Determines the minimum frequency of user fee reviews.
- g. General Fund revenues are pooled and allocated according to Council goals and established policy.
- h. Grant revenue is recognized when eligible expenditures have been incurred against a fully executed grant agreement. Such accrued revenue is considered available even if it is not received within 60 days of year-end. This method provides improved reporting and control at the program level because it appropriately matches funding sources and uses.
- i. Enterprise funds and other legally-restricted sources are allocated according to their respective special purpose.
- j. One-time revenues should be used for one-time expenditures only, including capital outlay and reserves.

4. Expenditure Policies

- a. The City strives to maintain levels of service, as determined by the City Council, to provide for the public well-being and safety of the residents of the community.
- b. The City strives to maintain employee benefits and salaries at competitive levels with local labor markets.
- c. Fixed assets should be maintained and replaced as necessary and deferred maintenance should be minimized. A facilities maintenance reserve is maintained to provide for timely maintenance and replacement of fixed assets.
- d. The City should use technology and productivity enhancements that are cost effective and help to reduce or avoid increased personnel costs.
- e. Surplus fund balances (and working capital in enterprise funds) may be used to increase reserves, fund Capital Improvement Projects, fund capital outlay or be carried forward to fund one-time special project/program expenses.

5. Utility Rates and Fees

- a. Water and sewer utility customer rates and fees are reviewed and adjusted annually, if necessary.
- b. All utility enterprise funds are operated in a manner similar to private enterprise. As such, the City Council sets fees and user charges for each utility fund at a level that fully supports the total direct and indirect cost of the activity, including depreciation of assets, overhead charges, and reserves for unanticipated expenses and capital projects.

6. Capital Budget Policies

- a. The City has a Five-Year Capital Improvement Program (CIP) that is designed to construct and maintain infrastructure to support existing residences and businesses and future development. The CIP identifies the estimated cost of each project including administration, design, development and implementation, and operating costs once the projects are completed. The CIP identifies potential funding sources for each proposed capital project. When appropriate, the CIP identifies outside funding sources such as State and federal funds

and leverages these funding sources with public money to help meet the highest priority community needs.

- b. The funding for the first year of each five-year CIP is appropriated as a component of the annual operating budget.
- c. Funding for future projects identified in the five-year CIP which has not been secured or legally authorized is subject to change.

7. Debt Management Policy

- a. The City Council has adopted guidelines and policies intended to guide decisions related to debt issued by the City. Debt issuance should be evaluated on a case-by-case basis and considered within the context of the City's overall capital structure and policy objectives. Adherence to the debt management policy is essential to ensure that the City maintains a sound debt position and to protect the credit quality of its debt obligations. The full text of the City's Debt Management Policy is presented in the Debt Service section of the budget. Key components of the City's Debt Management Policy are:
 - The City will limit long-term debt to only those capital improvements or long-term liabilities that cannot be financed from current revenue sources.
 - The City will utilize debt financing for projects which have a useful life that can reasonably be expected to exceed the period of debt service for the project.
 - The City will strive to maintain or improve the City's bond rating.
- b. The City may utilize interfund loans rather than outside debt to meet short-term cash flow needs. If interfund loans are undertaken, formal promissory notes are prepared and interest charged as required by the City's Interfund Loan Policy.

8. Interfund Loan Policy

- a. City Council approval by resolution is required for any interfund loan. All interfund loans must be documented by formal agreements that specify the terms and conditions.
- b. All interfund loans are interest bearing and the amount of interest to be paid on the loan must be at least equal to the investment earnings the fund making the loan would have received had the loan not occurred.
- c. The term of an interfund loan is established by the City Council and typically should not exceed five years.
- d. The interfund loan is callable by the lending fund if needed to ensure that the lending fund has sufficient operating funds.
- e. All interfund loan proposals require a feasibility analysis demonstrating that:
 - The borrowing fund has the capacity to repay the debt;
 - The lending fund has the capacity to lend the funds, beyond its own operating and capital needs; and
 - The loan does not violate any debt covenants or other provisions of the borrowing and lending funds.
- f. As part of the due diligence, each interfund loan proposal must demonstrate that the loan can be repaid. It is important to avoid masking an operating deficiency in one fund with an interfund loan from another fund. This is the centerpiece of the policy, which seeks to avoid loans that fail the fundamental test of performance (repayment) under the contract.
 - If a feasibility analysis does not show that the loan can be safely repaid, the appropriate recommendation may be a revenue enhancement or another correction of the underlying reason for the funding deficiency. An alternative financing recommendation may be a fund balance donation.
- f. There is no prepayment penalty on an interfund loan. Interest is to be paid quarterly, and principle payments are subject to the feasibility analysis cash projections.
- g. The interest expense paid on interfund loans is to be treated as user fund expense, while the interest income is to be treated as interest revenue to the loaning fund.

9. Fund Balance & Reserve Policies

- a. The City's Fund Balance & Reserve policies are intended to ensure the continued financial well-being of the City by planning for unanticipated emergency and contingency needs. The City Council periodically reviews and updates these guidelines to ensure that the City has

- sufficient resources to adequately provide for emergencies, economic uncertainties, unforeseen operating or capital needs, economic development opportunities, and cash flow requirements.
- b. The City Council may direct any portion of its General Fund, Water Enterprise Fund or Wastewater Enterprise Fund revenue that is not required to balance the annual operating budget to one or more of the following reserves, subject to consistency with the allowable uses of the enterprise funds.
 - c. **General Fund Reserves.** In FY2018/19 the City's Finance and Administration Committee ranked funding of the Emergency Contingency Reserve and the Economic Stabilization Reserve last out of a list of nine financial goals. Therefore Staff has removed these two reserves from the list of General Fund Reserves in the adopted budget. If surplus funds become available in future years these two reserves may be re-introduced. The following two General Fund reserves have been funded in the adopted budget:
 - o General Fund Operating Reserve: The City will maintain an unrestricted fund balance of at least 15% to 20% of the annual operating expenditures in the General Fund, as an "Operating Reserve" to ensure liquidity of the General Fund and to ensure adequate cash flow throughout the year. This reserve is necessary to accommodate fluctuations in the timing of expenditures and the receipt of revenues. The reserve is committed fund balance and may be tapped into, with Council authorization, for unforeseen operating or capital needs. In FY2018/19 the reserve is funded at 15%.
 - o Litigation Reserve: The City will maintain a Litigation Reserve to cover unforeseen legal expenses, including unbudgeted legal, defense and settlement costs that are not covered by the City's insurance pool. The Litigation Reserve is replenished each year through the budget process. The City Manager shall approve all charges against this reserve and, on a quarterly basis, the Finance Director shall report to the City Council the amount and types of litigation that have been funded by the Litigation Reserve. In FY2018/19 the reserve is funded at \$200k.
 - d. **Water, Wastewater (Municipal Improvement District #1) and C.V. Starr Enterprise Capital Reserves.** The City maintains capital reserves in the Water, Wastewater and C.V Starr Enterprise Funds to provide for future capital projects and unanticipated emergencies. Each year, all unrestricted net position in the Enterprise Funds in excess of 25% of the prior year's operating expenditures is transferred to these reserves. The 25% that is retained in the Enterprise Fund functions as an Operating Reserve.
 - e. **Internal Service Fund Reserves.** Each year, the unrestricted net position in each of the City's Internal Service Funds is held in reserve within the Internal Service Fund. These reserves are intended to help pre-fund large purchases and repairs and avoid big annual swings in funding needs.
 - o Facility Repair & Maintenance Reserve. The reserve is funded based on an analysis of expected repairs and useful lives of the buildings and equipment funded by the Facilities Repair & Maintenance Internal Service Fund. A ten-year Facilities Maintenance & Repair Plan which provides guidance for establishing required annual contributions to the Facility Maintenance & Repair reserve has been established. The plan is adjusted annually as part of the budget preparation process.
 - o Fleet & Equipment Services Reserve. The City maintains a reserve in the Fleet & Equipment Services Internal Service Fund to enable the timely replacement of vehicles and depreciable equipment. A ten-year Vehicle and Equipment Replacement Plan has been established.
 - o Information Technology (IT) Reserve. The City maintains a reserve in the Technology Maintenance & Replacement Internal Service fund to enable the timely replacement of depreciable equipment. A five-year IT long term plan has been established
 - f. **Debt Service Reserves.** Reserve levels for Debt Service Funds are established and maintained as prescribed by the bond covenants authorized at the time of debt issuance.

- g. **Unfunded Liabilities.** Prepayments made against unfunded liabilities may lower the unfunded liability and result in significant savings in the long term. Each year 50% of any realized year end surplus shall be applied to the City's two unfunded liabilities. Priority shall be given to the CalPERS plan unfunded liability over the OPEB plan unfunded liability. Any payment of unfunded liabilities shall be considered a one-time payment and will not be included in the calculation of the City's operating deficit/surplus:
- o CalPERS. The City continues to accrue liabilities relating to the California Public Employees' Retirement System pension plan provided to its employees. If the City realizes a sufficient year end surplus at 7/1/2018, Staff recommends a prepayment of \$296k, which equates to the CalPERS 15 year amortization schedule.
 - o OPEB Trust Fund. The City maintains an irrevocable trust fund for retiree medical benefit obligations. If the City realizes a sufficient year end surplus at 7/1/2018, Staff recommends a prepayment of \$78k as determined by a bi-annual actuarial report.

10. **Investment Policy.** The complete investment policy is presented at the end of the Policy Section of the City's Budget. Key components of the City's investment policy are:

- a. The Finance Director/City Treasurer annually renders an investment policy for City Council's review and modification as appropriate. The review must take place at a public meeting and the policy must be adopted by resolution of the City Council.
- b. City funds and the investment portfolio should be managed in a prudent and diligent manner with emphasis on safety, liquidity, and yield, in that order. Reports on the City's investment portfolio and cash position are developed by the Finance Director/City Treasurer and reviewed by the Finance & Administration Committee and the City Council at first quarter, mid-year and fiscal year end.
- c. Generally Accepted Accounting Principles require that differences between the costs of the investment portfolio and the fair value of the securities be recognized as income or losses in a government's annual financial report. These variances should not be considered as budgetary resources or uses of resources unless the securities are sold before maturity or the values of the investments are permanently impaired.

11. **Accounting, Auditing, And Financial Reporting Policies**

- a. The City's accounting and financial reporting systems are maintained in conformance with generally accepted accounting principles as they apply to governmental accounting.
- b. An annual audit will be performed by an independent public accounting firm with the subsequent issuance of a Comprehensive Annual Financial Report, within seven months of the close of the previous fiscal year.
- c. Periodic financial and status reports will be submitted to the City Council and be made available to the public.

12. **Asset Forfeiture Expenditure Policy**

Asset Forfeiture Discretionary Funds

- a. Expenditures under \$5,000 may be decided by the Police Chief.
- b. Expenditures of between \$5,000 and \$10,000 require approval of the City Manager.
- c. Expenditures over \$10,000 require approval of the City Council and the Asset Forfeiture budget will be amended at the time of approval.
- d. Staff reports to the City Council will be provided on significant Asset Forfeiture expenditures identified by the City Manager.

Asset Forfeiture Education Funds

- a. Expenditures must meet the mandated education and prevention guidelines.

Year-End Reporting

- a. Prior to the close-out of each fiscal year, a report listing all Asset Forfeiture Discretionary and Education Fund expenditures will be brought forward to the Finance & Administration Committee for review. Line item budget appropriations, as necessary, will be agendized for City Council action.

13. Payment of Employee Compensation Costs

- a. **City Employee Compensation.** The City strives to attract and retain the best talent to manage the City and serve Fort Bragg residents and businesses. The City accomplishes this by offering attractive and competitive salaries and benefits that reflect the value of the various jobs, the duties, level and responsibility of each position, and the fiscal condition of the City. Compensation information specific to each employee group is summarized below.
- b. **City Manager Duties and Compensation.** The City of Fort Bragg is a general law city with a Council-Manager form of government. Fort Bragg Municipal Code Section 2.16.050 establishes that the City Council is the appointing authority for the City Manager and City Attorney. All other positions are appointed by the City Manager. The City Manager's terms of employment, including compensation and benefits, are established by an employment agreement authorized by Council resolution.
- c. **City Attorney Services.** The City Attorney is not a City employee. City Attorney services are provided in accordance with a professional services agreement. Funds for City Attorney services are included in the Administrative Services Department.
- d. **Executive Management (Department Head) and Mid-Management Compensation.** The terms of employment for Executive and Mid-Management classifications, including compensation and benefits, are established by Council resolution.
- e. **Non-Management Employee Compensation.** The City of Fort Bragg has three non-management employee groups.
 - The Fort Bragg Employee Organization (FBEO) represents all City non-exempt employees other than Safety Employees and Confidential and Non-Bargaining employees. The FBEO is affiliated with the Service Employees International Union (SEIU). Compensation and benefits are negotiated and documented in a Memorandum of Understanding (MOU).
 - The City's Safety Employees are represented by the Fort Bragg Police Association (FBPA), an unaffiliated employee organization. Compensation and benefits are negotiated and documented in a Memorandum of Understanding (MOU).
- f. Compensation and benefits of employees not represented by the FBEO and FBPA are established by Council resolution.
- g. **Additional Sources of Information.** The current employment agreements, resolutions and MOUs noted above can be found on the City's website.



CITY OF FORT BRAGG STATEMENT OF INVESTMENT POLICY

Introduction

The City Council of the City of Fort Bragg recognizes its responsibility to properly direct the investments of funds for the City and its component units. The purpose of this Investment Policy is to provide guidelines for the investment of funds based upon prudent cash management practices and in conformity with all applicable statutes. Related activities which comprise good cash management include accurate cash projections, the expeditious collection of revenue, cost-effective banking relations, and the control of disbursements.

Scope

This policy covers the investment activities of all contingency reserves and inactive cash under the direct authority of the City of Fort Bragg and Municipal Improvement District #1. Policy statements outlined in this document focus on the City of Fort Bragg's pooled funds but also apply to all other funds under the City Treasurer's span of control unless exempted by resolution or statute. Investments for the City and its component units will be made on a pooled basis including, but not limited to, the City of Fort Bragg, Municipal Improvement District #1 and Fort Bragg Redevelopment Successor Agency. The City's Comprehensive Annual Financial Report identifies the fund types involved as follows:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Enterprise Funds
- Internal Service Funds
- Trust Funds
- Miscellaneous Special Funds
- Any new funds created by the City Council unless specifically exempted.

Investments of bond proceeds will be held separately when required by the bond indentures or when necessary to meet arbitrage regulations. If allowed by the bond indentures, or if the arbitrage regulations do not apply, investments of bond proceeds will be held as part of the pooled investments.

Prudence

Section 53600.3 of the California Government Code identifies as trustees those persons authorized to make investment decisions on behalf of a local agency. As a trustee, the standard of prudence to be used shall be the "prudent investor" standard and shall be applied in the context of managing the overall portfolio. The trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

It is the policy of the City Council that investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk changes or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

Investment Objectives

Section 53600.5 of the California Government Code outlines the primary objectives of a trustee investing public money. The primary objectives, in order of priority, of the City's investment activities shall be:

- **Statutory compliance.** To assure compliance with all federal, state, and local laws governing the investment of monies.

- **Safety.** Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio.
- **Liquidity.** The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.
- **Return on investment.** Investment return becomes a consideration only after the basic requirements of safety and liquidity have been met. The City Treasurer shall attempt to realize a yield on investments consistent with California statutes and the City's Investment Policy.

The City Treasurer shall strive to maintain the level of investment of all contingency reserves and inactive funds as close to one hundred percent (100%) as possible. While the objectives of safety and liquidity must first be met, it is recognized that portfolio assets represent a potential source of significant revenues. It is to the benefit of the City that these assets be managed to realize a yield on investments consistent with California statutes and the City's Investment Policy.

Duties and Responsibilities

The management of inactive cash and the investment of funds is the responsibility of the City Treasurer (or his/her designee) as directed by the City Council. Under the authority granted by the City Council, no person may engage in an investment transaction covered by the terms of this policy unless directed by the City Treasurer or designee.

In the execution of this delegated authority, the City Treasurer may establish accounts with qualified financial institutions and brokers/dealers for the purpose of effecting investment transactions in accordance with this policy. In selecting financial institutions, the creditworthiness of institutions shall be considered and the City Treasurer shall conduct a comprehensive review of prospective depository's credit characteristics and financial history.

A written copy of this Investment Policy shall be presented to any person offering to engage in an investment transaction with the City. Investments shall only be made with those business organizations (including money market mutual funds and local government investment pools), which have provided the City certification of having received and reviewed the City's Investment Policy.

The City Treasurer may designate in writing a Deputy City Treasurer who, in the absence of the City Treasurer, will assume the City Treasurer's duties and responsibilities. The City Treasurer shall retain full responsibility for all transactions undertaken under the terms of this policy.

Ethic and Conflicts of Interest

All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment recommendations and decisions. Investment officials and employees shall make all disclosures appropriate under the Fair Political Practices Act and may seek the advice of the City Attorney and the Fair Political Practices Commission whenever there is a question of personal financial or investment positions that could represent potential conflicts of interest.

Collateralization

When required by California statute or this Investment Policy, any investment capable of being collateralized, shall be collateralized by the required amounts imposed by law. To give greater security to the City's investments, when an investment is collateralized and not perfected under existing law, an attempt to perfect the collateralization should be made.

Authorized Investments

The City Treasurer may invest City funds in the following instruments as specified in the California Government Code Section 53601 and as further limited in this policy.

Federally insured bank/ time Certificates of Deposit (CD's): Certificates of Deposit shall not exceed five years to maturity. Investments in Certificates of Deposit and Checking Accounts shall be fully insured up to the amount allowed per account by the Federal Deposit Insurance Corporation or the National Credit Union Administration. Furthermore, the combined investments in Certificates of Deposit and Prime

Commercial Paper, if a private sector entity is used, shall not exceed, in total, more than fifty percent (50%) of the portfolio.

U.S. Treasury Bills, Notes and Bonds: Obligations of the U.S. Government and its agencies or those for which the full faith and credit of the United States are pledged for payment of principal and interest. The maximum maturity length shall not exceed five years.

General Obligations of any State or local political subdivision: Must be rated AA/Aa/AA or higher by one of the following: Standard & Poor's, Moody's or Fitch.

Repurchase Agreements: Repurchase Agreements with a maximum maturity of one year. Repurchase Agreements may not exceed five percent 5% of the portfolio. The market value of securities that underlay a Repurchase Agreement shall be valued at one hundred two percent 102% or greater of the funds borrowed against those securities.

Money Market/Mutual Funds: Money Market or Mutual Fund investments holding only U.S. Treasury and Government Agency obligations and cash.

Local Agency Investment Fund (LAIF): Local Agency Investment Fund (LAIF) of the State of California. Investments will be made in accordance with the laws and regulations governing those Funds.

Investment Trust of California (CalTRUST): Investments in CalTRUST will be made in accordance with the laws and regulations governing those funds.

New Securities: New types of securities authorized by California law, but which are not currently allowed by this investment policy, must first be approved by the City Council.

Unauthorized Investments/Investment Activities

Instruments not expressly authorized are prohibited. In accordance with California Government Code Section 53601.6, investment in inverse floaters, range notes or mortgage derived interest-only strips is prohibited, as are derivatives. In addition, and more generally, investments are further restricted as follows:

- No investment will be made in any security that could result in zero interest accrual if held to maturity.
- No investment will be made that could cause the portfolio to be leveraged.
- Purchases of investments on margin will not be made.

Investment Strategy

Pooled Investments: A buy and hold strategy will generally be followed; that is, investments once made will usually be held until maturity. A buy and hold strategy will result in unrealized gains or losses as market interest rates fall or rise from the coupon rate of the investment. Unrealized gains or losses, however, will diminish as the maturity dates of the investments are approached or as market interest rates move closer to the coupon rate of the investment. A buy and hold strategy requires that the portfolio be kept sufficiently liquid to preclude the undesired sale of investments prior to maturity. Occasionally, the City Treasurer may find it advantageous to sell an investment prior to maturity, but this should only be on an exception basis and only when it is in the best interest of the City.

Investments Held Separately: Investments held separately for bond proceeds will follow the trust indenture for each issue.

Diversification

The portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. In addition to the limitations on specific security types indicated in this Investment Policy, and with the exception of U.S. Treasury/Federal agency securities and authorized pools, no more than five percent 5% of the City's portfolio will be placed with any single issuer.

Internal Controls

The City Manager and the Finance Director are responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. Due to the need to preserve segregation of duties and check and balance, all outgoing wire transfers shall be confirmed by the bank with a second person prior to the completion of the transfer.

Reporting

Sections 53607 and 53646 of the California Government Code allow the City Council, at its discretion, to require reports meeting the standards set forth in these sections, as well as any additional information desired. A report for pooled investments will be made to the City Council at the mid-year budget review session and at a public meeting following the close of the fiscal year.

Investment Policy Review and Adoption

Section 53646(a) (2) of the California Government Code allows the City Treasurer to render to the City Council and the Finance Committee a statement of investment policy, and recommends that one be presented each year. Therefore, the City's investment policy and any modifications thereto shall be considered no less often than annually at a public meeting. Adoption of the investment policy and any changes must be made by resolution of the City Council.



CITY OF FORT BRAGG

FY2018/19

ADOPTED BUDGET

SUMMARY SCHEDULES



City of Fort Bragg FY2018/19 Summary of Revenue, Expenditures & Fund Balance											
FY 2018 - 2019											
Fund No.	Fund Type/Name	Audited Fund Balance at 06/30/17	Projected Revenue	Estimated Expenditures	Net Transfers	Projected Fund Balance at 06/30/18	FY 2018/19 Budget		Net Transfers	Projected Fund Balance at 06/30/19	
							Revenue	Appropriations			
110	General Fund										
110	Unassigned	\$ 1,415,220	\$ 9,091,105	\$ 9,365,634	\$ 85,705	\$ 1,226,396	\$ 9,560,365	\$ 9,541,005	(55,859)	\$ 1,189,897	
	Nonspendable	4,014	-	-	-	4,014	-	-	-	\$ 4,014	
	Committed	1,487,700	-	-	-	1,487,700	-	-	59,031	\$ 1,546,731	
112	Gen Fund Economic Stabilization Reserve	-	-	-	-	-	-	-	-	-	
113	Gen Fund Emergency Contingency Reserve	-	-	-	-	-	-	-	-	-	
114	Gen Fund Litigation Reserve	200,000	-	21,420	21,420	200,000	-	-	-	200,000	
	Total General Fund	3,106,934	9,091,105	9,387,054	107,125	2,918,110	9,560,365	9,541,005	3,172	2,940,642	
	Special Revenue Funds, Restricted***:										
116	General Plan Maint Fee Fund	174,252	70,211	40,000	-	204,463	70,897	50,000	-	225,360	
117	Housing Trust Funds	85,855	933	8,275	-	78,513	1,383	-	-	79,896	
120	Parking	36,279	4,373	-	(8,300)	32,352	4,537	-	(8,300)	28,589	
121	Parking in Lieu Fees	336	-	8,208	8,300	428	-	-	8,300	8,728	
122	Parkland Monitoring/Reporting	126,362	1,278	1,930	-	125,710	500	-	-	126,210	
124	Tobacco License Fee	9,216	2,556	3,300	-	8,472	2,739	1,100	-	10,111	
125	State Disability Access Fee	2,922	812	40	-	3,694	990	60	-	4,624	
139	Cops AB1913 Allocation	15,147	100,000	100,000	-	15,147	100,000	115,000	-	147	
146	OJP Bulletproof Vest Partnership	(1,628)	1,500	-	(1,500)	(1,628)	1,000	-	(872)	(1,500)	
167	Asset Forfeiture	361,132	127,131	126,799	(217)	361,247	74,980	50,000	-	386,227	
176	RDA Housing Successor	411,871	4,007	-	-	415,878	7,209	250,000	-	173,087	
190	Construction/Demolition Ord Fees	45,296	1,701	5,000	-	41,997	1,153	-	-	43,150	
220	Waste Mgt Community Benefit Pymt	9,747	-	7,500	(1,979)	268	-	-	-	268	
221	Highway User Tax (Gas Tax)	25,350	225,573	221,088	-	29,834	353,370	267,108	-	116,096	
223	STP D1 MCOG Streets/Hwy **	1,166	73,980	-	(9,500)	65,646	-	-	(69,978)	(4,332)	
230	Traffic & Safety	1,476	6,931	8,407	-	-	5,900	5,900	-	-	
250	Special Sales Tax- Street Repair	1,483,593	931,415	-	(481,691)	1,933,318	984,315	-	(2,000,000)	897,633	
280	Fire Equipment Fund	183,529	54,911	38,002	23,345	223,783	59,301	-	-	283,084	
285	OJ Park Maintenance Fund	2,931	-	-	(2,064)	867	-	-	-	867	
	Total Special Rev Funds, Restricted	2,974,832	1,607,314	568,549	(473,605)	3,539,989	1,648,275	739,168	(2,070,850)	2,378,245	
	Special Revenue Funds, Grants***:										
131	CDBG Unclassified Program Income	16,055	-	600	-	15,455	-	-	-	15,455	
162	CDBG Program Income Account	(78,581)	87,901	-	(32,440)	(23,120)	88,000	-	(150,000)	(85,120)	
314	MCOG OWP	(99)	-	5,000	-	(5,099)	40,099	104,978	69,978	-	
315	2014 CDBG Grants	12,464	225,776	125,753	(117,203)	(4,716)	-	-	-	(4,716)	
319	Dept of Water Resources Prop 84 - Summers Lane	-	700,000	-	(700,000)	-	-	-	-	-	
320	State Parks Prop 84	(501)	345,127	-	(344,626)	-	10,000	-	(10,000)	-	
322	CalTrans State Funding	(15,222)	24,783	9,561	-	-	-	-	-	-	
323	CalTrans Federal Funding	602,587	952,060	-	(1,554,647)	-	20,000	-	(20,000)	-	
326	HCD HOME Grant - 2013	11,960	158,503	170,463	-	-	500,000	500,000	-	-	
327	SWRCB Grants	-	-	-	-	-	6,000,000	-	(6,000,000)	-	
329	State Grants	-	16,744	20,000	(16,744)	(20,000)	305,000	80,000	(205,000)	-	
330	Federal Grants	-	25,219	-	(25,219)	-	3,413,850	-	(3,413,850)	-	
331	2016 CDBG Grants	-	1,636,985	267,761	(1,369,224)	-	196,555	346,555	150,000	-	
332	Other Grants	5,000	3,000	9,052	1,052	-	-	-	-	-	
	Total Special Rev Funds, Grants	553,663	4,176,098	608,189	(4,159,050)	(37,480)	10,573,504	1,031,533	(9,578,872)	(74,381)	

City of Fort Bragg FY2018/19 Summary of Revenue, Expenditures & Fund Balance												
Fund No.	Fund Type/Name	FY 2017 - 2018				FY 2018- 2019				Projected Fund Balance at 06/30/19		
		Audited Fund Balance at 06/30/17	Projected Revenue	Estimated Expenditures	Net Transfers	Projected Fund Balance at 06/30/18	Revenue	Appropriations	Net Transfers			
Capital Project Funds**:												
401	Otis Johnson Park Renovation	(2,064)	-	-	2,064	-	-	-	-	-	-	-
405	Street Resurfacing & Structural Repair Projects	1,523,286	-	2,124,572	601,286	-	-	2,000,000	2,000,000	-	-	-
407	Coastal Trail Construction	17,406	-	17,406	-	-	-	-	-	-	-	-
415	Central Coastal Trail Construction	-	-	1,094,626	1,094,626	-	-	30,000	30,000	-	-	-
413	Chestnut St Multi-use trail	(668,443)	-	136,204	804,647	-	-	-	-	-	-	-
416	Municipal Facilities Projects	357,019	-	310,013	59,898	-	-	-	-	-	-	106,905
Total Capital Project Funds		1,227,204	-	3,682,820	2,562,521	-	-	2,030,000	2,030,000	-	2,030,000	106,905
Internal Service Funds*												
520	Facilities Maint & Repair	249,645	215,189	220,411	-	244,423	299,036	197,039	-	346,420		
521	Technology Maint & Repair	96,238	399,366	405,547	-	90,056	460,111	423,698	-	126,469		
522	Fleet & Equipment Services	31,268	427,238	471,219	16,744	4,031	477,124	386,530	25,850	120,474		
Total Internal Service Funds		377,150	1,041,793	1,097,177	16,744	338,510	1,236,271	1,007,267	25,850	593,363		
Enterprise Funds*												
610	Water Enterprise O&M	457,324	2,934,325	2,056,816	(820,628)	514,204	3,063,289	2,055,733	(1,027,827)	513,933		
640	Water Enterprise Capacity Fees	177,501	22,028	-	(35,000)	164,529	33,405	-	-	197,934		
614	Water Enterprise Non-Routine Maintenance	119,050	-	14,548	-	104,502	-	133,000	28,498	-		
615	Water Enterprise Capital Reserve	1,652,747	6,824	-	1,348,961	3,008,532	6,678	-	(57,671)	2,957,539		
651	Water Capital Projects	714,028	-	2,253,978	1,539,951	-	-	1,262,000	1,262,000	-		
Total Water Enterprise Unrestricted Net Position		3,120,650	2,963,176	4,325,343	2,033,284	3,791,767	3,123,372	3,450,733	205,000	3,669,406		
710	Wastewater Enterprise O&M	1,244,049	3,664,603	2,261,749	(2,081,466)	565,437	3,584,730	2,333,806	(1,232,909)	583,452		
720	Clean Water Education Fund	5,095	46	-	(700)	4,441	56	-	(2,300)	2,197		
740	Wastewater Enterprise Capacity Fees	302,130	28,847	-	-	330,977	32,824	-	-	363,801		
714	Wastewater Enterprise Non-Routine Maintenance	413,218	-	195,300	(30,121)	187,797	-	164,000	-	23,797		
715	Wastewater Enterprise Capital Reserve	1,645,543	-	-	510,002	2,155,545	-	-	(1,744,350)	411,195		
716	Wastewater Capital Projects	5,909	-	-	1,515,266	1,521,175	-	18,723,400	17,202,225	-		
717	JFFA - Wastewater Treatment Plant	-	-	-	-	-	5,000,000	79,111	(4,920,889)	-		
Total Wastewater Enterprise Unrestricted Net Position		3,615,944	3,693,496	2,457,049	(87,018)	4,765,372	8,617,610	21,300,317	9,385,700	1,468,365		
810	CV Starr Enterprise	388,893	1,837,616	1,847,921	-	397,347	1,866,296	1,957,233	-	425,457		
	CV Starr Operating Reserve	346,719	-	-	-	327,959	-	-	-	208,912		
	CV Starr Capital Reserve	735,611	1,837,616	1,847,921	-	725,306	1,866,296	1,957,233	-	634,369		
Total CV Starr Enterprise Unrestricted Net Position		7,472,205	8,494,289	8,630,313	1,946,266	9,282,445	13,607,278	26,708,283	9,590,700	5,772,140		
Total Enterprise Funds		\$ 15,711,988	\$ 24,410,596	\$ 23,974,103	\$ -	\$ 16,148,479	\$ 36,625,693	\$ 41,057,256	\$ -	\$ 11,716,914		
Fiduciary Trust Funds												
175	Successor Agency to RDA	\$ (3,814,637)	\$ 400,709	\$ 400,705	-	\$ (3,814,632)	\$ 375,278	\$ 375,278	\$ -	\$ (3,814,632)		
Total Fiduciary Funds		\$ (3,814,637)	\$ 400,709	\$ 400,705	\$ -	\$ (3,814,632)	\$ 375,278	\$ 375,278	\$ -	\$ (3,814,632)		

* Enterprise and Internal Service funds do not include fixed assets, restricted for debt service or depreciation expense

BUDGET SUMMARY – ALL FUNDS

OVERVIEW OF THE CITY'S BUDGET

The City of Fort Bragg's combined annual budget for FY2018/19 is \$63.5M. This amount includes appropriations from all funds (\$41.4M) and transfers (\$22M). Combined appropriations and transfers for FY2018/19 are \$25M more than projected for FY 2017/8.

The City's budget includes three major operating funds: the General Fund, Water Enterprise Fund and Wastewater Enterprise Fund, as well as Special Revenue Funds, Capital Project and Grant Funds, and the C.V. Starr Enterprise Fund. Core city services such as police, community development, parks, and street maintenance are budgeted in the General Fund and are supported primarily by sales tax, property tax, transient occupancy tax (TOT) and charges for services rendered. The City's Water and Wastewater Enterprise funds are supported by user fee revenues which are charged for services provided to the City's residents. Activities supported by funds received by the City which are restricted in their use are included in Special Revenue Funds and Grant Funds. Construction activities associated with capital projects are accounted for in Capital Project Funds.

Included in the \$63.5M total annual budget amount are the City's Internal Service Funds and allocations to the General Fund from the Water, Wastewater and C.V. Starr Enterprise Funds for services provided to these funds. These expenditures are found in the budget twice, because the revenue to the Internal Service Funds is a budgeted expenditure in the City's other funds and the allocations are revenue to the General Fund that is then spent by the General Fund departments.

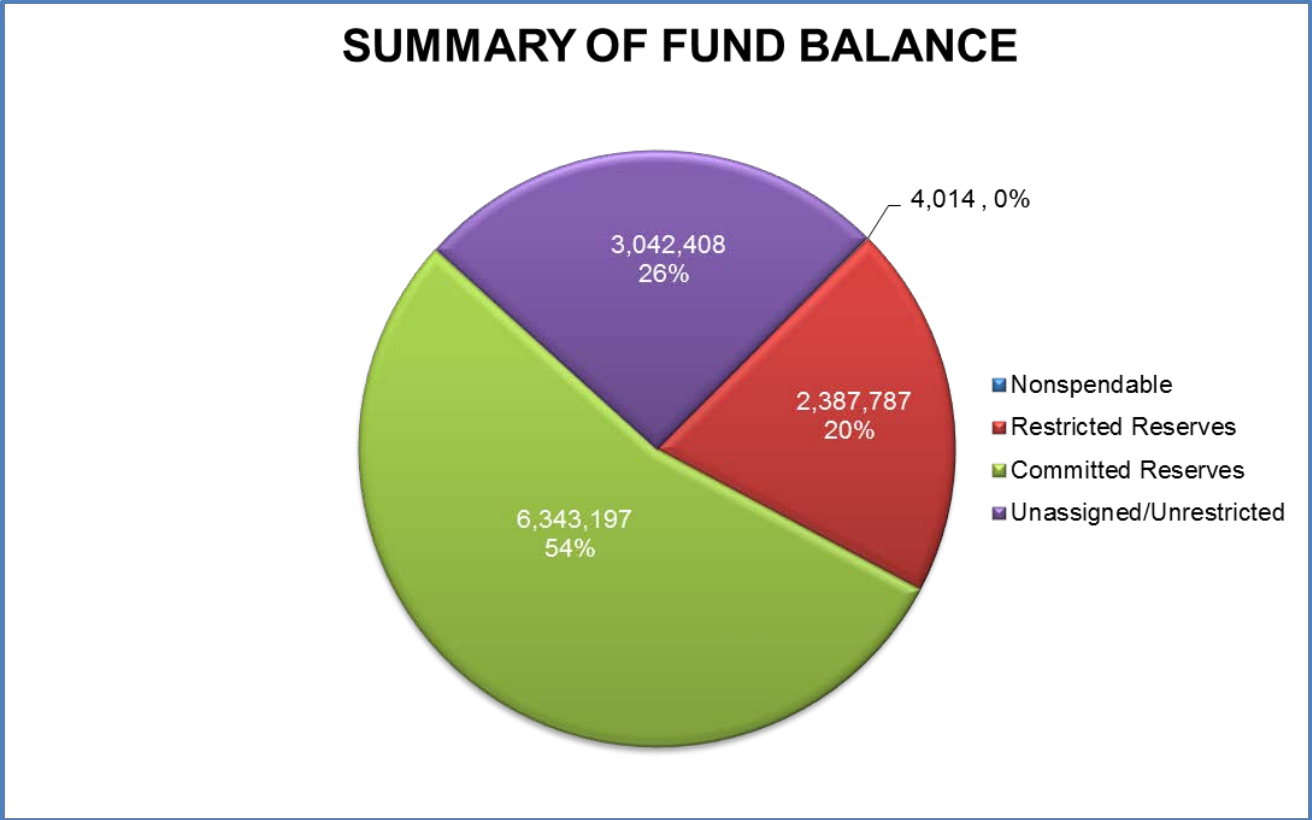
Included in the \$63.5M total annual budget amount are the City's Fiduciary Funds. Fiduciary Funds are used to account for resources that a government holds as a trustee or agent on behalf of an outside party and therefore cannot be used to support the government's own programs. The City has one fiduciary fund: Successor Agency to Fort Bragg Redevelopment Agency.

Throughout the budget document, reference is made to interfund transfers. An interfund transfer is a transfer of funds from one City fund to another City fund. These transfers appear as a resource in the fund receiving the transfer and as a budget requirement in the fund that is sending the transfer. While this results in the revenue and expenditure being "double counted" in the annual budget, this presentation is necessary to provide a transparent picture of actual expenditures for both the funding and receiving funds.

When Internal Service Funds, Fiduciary Funds, internal charges for service and transfers between funds are excluded from the total, the adjusted total Annual Budget amounts to \$36.8M.

CHANGES IN OBLIGATIONS & INTERFUND LOANS

The FY2018/19 Budget includes certain debt obligations for the City. The obligations included in the budget represent the annual installment payments of principal and interest to be paid on City promissory notes or bond obligations existing at July 1, 2018. As of the writing of this budget the City's Wastewater Enterprise is contemplating issuing debt in the amount of \$5M to be used as one component of a total financing package to overhaul the City's aging wastewater treatment plant. Issuance of the debt is likely to occur in FY2018/19 or shortly prior. Details regarding the City's debt payments are found on pages 153 through 164.



ALL FUNDS - FUND BALANCE

The FY2017/18 projected All Funds year-end fund balance is \$16.2M and the FY2018/19 All Funds balance is projected at \$11.7M. Of this balance, the City has several reserves as noted below. These reserves are committed in accordance with the City's Fund Balance & Reserve Policies which are intended to ensure the continued financial well-being of the City by planning for provide for emergencies, economic uncertainties, unforeseen operating or capital needs, economic development opportunities, and cash flow requirements. The City Council periodically reviews and updates these guidelines. As shown below, the "unrestricted or unassigned fund balance" in FY2018/19 is estimated at approximately \$3M.

	FY 2018/19 ADOPTED
Total All Funds Balance	\$ 11,716,914
Less Nonspendable (inventory, etc.)	4,014
Less Restricted Reserves (externally enforceable)	
Special Revenue Funds	2,378,245
Operating Grants	(74,381)
Debt Service Reserve	83,923
Less Committed Reserves (Set by Council resolution)	
Water Capital Reserve	2,957,539
Wastewater Capital Reserve	411,195
CV Starr Reserves	634,369
Internal Service Fund Reserves	593,363
Litigation Reserve	200,000
General Fund Operating Reserve	1,431,151
Reserve for Encumbrances	115,580
Unassigned/Unrestricted Balance	\$ 2,981,916

	FY 2018/19 ADOPTED
Detail of Unassigned/Unrestricted Balance:	
General Fund	\$ 1,189,897
General Fund Capital Funding	106,905
Water Enterprise	711,867
Wastewater Enterprise	973,247
Total Unassigned/Unrestricted Balance	\$ 2,981,916

FUND BALANCE TRENDS

Year over year, the City's All Funds balance is likely to decrease in FY2018/19 by approximately \$4.4M. The decrease is the result of several factors including: a decrease in Special Revenue fund balances due to spend down of Special Sales Tax for streets projects (\$1M), an expected loan of funds from the RDA Housing Successor (\$250k) and an increase in Highway User Tax due to the passage and implementation of SB1 (\$133k); Internal Service fund balances will increase \$255k due to capital and maintenance projects; Enterprise Fund balances are expected to decrease \$3.5M, due primarily to an aggressive capital project work plan which includes enterprise funding (\$5.3M) offset by expected net operating revenue of (\$2.3M).

	FY 2016/17 AUDITED	FY 2017/18 PROJECTED	FY 2018/19 ADOPTED
Total All Funds Balance	\$ 15,711,988	\$ 16,148,479	\$ 11,716,914

**ALL FUNDS
SUMMARY OF REVENUES BY CATEGORY
FY 2015/16 THROUGH FY 2018/19**

ALL FUNDS	FY 2015/16 FYE AUDITED	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED BUDGET	% INCR/ -DECR
Sales & Use Taxes	\$ 3,287,046	\$ 3,294,513	\$ 3,433,740	\$ 3,545,990	\$ 3,649,233	2.9%
Transient Occupancy Taxes	1,947,702	2,149,404	2,604,314	2,579,074	2,759,609	7.0%
Property Taxes	1,242,517	1,318,302	1,308,381	1,341,849	1,398,070	4.2%
Other Taxes	664,739	673,736	679,900	699,296	756,047	8.1%
Total Taxes	7,142,004	7,435,955	8,026,335	8,166,209	8,562,959	4.9%
Reimbursements	3,413,306	2,344,788	2,610,857	2,597,102	2,588,571	-0.3%
Licenses & Permits	101,609	97,446	123,529	116,148	120,463	3.7%
Fines & Forfeitures	162,189	210,602	178,600	160,237	125,400	-21.7%
Use of Money & Property	201,875	110,666	183,081	232,646	265,758	14.2%
Intergovernmental (includes grants)	4,533,948	2,119,839	12,909,801	4,628,040	11,173,124	141.4%
Charges for Services	7,813,184	7,573,611	7,753,108	8,173,026	8,628,758	5.6%
Other Revenues	438,589	1,466,218	136,174	337,190	160,661	-52.4%
Other Financing Sources	-	-	-	-	5,000,000	n/a
Transfers	4,187,115	8,743,556	20,004,231	13,937,427	22,070,603	58.4%
Total	27,993,819	30,102,681	51,925,716	38,348,025	58,696,296	53.1%
Less Transfers	(4,187,115)	(8,743,556)	(20,004,231)	(13,937,427)	(22,070,603)	58.4%
Total Without Transfers	23,806,704	21,359,125	31,921,485	24,410,598	36,625,693	50.0%
Less Internal Service Funds	(1,071,315)	(808,862)	(1,041,793)	(1,041,793)	(1,236,271)	18.7%
Less Internal Charges for Service	(2,794,310)	(1,824,826)	(2,015,768)	(2,015,768)	(1,979,063)	-1.8%
Less Interfund Cost Reimbursement	(523,154)	(224,539)	(491,089)	(487,297)	(507,958)	-4.2%
Net Revenues	\$ 19,417,926	\$ 18,500,898	\$ 28,372,835	\$ 20,865,740	\$ 32,902,401	57.7%

DISCUSSION OF REVENUE TRENDS

Overall, City revenues are projected to increase 57.7% or \$12M largely as a result of grant revenue and loan proceeds associated with the City's financing of a new wastewater treatment facility. General Fund revenue is expected to increase 5.2% as a result of continued growth of the Transient Occupancy Tax (TOT). The newly formed Marketing and Promotions department is expected to continue driving growth in this area as the City is marketed as a tourist destination. Growth is expected in Property taxes and Sales taxes as well. It should be noted that with the FY2018/19 budget the City's Finance and Administration Committee is proposing a change in revenue forecasting methodology from "conservative" to "most likely". The adopted budget reflects the change in methodology.

Water and Wastewater revenues are expected to increase 5.4% and 133.3%, respectively. Each of the two Enterprise Funds will see rate increases with Water rates increasing 5% and Wastewater increases increasing 3%. Rate increases will be implemented according to voter approved rate schedules. Additionally the Wastewater Enterprise will receive loan proceeds in connection with the Wastewater Treatment Plant upgrade (\$5M).

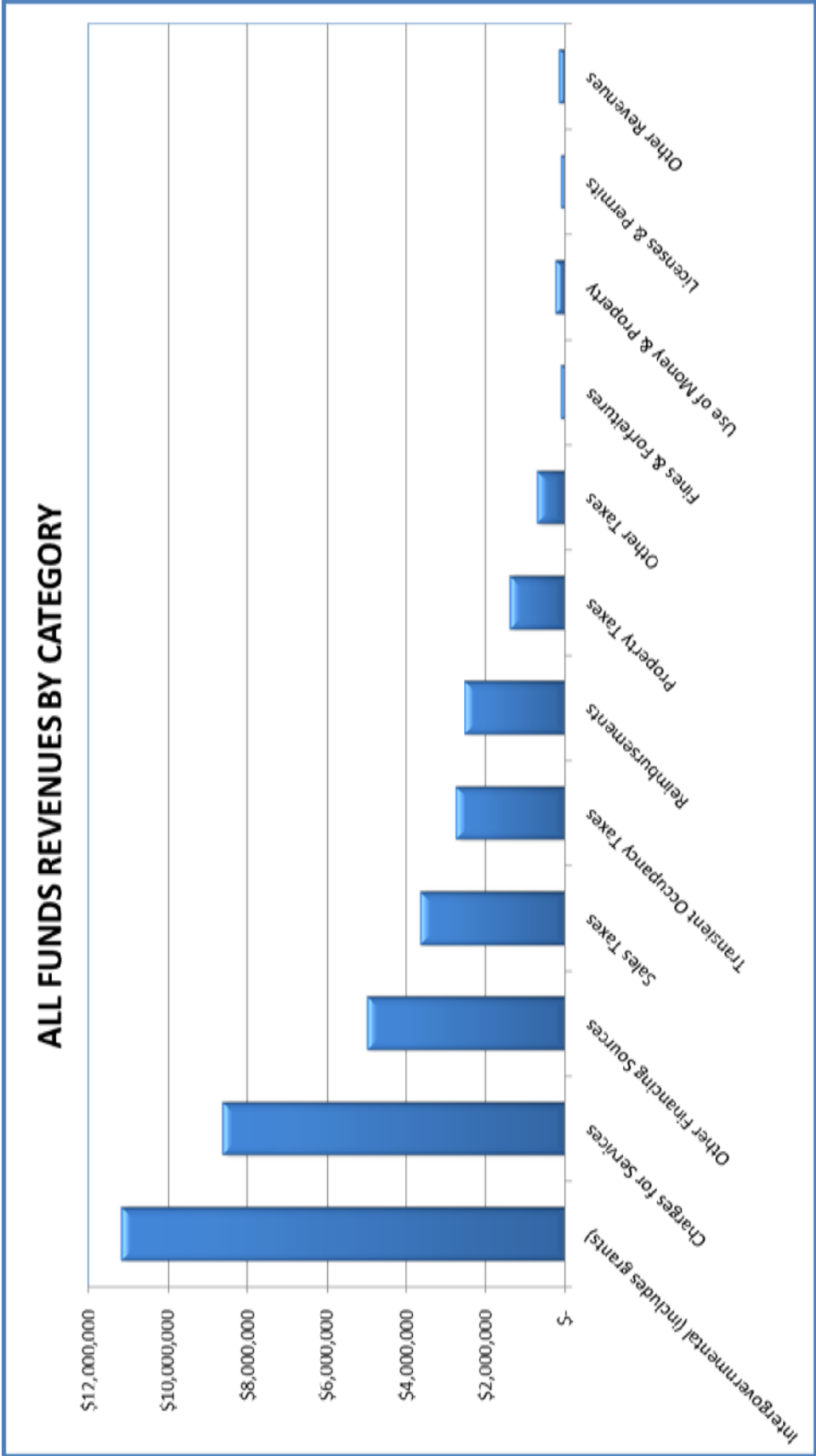
Notably, the City's grant revenues are projected to increase substantially from \$4.2M expected in FY2017/18 to \$10.6M expected in FY2018/19. Grant revenues are expected for the Wastewater Treatment Plant upgrade (\$9.4M) and the relocation of the Pudding Creek water main (\$205k). Community Development Block Grant funding is expected in the amount of approximately \$350k.

Lastly, Internal Service Fund revenue is planned to increase by 18.7% or \$195k. Each year the Internal Service Fund long term plans are re-assessed. In FY2018/19 the long-term plans indicated a need for increased funding. Funding plans are designed to fund maintenance and replacement across a 10 year horizon for Facilities Repair and Maintenance as well as for Fleet and Equipment Services. Technology Maintenance and Replacement uses a 5 year horizon.

BUDGET SUMMARY

**ALL FUNDS
DETAIL OF REVENUES BY FUND
FY 2015/16 THROUGH FY 2018/19**

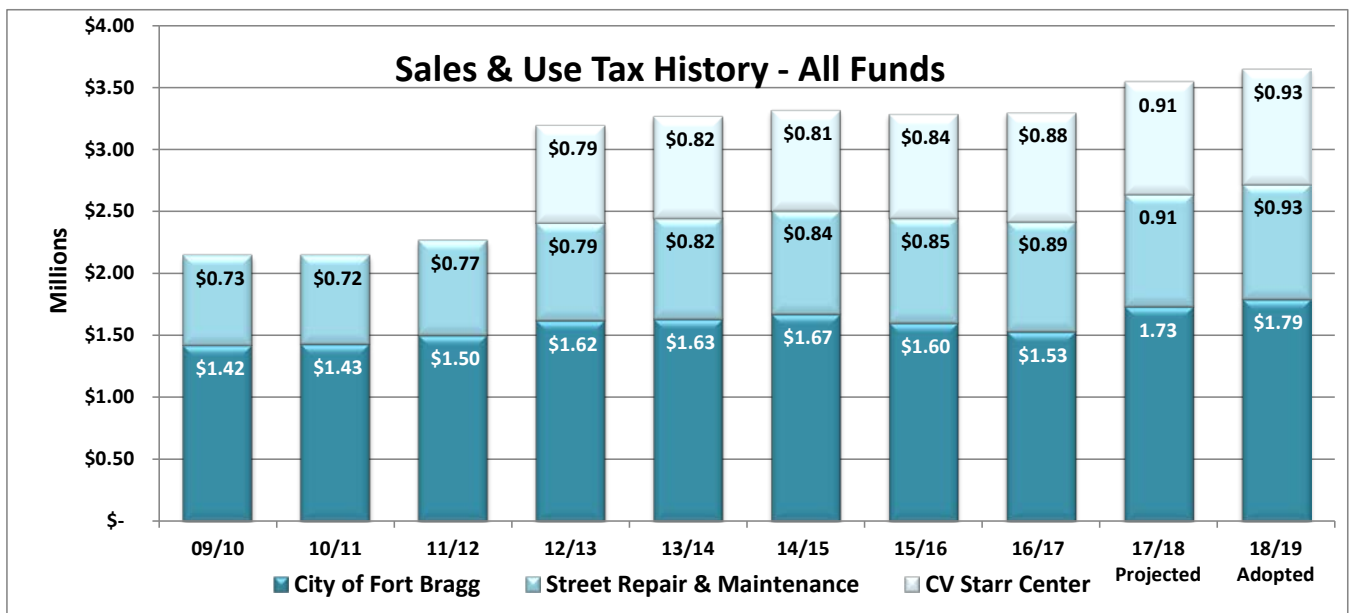
FUND	FY 2015/16 FYE AUDITED	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED BUDGET	% INCR/ -DECR
General Fund						
Property Taxes	\$ 972,948	\$ 1,031,345	\$ 1,018,521	\$ 1,051,976	\$ 1,095,012	4.1%
Sales Taxes	1,600,866	1,531,858	1,671,540	1,728,066	1,792,993	3.8%
Transient Occupancy Taxes	1,947,702	2,149,404	2,604,314	2,579,074	2,759,609	7.0%
Other Taxes	664,739	673,736	679,900	699,296	756,047	8.1%
Reimbursements	3,413,306	2,344,788	2,610,857	2,597,102	2,588,571	-0.3%
Charges for Services	54,067	68,256	61,100	53,620	68,200	27.2%
Intergovernmental	186,253	117,124	205,500	141,010	232,300	64.7%
Licenses & Permits	99,317	91,339	99,629	109,860	114,063	3.8%
Other Revenues	112,311	194,761	67,974	54,995	51,570	-6.2%
Use of Money & Property	44,054	(22,608)	34,200	46,831	59,500	27.1%
Fines & Forfeitures	18,139	30,723	23,500	29,276	42,500	45.2%
Total General Fund	9,113,702	8,210,727	9,077,034	9,091,105	9,560,365	5.2%
Water						
Charges for Services	2,595,679	2,667,911	2,630,948	2,906,342	3,045,568	4.8%
Use of Money and Property	14,847	31,885	22,300	24,861	37,036	49.0%
Other	84,989	14,719	8,500	12,436	17,768	42.9%
Contributed Capital	126,023	604,698	5,000	19,537	23,000	17.7%
Total Water	2,821,537	3,319,214	2,666,748	2,963,176	3,123,372	5.4%
Wastewater						
Charges for Services	3,332,334	3,305,285	3,299,727	3,416,510	3,521,411	3.1%
Use of Money and Property	8,419	24,188	10,537	29,765	27,877	-6.3%
Other	31,452	32,095	37,000	222,326	40,323	-81.9%
Other Financing Sources	-	-	-	-	5,000,000	n/a
Contributed Capital	51,504	598,023	17,700	24,895	28,000	12.5%
Total Wastewater	3,423,710	3,959,590	3,364,964	3,693,496	8,617,610	133.3%
Total Revenue - Operating Funds	15,358,949	15,489,532	15,108,747	15,747,777	21,301,347	35.3%
C.V. Starr Center						
Sales and Use Taxes	845,787	880,985	881,100	908,962	928,120	2.1%
Property Taxes	220,208	234,006	236,900	236,900	246,376	4.0%
Charges for Services	724,748	695,552	688,540	687,254	689,800	0.4%
Use of Money and Property	4,203	379	2,321	4,500	2,000	-55.6%
Other	1,862	6,716	-	-	-	0.0%
Total C.V. Starr Center	1,796,807	1,817,638	1,808,861	1,837,616	1,866,296	1.6%
Special Revenue & Capital Project Funds						
Special Revenue, Restricted	1,485,167	1,792,642	1,511,280	1,607,314	1,648,275	2.5%
Special Revenue, Grants	4,063,757	1,443,041	12,450,804	4,176,098	10,573,504	153.2%
Capital Projects	15,127	7,411	-	-	-	n/a
Total Special Revenue & Capital	5,564,051	3,243,093	13,962,084	5,783,412	12,221,779	111.3%
Subtotal	22,719,808	20,550,263	30,879,692	23,368,805	35,389,422	51.4%
Internal Service Funds						
Facilities Maintenance	183,627	324,101	215,189	215,189	299,036	39.0%
Information Technology	390,604	274,619	399,366	399,366	460,111	15.2%
Fleet & Equipment Services	512,666	210,142	427,238	427,238	477,124	11.7%
Total Internal Service Funds	1,086,896	808,862	1,041,793	1,041,793	1,236,271	18.7%
Subtotal before Transfers	23,806,704	21,359,125	31,921,485	24,410,598	36,625,693	50.0%
Transfers	4,187,115	8,743,556	20,004,231	13,937,427	22,070,603	58.4%
Total Revenue, All Funds	\$ 27,993,819	\$ 30,102,681	\$ 51,925,716	\$ 38,348,025	\$ 58,696,296	53.1%



Sales Tax

Sales tax revenues include the City’s general sales tax as well as a special half-cent sales tax for the C.V. Starr Center and a special half-cent sales tax for Street Repairs. Based on an analysis of trends in year-to-date tax receipts, macroeconomic conditions and an examination of local business data, it is anticipated that the City will receive sales tax revenue of \$3.6M in FY2017/18 and \$3.7M in FY2018/19.

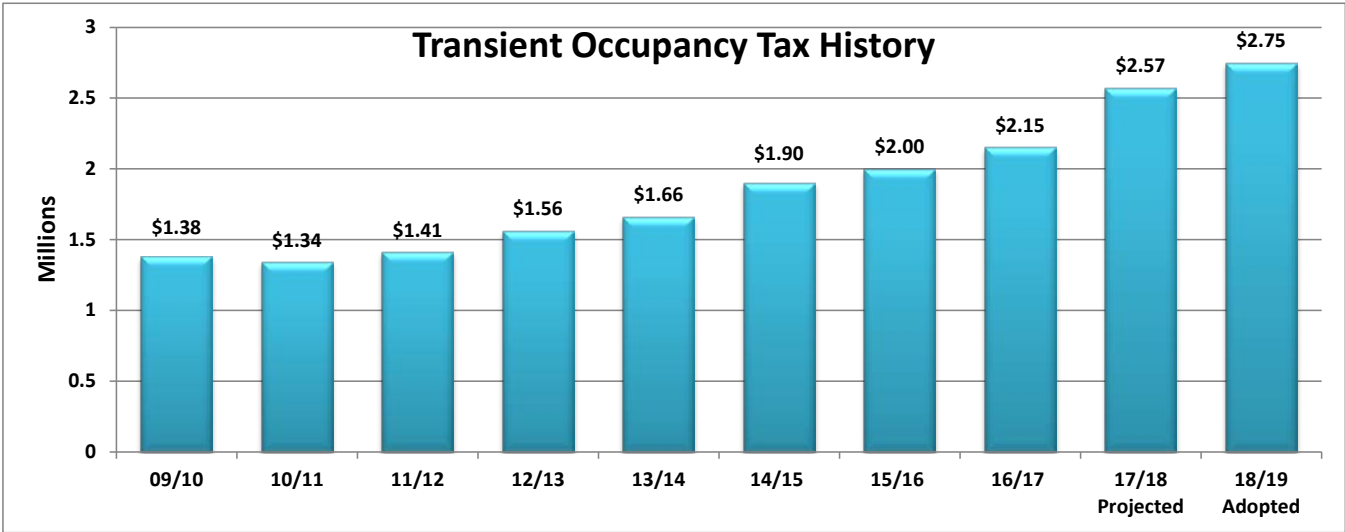
Sales tax growth over the last five years is showing a very modest 2% growth trend. Factors negatively affecting sales tax growth include internet sales and fuel prices. Fuel prices dropped approximately 36% in late 2015 and remained low for an extended period of time. Fuel prices appear to have bottomed out in 2016 and early 2017 and then began increasing slowly. With fuel prices on the rise sales taxes have shown some growth with an increase of 3.8% expected in FY2018/19. Internet sales however, will continue to exert downward pressure on sales tax growth, a key source (10%) of All Funds revenue.



Transient Occupancy Tax

Transient Occupancy Tax (TOT) is a local tax that is applied to the cost of hotel or other lodging stays of less than 30 days. In 2016, with passage of local Measures AA and AB, the City’s TOT rate increased from 10% to 12%. This tax is a revenue source solely for the General Fund. TOT is collected by lodging establishments and remitted to the City on a monthly basis. Factors influencing TOT revenues include vacancy rates, changes in business and leisure travel, new hotels, hotel expansion, and room rate increases. TOT is the largest General Fund revenue source and is expected to account for 8% of revenue at the All Funds level net of internal charges.

Based on year-to-date receipts, FY2017/18 year-end TOT revenues are projected to be approximately \$430k higher than FY 2016/17 totals. Approximately \$430k of this increase is attributable to the increase in the TOT rate which became effective April 1, 2017. The other \$90k of the increase is attributable to continued growth (4%) in this sector of the local economy. Half of the Measure AA funds collected have been committed to marketing and promotion of Fort Bragg as a tourist destination. With the increase in the marketing and promotion of Fort Bragg, the City believes a return to the 7.7% growth rate of recent years is possible. The FY2018/19 Budget projects continued growth in TOT revenue at a rate of 7% or \$181k. The anticipated TOT revenue total for FY2017/18 is \$2.8M which would be an all-time high for Fort Bragg.

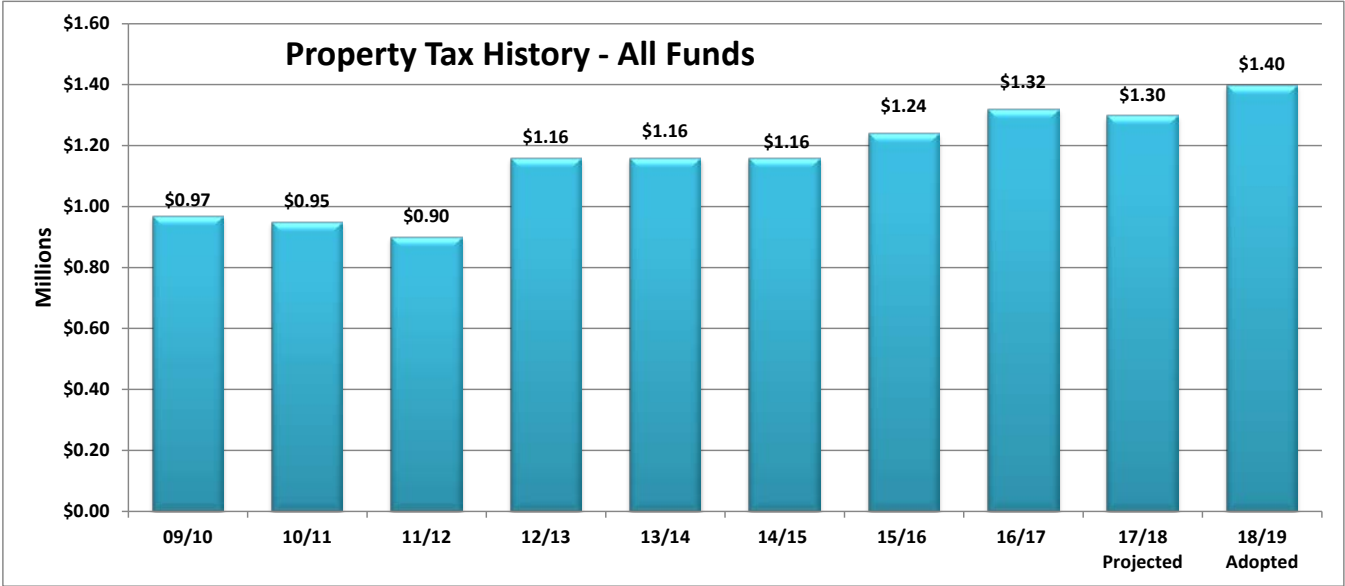


Property Tax

Throughout the City’s history, property tax revenue has grown significantly, reflecting both new development and increasing property values in Fort Bragg. As in most of the country, during the recession, property tax revenues declined in Fort Bragg due to lower sales prices and adjustments in assessments. In recent years, sales prices have increased and the number of reassessments has decreased.

Overall, property tax revenues are expected to increase 4.2% in FY2018/19. Thus far interest rate increases at the federal level have not slowed home sales or home price increases. Rising interest rates continue to have the potential to slow sales of homes in the years to come. With home prices continuing to increase affordable housing remains problematic in the community.

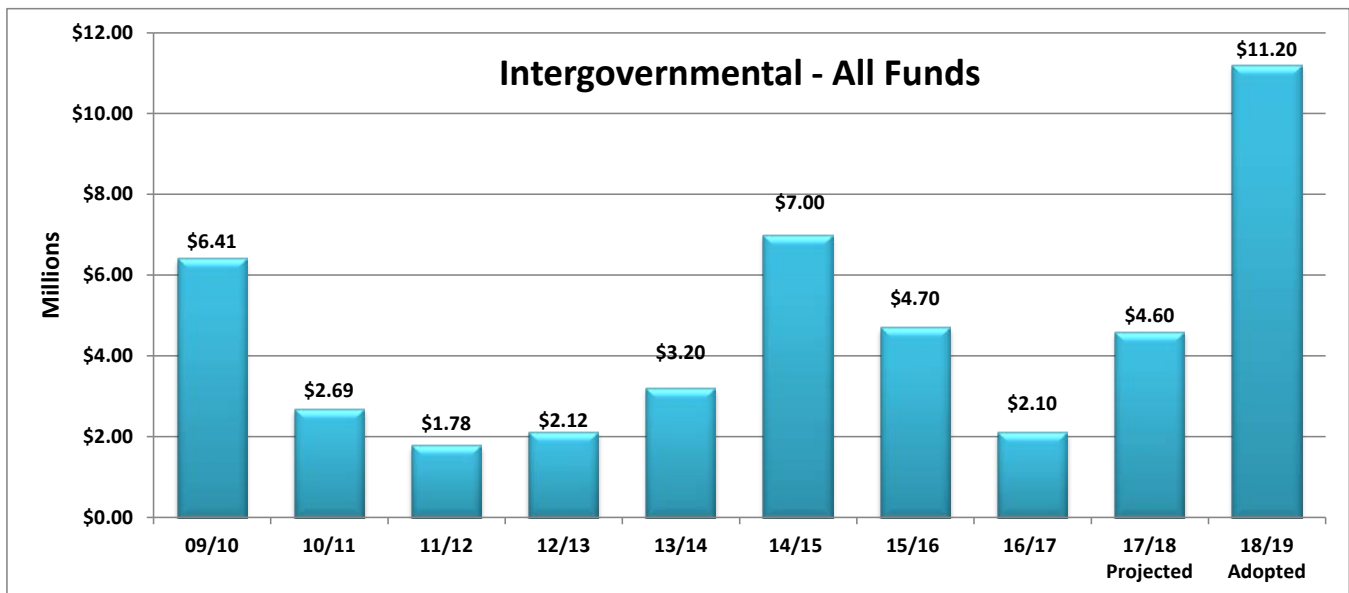
Property tax receipts for FY2017/18 and FY2018/19 are projected at \$1.3M and \$1.4M respectively following a three-year growth trend of 4%. This amount includes property taxes paid to the General Fund (\$1.1M), to the C.V. Starr Center Enterprise Fund (\$246k), and to the Fire Equipment Fund (\$57k).



Service and Program Charges

Service and Program Charges include the Intergovernmental, Charges for Services and Reimbursements categories. Intergovernmental revenue includes grant revenue as well as special and general revenues received from other governments such as the State of California or the federal government. Grant revenues are expected in FY2018/19 related to the Wastewater Treatment Plant upgrade (\$9.4M), the relocation of the Pudding Creek water main (\$205k), and Community Development Block Grant funding (\$350k). Year over year, the Intergovernmental category is expected to increase by \$6.6M to \$11.2M and is anticipated to be the largest All Funds revenue (net of internal charges) source at 31%. Charges for Services includes the Water Enterprise user charges (\$3.1M), Wastewater Enterprise user charges (\$3.6M), the C.V Starr Enterprise user charges (\$700k) and the Internal Service Funds user charges (\$1.2M). Charges for Services in the General Fund include Fees for Service which are collected according to the City's fee schedule as well as reimbursement of staff time spent in the administration of grants (\$232k). Year over year, the Charges for Services category is expected to increase by \$456k to \$8.6M. This is in part due to the resumption of voter approved utility rate increases in the Enterprise funds. Charges for Services are forecast to make up 24% of the All Funds revenue (net of internal charges). Reimbursements include revenues such as the annual COPS reimbursement for the cost of the City's Community Service Officers (\$115k), Highway User Tax Allocation used to reimburse the cost of the City's Street Maintenance Department (\$267k) and cost allocations which are considered a cost to the Enterprise Funds but a revenue to the General Fund (\$2M). Reimbursements are expected to decrease year over year by \$56k to \$2.5M due to decreasing Asset Forfeiture reimbursements.

All Funds Detail of Revenue Services & Programs	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED
Intergovernmental	\$ 2,119,839	\$ 12,909,801	\$ 4,628,040	\$ 11,173,124
Charges for Services	7,573,611	7,753,108	8,173,026	8,628,758
Reimbursements	2,344,788	2,610,857	2,597,102	2,588,571
Totals	\$ 12,038,239	\$ 23,273,766	\$ 15,398,167	\$ 22,390,453



Other Revenues

Other revenues include licenses and permits, fines and forfeitures, use of money and property, and miscellaneous, one-time revenues. Revenues in this category can vary greatly due to the nature of the one-time revenues that are included.

The City invests a portion of available funds in order to earn interest. The total income varies with the market rates of interest and the funds available to invest. Interest earnings are expected to increase (\$47k) as a consequence of the Federal Reserve’s monetary and interest policies. The City intends to transfer higher cash balances into the Local Agency Investment Fund (LAIF) which is an investment pool administered by the State of California. LAIF is currently paying an interest rate of approximately 1.7%. Interest earnings will be offset by banking fees which will increase as the City’s bank deposits decrease.

Other revenues are likely to decrease year over year due to the accrual in the Wastewater Enterprise Fund of an over allocation payment from the General Fund (\$187k) in FY2017/18. The revenue was posted as an interfund loan receivable which the General Fund will repay over the course of five years. Without the one-time item previously described, Other Revenues are likely to return to a more “normal” level in FY2018/19 (\$161k).

All Funds Detail of Revenue Other Revenues	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED
Licenses & Permits	\$ 97,446	\$ 123,529	\$ 116,148	\$ 120,463
Fines & Forfeitures	210,602	178,600	160,237	125,400
Use of Money & Property	110,666	183,081	232,646	265,758
Other Revenues	1,466,218	136,174	337,190	160,661
Totals	\$ 1,884,932	\$ 621,384	\$ 846,222	\$ 672,282

OPERATING TRANSFERS-IN

At the All Funds level, all transfers in have an equal and corresponding transfer out which is shown as an expenditure. At the All Funds level, all transfers net to zero. A majority of the City’s interfund transfers involve funding of capital projects, whether from grant funds, special revenue funds, capital reserves or operating funds. A detailed list of interfund transfers may be found on pages 59 & 60.

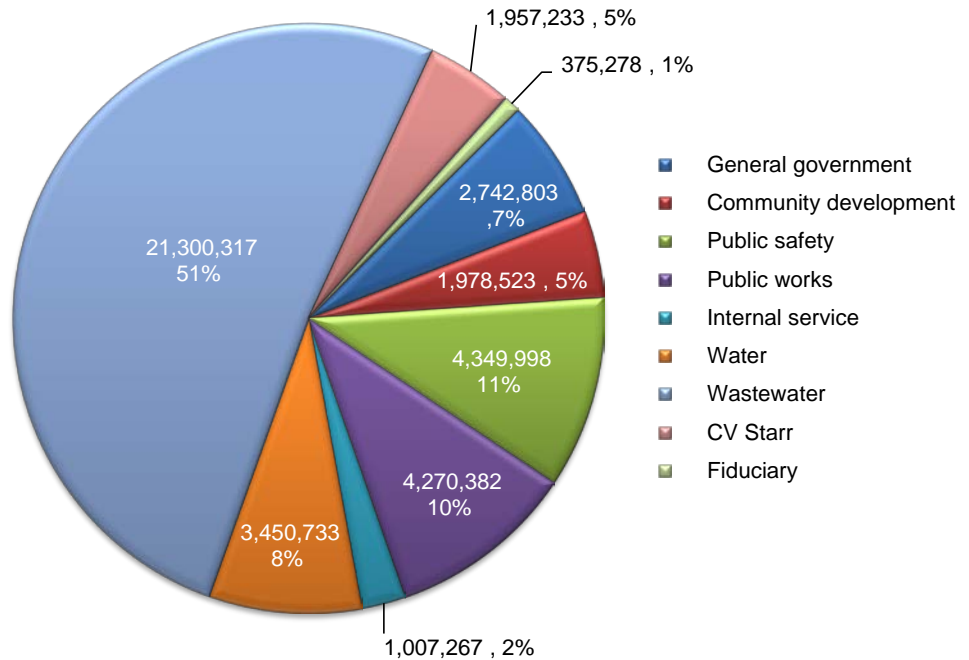
DISCUSSION OF EXPENDITURE TRENDS

The FY2018/19 Budget proposes expenditures totaling \$36.8M when Internal Service Funds, Fiduciary Funds, internal charges for service and transfers between funds are excluded from the total and \$63.5M when these items are included. The budget includes a robust capital budget (\$22.6M) with much of the financing coming from grants (\$9.6M) and special revenue funds (\$2.2M).

**ALL FUNDS
EXPENDITURE SUMMARY BY FUNCTION/PROGRAM
FY 2015/16 THROUGH FY 2018/19**

ALL FUNDS	FY 2015/16 FYE AUDITED	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED BUDGET	% INCR/ -DECR
Governmental Activities						
General government	\$ 2,842,689	\$ 2,704,033	\$ 3,205,349	\$ 3,106,057	\$ 2,742,803	-11.7%
Community development	1,708,486	1,012,749	1,637,373	1,195,382	1,978,523	65.5%
Public safety	4,099,924	4,233,100	4,387,783	4,363,821	4,349,998	-0.3%
Public works	3,575,790	3,883,578	6,781,809	5,798,825	4,270,382	-26.4%
Internal service	900,608	827,676	1,108,010	1,097,177	1,007,267	-8.2%
Business-type activities						
Water	2,266,070	2,155,668	5,697,237	4,325,343	3,450,733	-20.2%
Wastewater	2,898,744	2,847,225	13,682,334	2,457,049	21,300,317	766.9%
CV Starr	2,292,266	3,240,300	1,905,093	1,847,921	1,957,233	5.9%
Fiduciary Activities						
Fiduciary	364,954	203,037	400,709	400,705	375,278	-6.3%
Subtotal	20,949,533	21,107,365	38,805,696	24,592,278	41,432,534	68.5%
Transfers Out	4,187,115	8,743,556	20,004,231	13,937,427	22,070,603	58.4%
TOTAL ALL FUNDS	\$ 25,136,648	\$ 29,850,921	\$ 58,809,927	\$ 38,529,706	\$ 63,503,137	64.8%

FY 2018/19 Expenditures by Function/Program



Expenditures by Function/Program

General Government is budgeted to decrease 11.7% or \$363k in FY2018/19. The decrease is due in part to high costs in FY2017/18 related to employee retirements (\$150k). Additionally the City's most recent "Other Post-Employment Benefits" (OPEB) plan actuarial valuation indicated a much lower recommended prefunding payment against the City's unfunded OPEB liability. In FY2017/18 the recommended prefunding payment was \$215k while in FY2018/19 the recommended prefunding payment is \$83k. Furthermore, the City's Finance and Administration Committee has recommended making OPEB prefunding payments from realized year-end surpluses rather budgeting for them. Therefore the FY2018/19 budget amount for prefunding the City's OPEB unfunded liability is \$5k, which is the trust fund required minimum. For detailed information on the City's new OPEB policy see page 19 in the Fiscal Policies section of the budget.

Community development is expected to increase 65.5% or \$783k due largely to the increased cost for Marketing and Promotions (\$178k) as well as an expected loan from the City's Redevelopment Housing Successor which will be classified as an "other financing use" (\$250k). The remainder of the year over year increase is due to increased operating grant expenditures demonstrating the irregular nature of grant funding.

Public Safety is budgeted to decrease less than one percent and is essentially flat year over year. This was accomplished by freezing one officer position in the department.

Public Works is budgeted to decrease 26% or \$1.5M due to a shifting work plan. In FY2018/19 capital projects in the Water and Wastewater Enterprises will increase compared to capital projects of a General Government nature. Notable General Government capital projects from FY2017/18 include the Central phase of the Coastal Trail project (\$1.1M), the Guest House Rehabilitation project (\$150k) and the Bainbridge Park Improvements project (\$108k).

Internal Service expenditures are budgeted to decrease 8% or \$90k in the coming year. Long term plans in the Internal Service funds however set rates for the participating funds on a long term horizon so that rates may surpass costs in some years and be less than costs in other years.

Water Enterprise expenditures are budgeted to decrease by 20% or \$874k due primarily to the Enterprise's capital work plan. Although the FY2018/19 capital work plan includes \$1.3M of capital projects, the FY2017/18 capital work plan included \$2.2M for the Highway 20 Water Tank replacement as well as engineering for the upcoming water main replacements. Overall, the capital project work plan shows a \$900k decrease year over year.

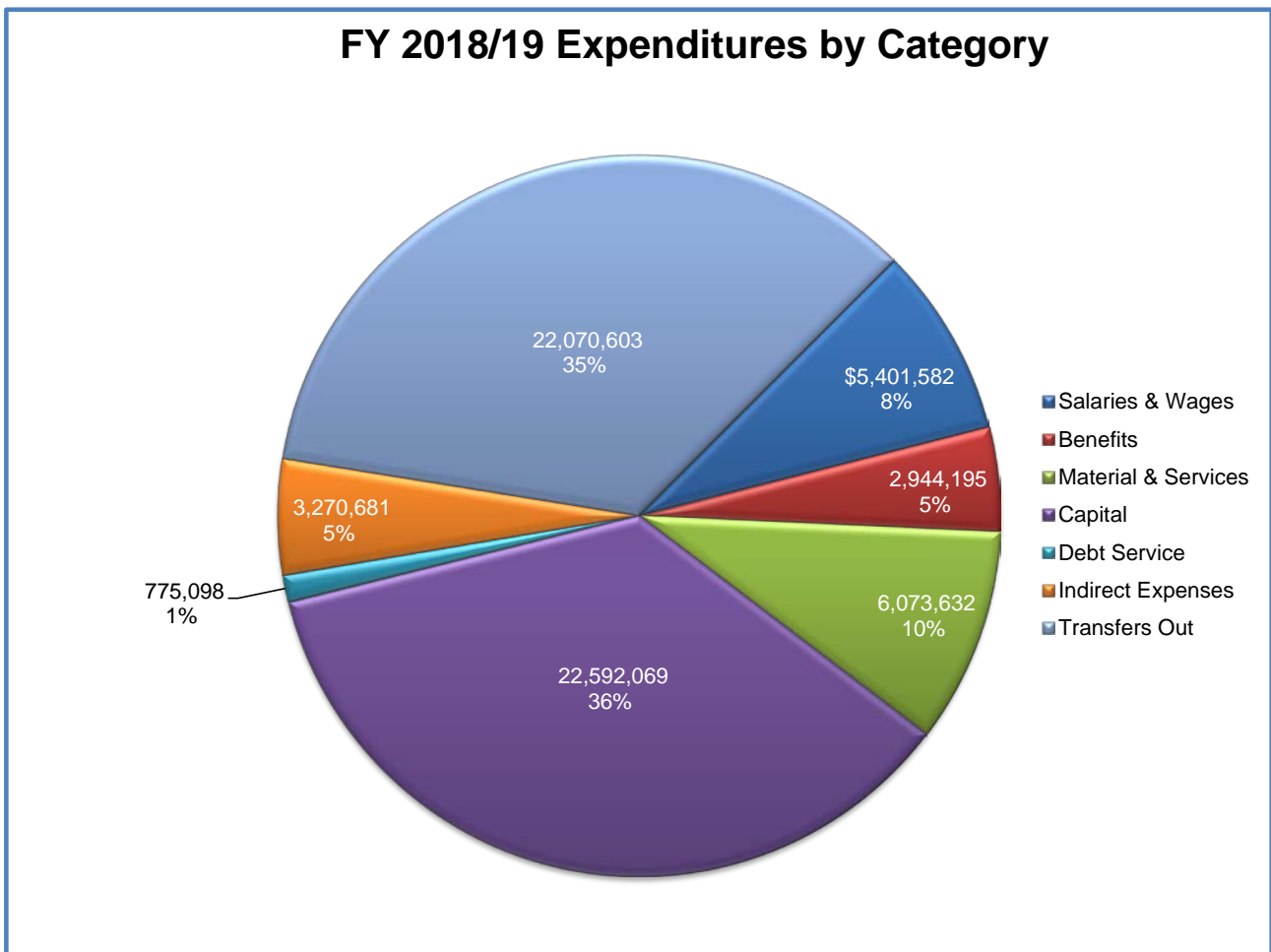
Wastewater Enterprise expenditures are budgeted to increase by \$18.8M due primarily to the undertaking of the treatment plant upgrade project. For detailed information on the project see page 237 in the Capital Improvement section of the budget.

The C.V. Starr Center Enterprise expenditures are budgeted to increase by 6% or \$110k due primarily to an increase in the Center's capital work plan from \$116k in FY2017/18 to \$235k in FY2018/19. One notable project in FY2018/19 is the Pool Basin Resurfacing project (\$180k).

**ALL FUNDS
SUMMARY OF EXPENDITURES BY CATEGORY
FY 2015/16 THROUGH FY 2018/19**

ALL FUNDS	FY 2015/16 FYE AUDITED	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED BUDGET	% INCR/ -DECR
Salaries & Wages	\$ 4,804,713	\$ 5,032,479	\$ 5,523,427	\$ 5,482,341	\$ 5,401,582	-1.5%
Benefits	2,615,466	2,776,866	2,971,310	2,946,895	2,944,195	-0.1%
Material & Services	5,959,256	5,956,336	6,003,346	5,390,476	6,073,632	12.7%
Capital	1,697,354	2,048,038	20,090,400	6,650,796	22,592,069	239.7%
Debt Service	284,516	281,295	724,024	724,024	775,098	7.1%
Depreciation	1,426,993	2,147,396	-	-	-	
Subtotal	16,788,298	18,242,410	35,312,507	21,194,532	37,786,575	78.3%
Indirect Expenses	3,796,281	2,661,918	3,092,481	2,997,042	3,270,681	9.1%
Fiduciary Funds	364,954	203,037	400,709	400,705	375,278	-6.3%
Subtotal	20,949,533	21,107,365	38,805,696	24,592,278	41,432,534	68.5%
Transfers Out	4,187,115	8,743,556	20,004,231	13,937,427	22,070,603	58.4%
TOTAL ALL FUNDS	\$ 25,136,648	\$ 29,850,921	\$ 58,809,927	\$ 38,529,706	\$ 63,503,137	64.8%

*Note: Principal payments are not considered an expense in full accrual accounting.
Audited results reflect the Enterprise Funds full accrual treatment of principal payments.



Expenditures by Category

Salaries, Wages and Benefits combined are budgeted to decrease by 1.5% or \$83k. As mentioned previously the City's OPEB prefunding payment will decrease (\$210k) year over year. Additionally the City has opted not to fill one vacant position at the Police Department (\$102k). Offsetting these savings are increased costs of Wages and Benefits as detailed below (\$239k).

	FY17-18 Adopted	FY18-19 Adopted		
	Budget	Budget	\$\$ +/-	% +/-
Wages	\$ 4,495,863	\$ 4,542,773	\$ 46,910	1.04%
Medical Benefits	853,836.76	967,514.57	113,677.80	13.31%
Other Health Benefits	79,903.20	84,268.80	4,365.60	5.46%
PERS	896,166.68	989,052.52	92,885.84	10.36%
Taxes	340,423.93	328,234.15	(12,189.78)	-3.58%
Other Benefits	52,102.33	49,434.61	(2,667.72)	-5.12%
Workers Comp	226,504.00	222,930.00	(3,574.00)	-1.58%
	\$ 6,944,800	\$ 7,184,207	\$ 239,408	3.45%

*Note; this chart does not include CV Starr Center personnel costs or retiree healthcare costs

Although Medical rates increased 3% and Dental and Vision rates remained steady, the utilization of benefits by City employees is expected to increase significantly in FY2018/19. PERS pension costs increased as expected as a result of CalPERS lowering its actuarial discount rate coupled with an increased wage base from negotiated cost of living adjustments.

Materials & Services are expected to increase 13% or \$683k due to several factors previously discussed: the increased cost for Marketing and Promotions (\$188k), an expected loan from the City's Redevelopment Housing Successor which will be classified as an "other financing use" (\$250k) and a year over year increase in operating grant expenditures.

Capital expenditures are expected to increase significantly with the emphasis shifting from General Government projects to Water and Wastewater Utility projects (\$22.6M). Most notable is the Wastewater Treatment Plant Upgrade project at (\$17.6M). For detailed information on the City's capital improvement plan see pages 205 thru 240.

Debt service is expected to increase 7.1% or \$51k. This is the result of the regular debt service schedule of outstanding debt coupled with the anticipated issuance of debt by the Wastewater Enterprise in connection with the treatment plant upgrade. In FY2018/19 the Enterprise will make an interest only payment of approximately \$79k while in future years the principal and interest payment is estimated at approximately \$185k.

Indirect Expenses are expected to increase 9.1% or \$274k. This is as a result of the increased funding required per the Internal Service Fund long term plans (\$220k). Additionally, allocated costs are expected to increase on a year over year basis (\$53k). The increase in allocated costs is the combined result of increased personnel costs, decreased non-personnel costs and the anticipated year-end true up of the cost allocation plan. Details on the City's cost allocation plan may be found on pages 61 thru 71.

BUDGET SUMMARY – GENERAL FUND

OVERVIEW

The City of Fort Bragg's fiscal year (FY) 2018/19 General Fund operating budget is adopted at \$9.54M. Core city services such as police, community development, parks, and street maintenance are budgeted in the General Fund. General Fund resources are closely linked to economic and development activity in the City and expenditures fund essential front line and "quality of life" services that our citizens expect.

On May 2, 2018, The City's Finance and Administration Committee met and produced the following prioritized list of financial goals. Staff has used the prioritized list as guidance in preparing the FY2018/19 budget:

- 1) Adopt a balanced budget for the first time in over ten years (not achieved)
- 2) Maintain operating reserve and litigation reserved (achieved)
- 3) Maintain long term funding plans in the City's three internal service funds (achieved)
- 4) Continue budgeting conservatively (not achieved)
- 5) Maintain current level of service (no staff layoffs, no program cuts) (not achieved)
- 6) Provide for additional contributions to CalPERS in order to pay the unfunded liability off earlier than 30 years (not achieved)
- 7) Provide cost of living adjustments for staff in years to come (achieved)
- 8) Provide funding for emergency reserves (not achieved)
- 9) Continue to make additional contributions to the OPEB pension trust (not achieved)

The FY2018/19 budget is showing a \$19k surplus. Progress, as compared to the FY2017/18 budget (originally proposed at a \$331k deficit), has been made by freezing one position in the Police Department (\$102k), by making less conservative revenue forecasts (\$127k) and opting not to budget the City's OPEB trust fund prefunding payment to pay down unfunded liabilities (\$78k). Staff has shown fiscal discipline by reducing travel and training budgets, rejecting all requests for employee promotions and pay increases outside of normal cost of living adjustments/step increases, as well as rejecting multiple requests for budget increases above the FY2017/18 baseline.

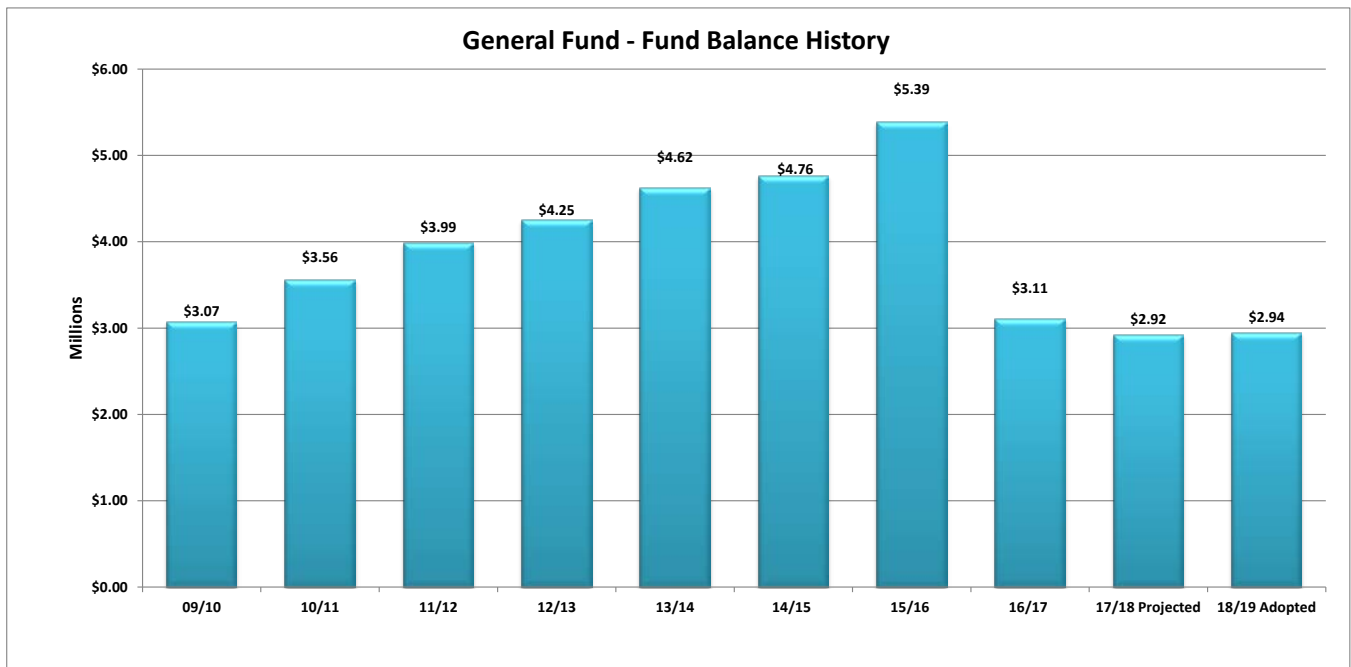
Although the General Fund will enjoy a balanced budget for FY2018/19 it is imperative that the City remain focused on enhancing General Fund revenue streams and containing costs in the years to come. This imperative takes on additional urgency in light of the substantial pension cost increases that are expected in FY2018/19 and beyond as a result of CalPERS lowering the actuarial discount rate for their investment portfolio and changing actuarial assumptions regarding mortality.

GENERAL FUND - FUND BALANCE

The year-end General Fund balance for FY2016/17 through FY2018/19 is shown below.

	FY 2016/17	FY 2017/18	FY 2018/19
	AUDITED	PROJECTED	ADOPTED
Total General Fund Balance	\$ 3,106,934	\$ 2,918,110	\$ 2,940,642

General Fund balance had been steadily increasing as shown in the graph below, however the balance decreased significantly in FY2016/17 due chiefly to the City's new Cost Allocation Plan and repayment of prior year cost over allocations to the Enterprise Funds. The balance is expected to stabilize with the FY2018/19 budget.



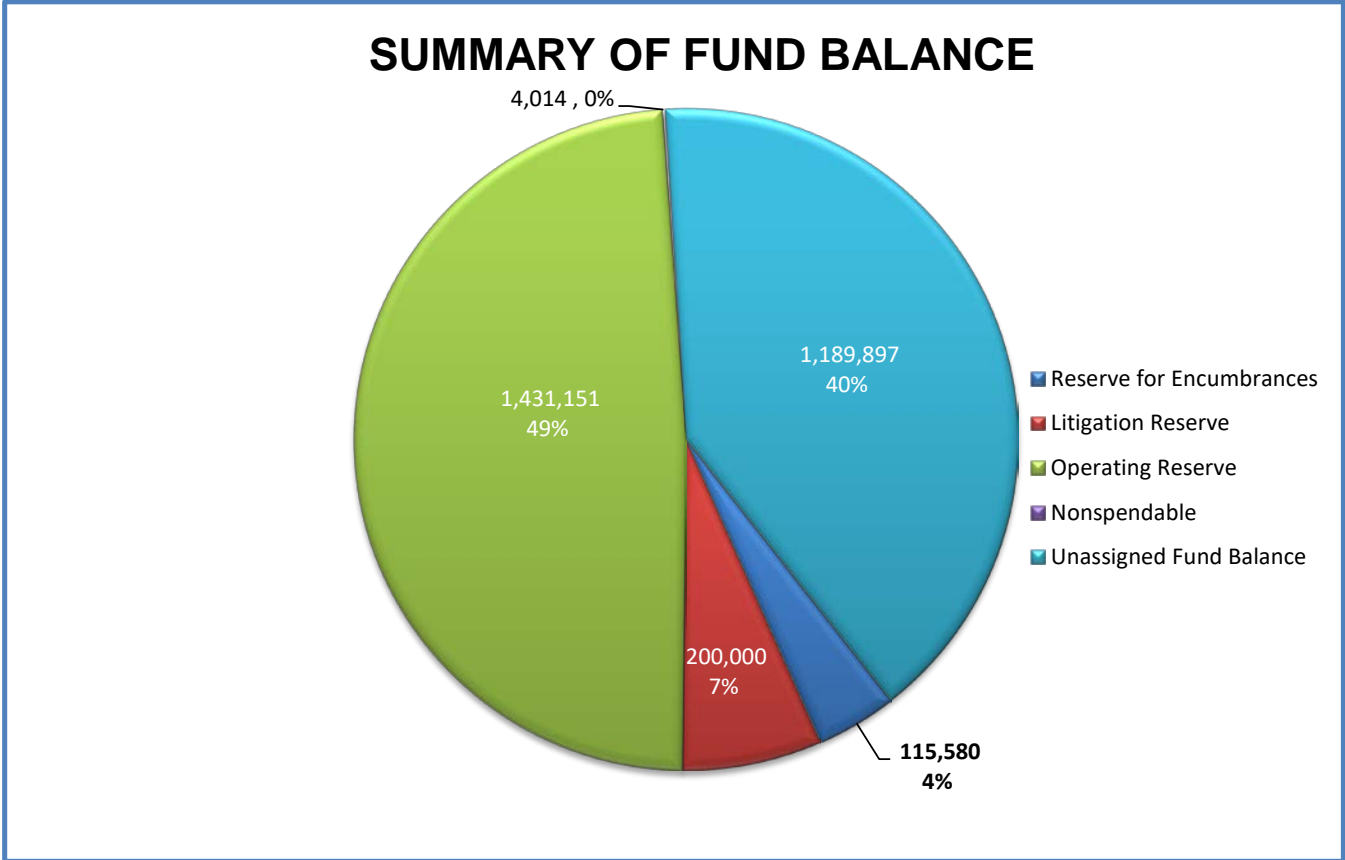
GENERAL FUND RESERVES

The City's General Fund reserves are established in accordance with the "Fund Balance & Reserve Policies" which are intended to ensure the continued financial well-being of the City by planning for unanticipated emergency and contingency needs. The City Council periodically reviews and updates the reserve policies and budgeted reserve funds to ensure that the City has sufficient resources to adequately address emergencies, economic uncertainties, unforeseen operating or capital needs, economic development opportunities, and cash flow requirements. The FY2018/19 budget commits fund balance in the General Fund to the following reserves:

- \$1,431,369 to the General Fund Operating Reserve
- \$200,000 to the Litigation Reserve

As shown below, the General Fund's "unassigned fund balance" in FY2018/19 is estimated at about \$962k.

	ADOPTED FY 2018/19
	<u>\$ 2,940,642</u>
Total General Fund Balance	
Less Nonspendable (Inventory, etc.)	4,014
Less Committed Reserves (Set by Council Resolution)	
Litigation Reserve	200,000
Operating Reserve	1,431,151
Reserve for Encumbrances	<u>115,580</u>
Unassigned Balance	<u><u>\$ 1,189,897</u></u>



GENERAL FUND REVENUE

Fort Bragg’s General Fund is reliant on sales tax, Transient Occupancy Tax (TOT), property tax, and fees charged for services rendered to fund operations. As discussed in detail below, General Fund revenues (excluding transfers) are expected to increase in FY2018/19 with the total annual revenue projected at \$9.56M, a 5.2% year over year increase. It should be noted that with the FY 2018/19 budget, Staff is proposing a change in revenue forecasting methodology from “conservative” to “most likely”. The FY2018/19 budget reflects the change in methodology. The “most likely” methodology results in an approximately \$127k higher revenue total than if conservative forecasting had been used. This helps move to a balanced budget with the FY2018/19 budget but presents a higher level of risk in the event of a revenue miss.

Taxes remain the largest resource supporting General Fund operations in the FY2018/19 Operating Budget. Taxes represent 67% of all General Fund revenues with the primary taxes comprised of TOT, sales taxes, and property taxes.

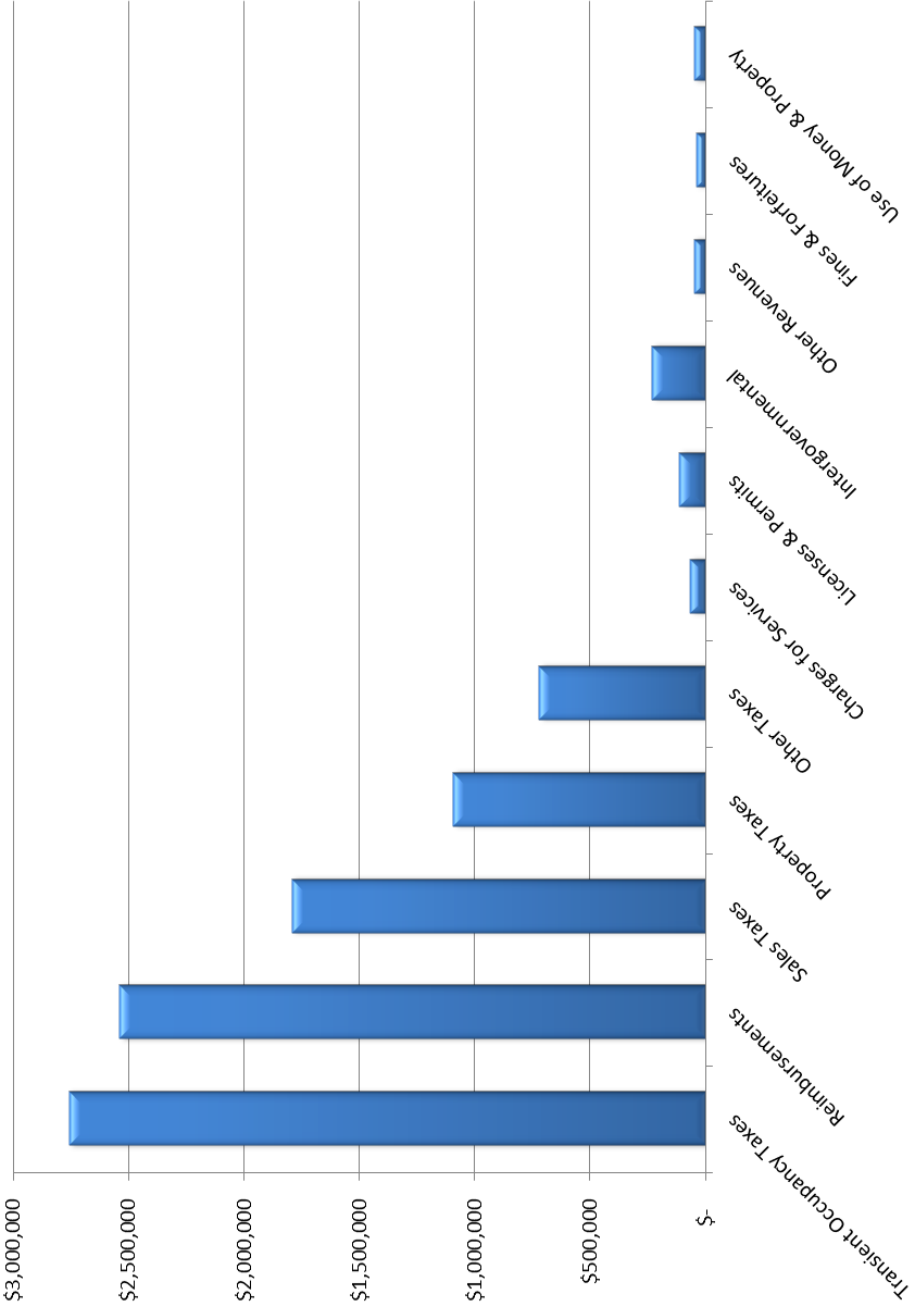
Reimbursements are the second largest resource supporting General Fund operations in the FY2018/19 Operating Budget. Reimbursements represent 27% and include reimbursement of personnel costs and overhead from the City’s Enterprise Funds to the City’s General Fund.

In the pages that follow, each of the major General Fund revenue sources is described with information about historical trends and current budgeted revenues.

**GENERAL FUND
SUMMARY OF REVENUES BY CATEGORY
FY 2015/16 THROUGH FY 2018/19**

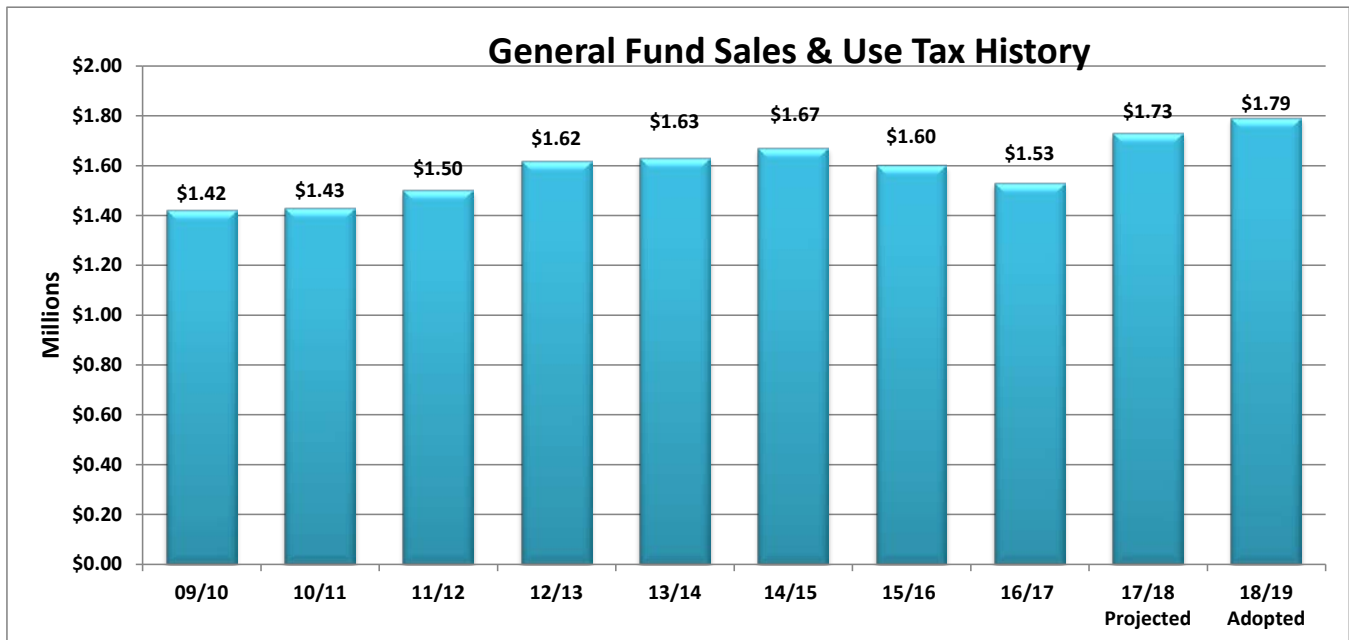
GENERAL FUND	FY 2015/16 FYE AUDITED	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED BUDGET	% INCR/ -DECR
Property Taxes	\$ 972,948	\$ 1,031,345	\$ 1,018,521	\$ 1,051,976	\$ 1,095,012	4.1%
Sales Taxes	1,600,866	1,531,858	1,671,540	1,728,066	1,792,993	3.8%
Transient Occupancy Taxes	1,947,702	2,149,404	2,604,314	2,579,074	2,759,609	7.0%
Other Taxes	664,739	673,736	679,900	699,296	756,047	8.1%
Total Taxes	5,186,255	5,386,343	5,974,275	6,058,412	6,403,661	5.7%
Reimbursements	3,413,306	2,344,788	2,610,857	2,597,102	2,588,571	-0.3%
Charges for Services	54,067	68,256	61,100	53,620	68,200	27.2%
Intergovernmental	186,253	117,124	205,500	141,010	232,300	64.7%
Licenses & Permits	99,317	91,339	99,629	109,860	114,063	3.8%
Other Revenues	112,311	194,761	67,974	54,995	51,570	-6.2%
Use of Money & Property	44,054	(22,608)	34,200	46,831	59,500	27.1%
Fines & Forfeitures	18,139	30,723	23,500	29,276	42,500	45.2%
TOTAL GENERAL FUND	\$ 9,113,702	\$ 8,210,727	\$ 9,077,034	\$ 9,091,105	\$ 9,560,365	5.2%

REVENUES BY CATEGORY 2018/19



DISCUSSION OF GENERAL FUND REVENUE TRENDS

Sales Tax

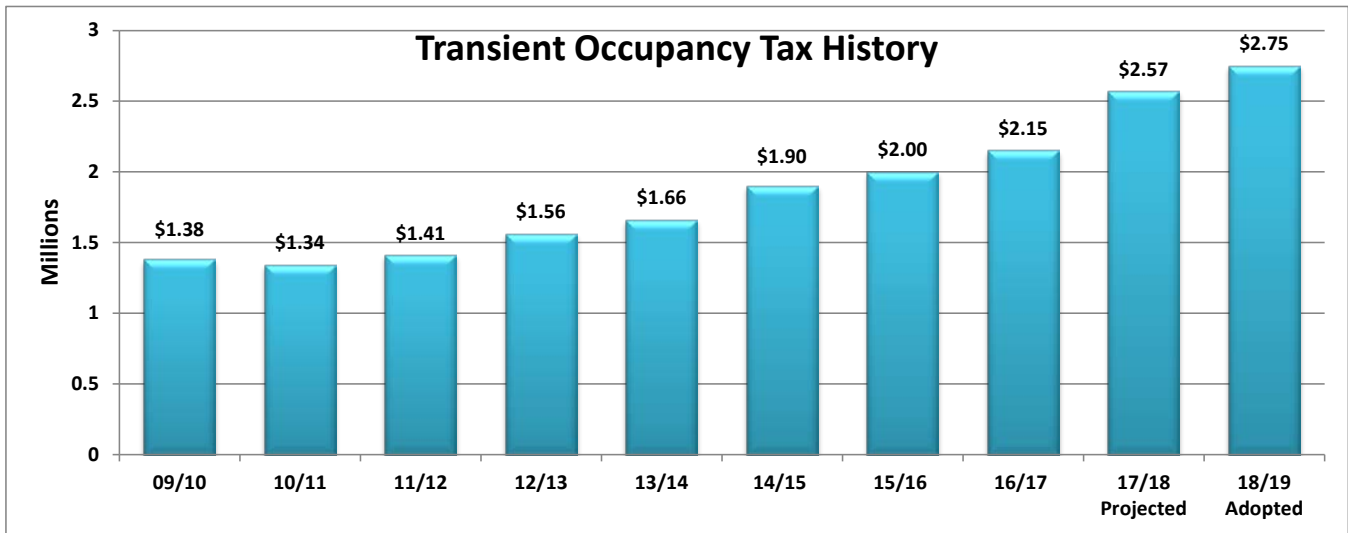


The Sales Tax category includes general sales and use taxes and Proposition 172 sales taxes. Sales tax is an excise tax which applies to all retail sales of merchandise. Retailers are liable for reporting and payment of the tax. Use tax is an excise tax imposed on consumers of merchandise that is used, consumed or stored in California and which has been purchased from out-of-state vendors not collecting California sales tax. The statewide sales and use tax rate is 7.25% of which the State receives 6.25% and the City receives approximately 1% (known as the Bradley Burns Local Sales and Use Tax).

Sales tax revenues in FY2018/19 are expected to increase compared to FY2017/18 receipts by approximately 3.8%. The City's sales tax analysis consultant, MuniServices, analyzes trends in year-to-date tax receipts, macroeconomic conditions and local business data when forecasting sales tax revenue. Prior year filing errors by one of the City's larger retailers were corrected in FY 2016/17 resulting in a \$54k negative adjustment for the City. A five-year trend, however, shows sales tax growing by about 2% per year.

Over the long term, there are a number of factors resulting in the slow growth of the City's sales tax. Most notably, Internet retailing is drawing an ever-increasing share of local sales with little resulting tax revenue. Additionally, fuel prices dropped approximately 36% in late 2015 and remained low for an extended period of time. Fuel prices appear to have bottomed out in 2016 and early 2017 and then began increasing slowly. With fuel prices on the rise sales taxes have shown some growth. The City is hopeful that more recent signs of growth will develop into a long term trend moving forward. Sales tax revenue is a key revenue source that constitutes approximately 19% of General Fund revenue.

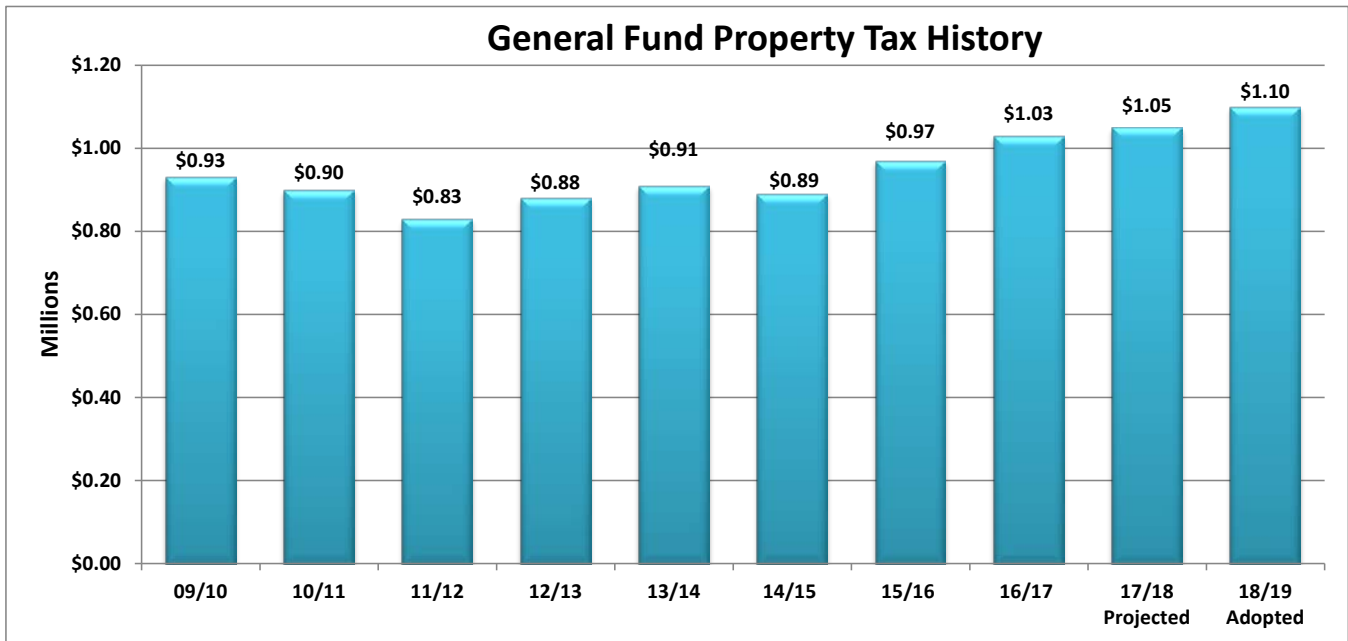
Transient Occupancy Tax



Transient Occupancy Tax (TOT) is a local tax that is applied to the cost of hotel or other lodging stays of less than 30 days. In 2016, with passage of local Measures AA and AB, the City’s TOT rate increased from 10% to 12%. This tax is a revenue source solely for the General Fund. TOT is collected by lodging establishments and remitted to the City on a monthly basis. Factors influencing TOT revenues include vacancy rates, changes in business and leisure travel, new hotels, hotel expansion, and room rate increases. TOT is the largest General Fund revenue source and is expected to account for 29% of General Fund revenue.

Based on year-to-date receipts, FY2017/18 year-end TOT revenues are projected to be approximately \$428k higher than FY 2016/17 totals. Approximately \$314k of this increase is attributable to the increase in the TOT rate which became effective April 1, 2017. The other \$114k of the increase is attributable to continued growth (6%) in this sector of the local economy. Half of the Measure AA funds collected have been committed to marketing and promotion of Fort Bragg as a tourist destination. With the increase in the marketing and promotion of Fort Bragg, the City believes a return to the 7.7% growth rate of recent years is possible. The FY2018/19 Budget projects continued growth in TOT revenue at a rate of 7% or \$181k. The anticipated TOT revenue total for FY2018/19 is \$2.8M which would be an all-time high for Fort Bragg.

Property Tax



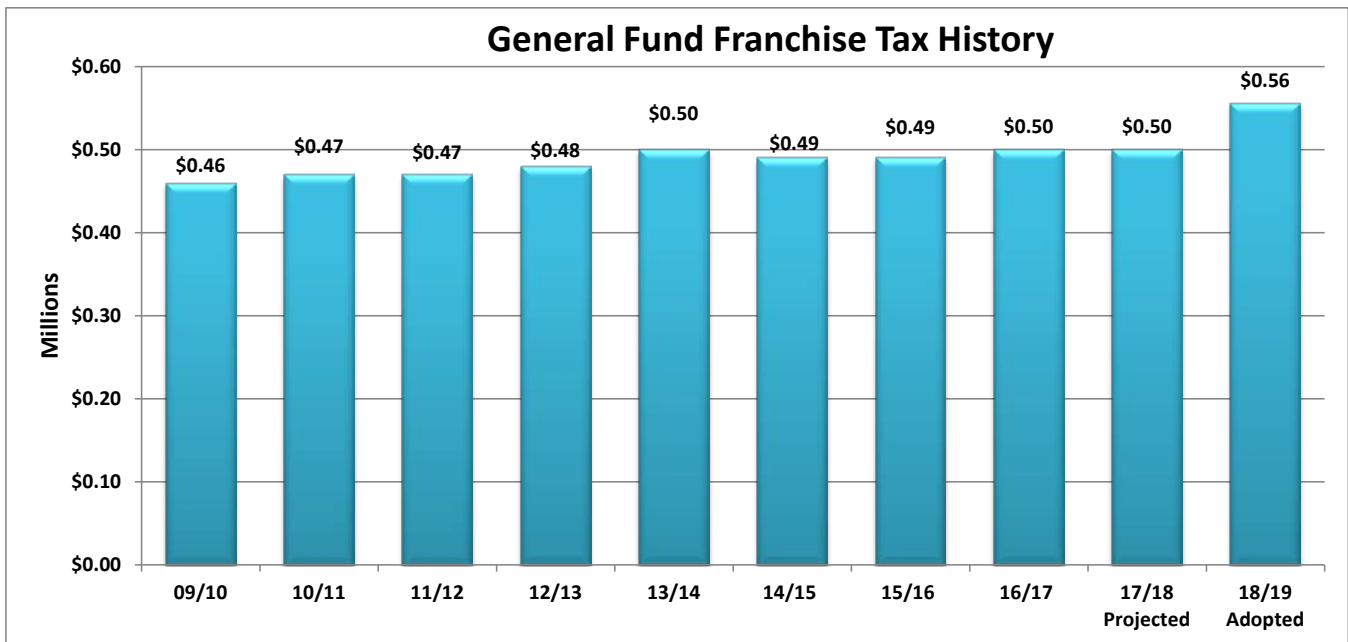
Property tax is an ad valorem (value-based) tax imposed on real property and tangible personal property within the City’s jurisdiction. It includes two major elements: secured or real property (e.g., house and land on which the house was built), and unsecured or personal property (e.g., machinery). Under Proposition 13, the general property tax rate cannot exceed 1% of a property’s assessed value plus other assessments as approved by the voters. The assessed value of real property that has not changed ownership increases by the change in the California Consumer Price index up to a maximum of 2% per year. Property is assessed at the full market value upon change of ownership. Newly constructed property is assessed at the full market value in the first year in which the construction is completed. Property tax revenue is collected by the county and allocated according to State law among cities, counties, school districts and special districts.

Throughout the City’s history, property tax revenue has grown significantly, reflecting both new development and increasing property values in Fort Bragg. As in most of the country, during the recent recession, property tax revenues declined in Fort Bragg due to lower sales prices and adjustments in assessments. In recent years, sales prices have increased and the number of reassessments has decreased.

Property tax is budgeted to increase 4.1% in FY2018/19. Although the 10-year trend shows a growth rate of 2%, more recent history (3-year trend) shows that an assumption of a 4.1% increase is reasonable. The County of Mendocino provides an annual property tax forecast which is typically received in late May after the City budget has been developed.

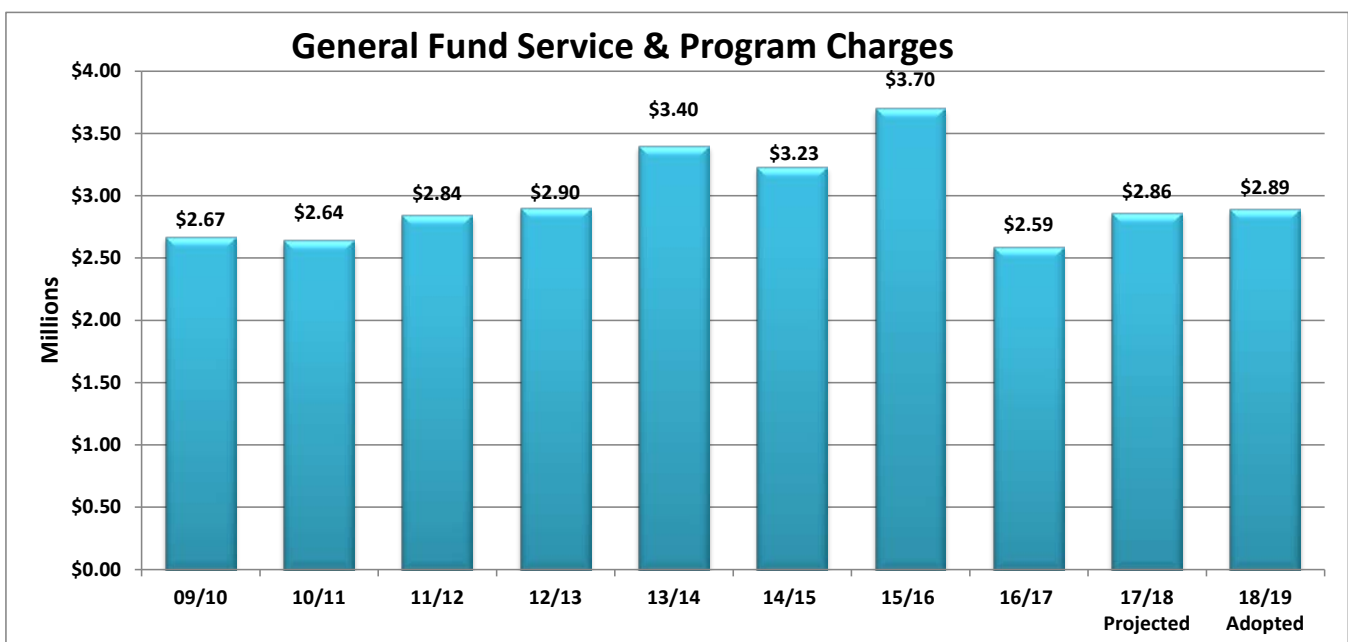
Potential risks affecting property tax are the looming possibility of increasing interest rates which would make mortgage payments more expensive and further contribute to the lack of affordable housing opportunities for first-time home buyers.

Franchise Taxes



Franchise tax revenue consists of taxes on three franchise operations in Fort Bragg: electric, cable television and solid waste disposal. The State sets electric utility tax rates that equal 0.5% of gross annual revenues and 5% of gross cable television revenues from within the City. The franchise fee for solid waste collection was established by the City many years ago when the City and County closed the jointly-owned Caspar Landfill. Franchise taxes have remained fairly stable in recent years. Revenue from cable television franchise fees has been slowly declining as more customers move to satellite and internet-based services. Revenue from Pacific Gas & Electric rose steadily until 2009, when it declined slightly and has since begun climbing again. The FY2018/19 estimate is approximately \$47k. Waste Management franchise fees are expected to increase approximately \$46k to \$474k due to service rate increase from Waste Management. Overall, FY2018/19 franchise tax revenue is estimated to grow to \$560k.

Service and Program Charges



General Fund Detail of Revenue Services & Programs	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED
Intergovernmental	\$ 117,124	\$ 205,500	\$ 141,010	\$ 232,300
Charges for Services	68,256	61,100	53,620	68,200
Reimbursements	2,344,788	2,610,857	2,597,102	2,588,571
Totals	\$ 2,530,168	\$ 2,877,457	\$ 2,791,731	\$ 2,889,071

Service and Program Charges include the Intergovernmental, Charges for Services and Reimbursements categories. Revenue for Service and Program Charges represents about 30% of total estimated General Fund revenues in FY2018/19. The \$2.8M budgeted in FY2018/19 represents an increase of approximately \$50k or 2% from the prior year. Intergovernmental is comprised of reimbursement of employee staff time spent administering grants and is expected to increase approximately \$91k in FY2018/19. Charges for service are expected to increase approximately \$14k based on Council approved fee increases. Reimbursements are expected to decrease due to a forecast of significantly lower Asset Forfeiture funds available to reimburse the City for participation on the Mendocino County Major Crimes Task Force (\$50K) offset by higher street maintenance costs reimbursed from the Highway User Tax Allocation fund 221 (\$47k).

General Fund Detail of Revenue Other Revenues	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED
Licenses & Permits	\$ 91,339	\$ 99,629	\$ 109,860	\$ 114,063
Fines & Forfeitures	30,723	23,500	29,276	42,500
Use of Money & Property	(22,608)	34,200	46,831	59,500
Other Revenues	194,761	67,974	54,995	51,570
Totals	\$ 294,216	\$ 225,303	\$ 240,962	\$ 267,633

Other Revenues

Other revenues include licenses and permits, fines and forfeitures, use of money and property including interest earned, and miscellaneous. Revenues in this category can vary greatly due to the nature of the one-time revenues that are included.

Fines & Forfeitures are expected to increase approximately \$13k with \$8k of the increase coming from the City's Council approved increase in the cost of parking fines from \$35 to \$45.

GENERAL FUND
 DETAIL OF REVENUES BY CATEGORY
 FY 2015/16 THROUGH FY 2018/19

	FY 2015/16 FYE AUDITED	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED BUDGET	% INCR/ -DECR
Taxes						
Property Taxes	\$ 385,294	\$ 413,837	\$ 387,951	\$ 415,579	\$ 447,889	7.8%
VLF Swap	559,543	571,293	588,433	594,260	612,088	3.0%
Supplement SB 813	4,191	4,376	4,201	4,201	4,369	4.0%
Homeowners Property Tax Relief	3,773	3,595	3,502	3,502	3,642	4.0%
Transfer Taxes	17,184	34,808	31,345	31,345	23,811	-24.0%
Motor Vehicle In-Lieu Tax	2,963	3,437	3,090	3,090	3,214	4.0%
Sales and Use Taxes	1,279,650	1,513,116	1,655,300	1,711,217	1,775,993	3.8%
In-Lieu Sales Taxes - Triple Flip	306,168	-	-	-	-	n/a
Proposition 172 Sales Taxes	15,049	18,742	16,240	16,849	17,000	0.9%
Transient Occupancy Taxes	1,947,702	2,149,404	2,604,314	2,579,074	2,759,609	7.0%
Franchise Taxes	491,132	496,543	490,000	509,396	556,652	9.3%
Business License Taxes	173,607	177,194	189,900	189,900	199,395	5.0%
Total Taxes	5,186,255	5,386,343	5,974,275	6,058,412	6,403,661	5.7%
Licenses & Permits						
Business License Fees	66,222	61,003	66,679	66,935	71,933	7.5%
Construction/Building Permits	21,827	21,072	22,800	30,866	35,000	13.4%
Encroachment Permits	9,798	8,270	8,500	3,675	4,000	8.8%
Other Licenses & Permits	1,470	994	1,650	8,385	3,130	-62.7%
Total Licenses & Permits	99,317	91,339	99,629	109,860	114,063	3.8%
Fines & Forfeitures						
Parking Fines	17,531	26,019	20,000	24,681	33,500	35.7%
Miscellaneous Fines	609	4,704	3,500	4,595	9,000	95.9%
Total Fines & Forfeitures	18,139	30,723	23,500	29,276	42,500	45.2%
Use of Money and Property						
Investment Interest	34,622	4,813	15,000	20,145	38,900	93.1%
Rents and Concessions	9,392	(64,857)	9,200	26,686	20,600	-22.8%
Sales of Surplus Assets	40	37,436	10,000	-	-	n/a
Total Use of Money and Property	44,054	(22,608)	34,200	46,831	59,500	27.1%
Intergovernmental						
Grant Administration	186,253	117,124	205,500	141,010	232,300	64.7%
Total Intergovernmental	186,253	117,124	205,500	141,010	232,300	64.7%
Charges for Services						
Community Development Fees	19,980	20,430	22,000	17,414	18,000	3.4%
Police Fingerprint Fees	24,410	36,783	30,000	28,507	40,000	40.3%
Other Charges for Services	9,678	11,043	9,100	7,699	10,200	32.5%
Total Charges for Services	54,067	68,256	61,100	53,620	68,200	27.2%
Reimbursements						
City Exp Reimbursement - Developer	14,662	24,023	22,000	20,000	28,000	40.0%
SB 90 Reimbursement	26,969	(1)	16,000	7,056	12,750	80.7%
Booking Fee Reimbursement	15,000	13,800	13,000	16,700	17,000	1.8%
Internal Charges for Services	2,794,310	1,824,826	2,015,768	2,015,768	1,979,063	-1.8%
Interfund Cost Reimbursement	523,154	460,898	491,089	487,297	507,958	4.2%
Training Reimbursement	35,767	13,555	34,500	33,073	34,500	4.3%
Other Reimbursements	3,444	7,687	18,500	17,207	9,300	-46.0%
Total Reimbursements	3,413,306	2,344,788	2,610,857	2,597,102	2,588,571	-0.3%
Other Revenues						
Miscellaneous	112,311	194,761	67,974	54,995	51,570	-6.2%
Total Other Revenues	112,311	194,761	67,974	54,995	51,570	-6.2%
Total General Fund Revenue	\$ 9,113,702	\$ 8,210,727	\$ 9,077,034	\$ 9,091,105	\$ 9,560,365	5.2%

DISCUSSION OF GENERAL FUND EXPENDITURE TRENDS

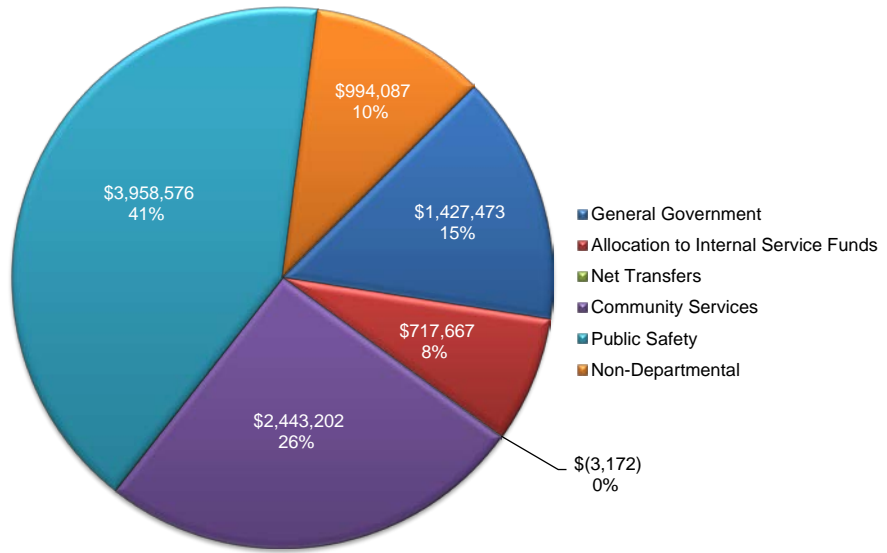
As shown on the table below, General Fund expenditures (including transfers-out) in FY2017/18 are projected at \$9.3M. Expenditures are projected to increase to \$9.5M in FY2018/19. Notable departmental variances are as follows: Administration will decrease by \$202K primarily due to recruiting costs and severance pay associated with the outgoing City Manager in FY2017/18. The Finance department is budgeted to decrease \$23k due mostly to retirement payouts in FY2017/18. The Police department is slated to increase \$51k despite freezing one officer position. This is due to increasing personnel costs including cost of living adjustments as well as pension costs and other benefits costs (\$90k), offset by savings in training costs (\$32k). Community Development is budgeted to increase \$222k primarily due to the continued ramp up of the Marketing and Promotions division (\$188k). Additionally personnel costs are expected to increase in Community Development by \$25k on a year over year basis. Public Works is budgeted to increase \$151k due to increases in personnel costs \$(112k) as well as a Storm Drain department rate study not undertaken in FY2017/18 and re-budgeted for FY2018/19 (\$18k). Similarly, the Storm Drain department had \$35k of infrastructure project work budgeted for FY2017/18 which was not undertaken and re-budgeted for FY2018/19.

Overall, the General Fund budget will increase \$154k over the previous fiscal year before transfers. Specific details of expenditures are presented in the Department Details sections of the Budget.

GENERAL FUND EXPENDITURES BY FUNCTION/PROGRAM FY 2015/16 THROUGH FY 2018/19						
	FY 2015/16 FYE AUDITED	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED BUDGET	% INCR/ -DECR
General Government						
City Council	125,006	141,235	135,067	125,854	136,534	8.5%
Administration	828,878	792,793	1,041,457	1,022,223	819,906	-19.8%
Litigation Reserve	96,166	33,189	-	21,420	-	n/a
Finance	414,849	434,482	500,134	493,592	471,032	-4.6%
General Government Subtotal	1,464,900	1,401,699	1,676,659	1,663,088	1,427,473	-14.2%
Public Safety						
Police Department	3,088,310	3,397,152	3,502,312	3,494,175	3,544,733	1.4%
Fire Department	384,062	387,918	414,890	404,278	413,843	2.4%
Public Safety Subtotal	3,472,372	3,785,070	3,917,202	3,898,453	3,958,576	1.5%
Community Services						
Community Development	405,360	453,455	770,682	580,384	801,968	38.2%
Public Works	1,378,369	1,369,648	1,527,398	1,490,302	1,641,234	10.1%
Community Services Subtotal	1,783,728	1,823,104	2,298,080	2,070,686	2,443,202	18.0%
Non-Departmental						
Community Contributions	170,433	139,285	150,867	87,667	128,469	46.5%
Caspar Closure & General Fund Debt	147,760	171,098	255,743	255,751	255,758	0.0%
Other Non-Departmental	832,085	806,959	805,943	810,074	609,860	-24.7%
Non-Departmental Subtotal	1,150,279	1,117,342	1,212,553	1,153,493	994,087	-13.8%
General Fund Subtotal	7,871,278	8,127,215	9,104,493	8,785,721	8,823,338	0.4%
Allocation to Internal Service Funds	604,060	470,049	601,333	601,334	717,667	19.3%
Subtotal with Allocations	8,475,339	8,597,264	9,705,827	9,387,054	9,541,005	1.6%
Net Transfers; In(out)	(52,655)	(545,024)	(58,627)	85,705	3,172	-96.3%
TOTAL GENERAL FUND	8,527,993	9,142,288	9,764,454	9,301,349	9,537,833	2.5%

Note: Administration, as presented above, includes Administrative Services, City Manager and City Attorney

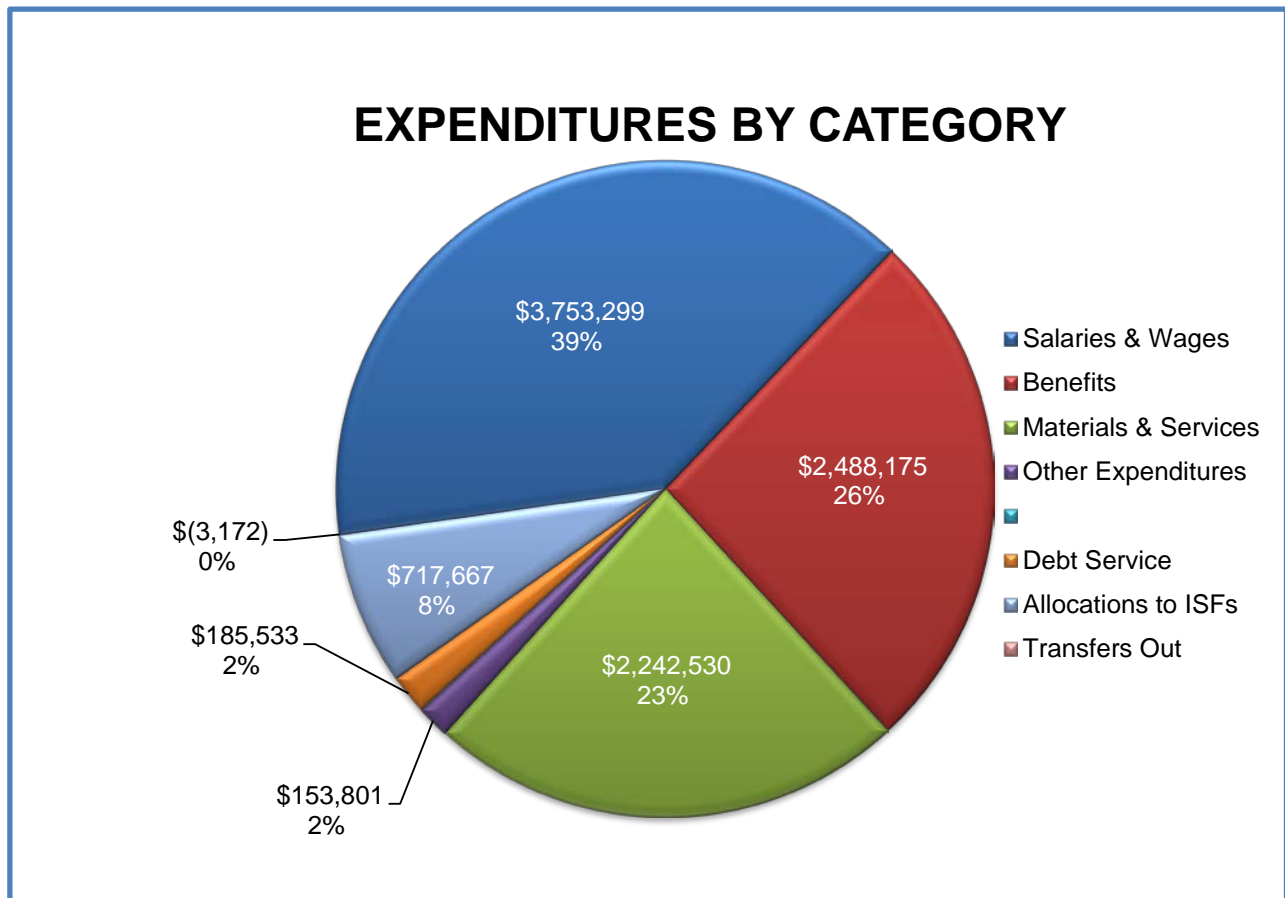
EXPENDITURES BY FUNCTION



Public Safety represents the largest General Fund expenditure function/program at 41% of total General Fund expenditures, followed by Community Services (including Public Works) at 26% and General Government at 15%.

**GENERAL FUND
EXPENDITURES BY CATEGORY
FY 2015/16 THROUGH FY 2018/19**

	FY 2015/16 FYE AUDITED	FY 2016/17 FYE AUDITED	FY 2017/18 AMENDED BUDGET	FY 2017/18 FYE PROJECTED	FY 2018/19 ADOPTED BUDGET	% INCR/ -DECR
Salaries & Wages	\$ 3,430,750	\$ 3,545,002	\$ 3,913,064	\$ 3,885,313	\$ 3,753,299	-3.4%
Benefits	2,186,378	2,406,762	2,550,804	2,531,473	2,488,175	-1.7%
Materials & Services	2,043,203	1,974,777	2,319,120	2,100,858	2,242,530	6.7%
Other Expenditures	63,377	53,104	135,973	82,543	153,801	86.3%
Debt Service	147,569	147,569	185,533	185,533	185,533	0.0%
Subtotal	7,871,278	8,127,215	9,104,493	8,785,721	8,823,338	0.4%
Allocations to Internal Service Funds	604,060	470,049	601,333	601,334	717,667	19.3%
Subtotal with Allocations	8,475,339	8,597,264	9,705,827	9,387,054	9,541,005	1.6%
Net Transfers	(52,655)	(545,024)	(58,627)	85,705	3,172	-96.3%
TOTAL	\$ 8,527,993	\$ 9,142,288	\$ 9,764,454	\$ 9,301,349	\$ 9,537,833	2.5%



Personnel Services

Personnel costs are the largest class of expenditures in the General Fund, representing nearly 65% of the expenses in FY2018/19. Overall, personnel costs will decrease 2.8% or \$175k. This number is somewhat misleading in that a significant portion of the year over year variance is caused by severance and recruitment costs for the outgoing City Manager in FY2017/18 (\$202k). With the FY2018/19 budget, no position enhancements or pay increases outside of normal cost of living adjustments/step increases have been approved.

FY2018/19, medical rates are expected to increase 3% whereas dental rates will remain essentially unchanged compared to the prior year. Under current labor agreements, premium costs are shared 80% by the City and 20% by the employee. In addition, the City has 29 covered retirees, 23 of whom receive full health insurance coverage from the City. The remaining retirees pay a portion of the retiree and spousal coverage depending on the date of hire. Retiree health benefits have been phased out through collective bargaining agreements. There are a number of current employees who are eligible for such benefits based on their date of hire.

The aggregate CalPERS increase (across all plans) in FY2018/19 is expected to be 10.4% or \$93k. The City's contribution to each employee's pension benefits (i.e., the "employer's share" of CalPERS premiums plus unfunded actuarial liability costs) is calculated at the following rates: Miscellaneous PEPRA-7.3%; Miscellaneous Classic-23.6%; Safety PEPRA-12.0%; Safety Classic-45.4%. In FY2018/19, per negotiated agreements, employees in classic plans will begin paying 1% of the employer share of pension costs.

In December 2016, the CalPERS Board of Administration approved lowering the CalPERS discount rate assumption (the long-term rate of return) from 7.50 percent to 7.00 percent over the next three years. The full impact of discount rate change will be phased in completely over a seven-year period. Lowering the discount rate means plans will see increases in both the normal costs (the cost of pension benefits accruing in one year for active members) and the accrued liabilities. These increases will result in higher required employer contributions. Increased public agency employer contribution costs as a result of the lowering of the discount rate will begin in FY2018/19.

The increased pension costs for the City will be substantial and will put significant pressure on the General Fund's financial performance for several years to come. The following chart is an estimate of the City's share of PERS costs over the next seven years. The chart was prepared using the methodology provided by CalPERS in Circular Letter 200-004-17 dated January 19, 2017:

Fiscal Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total 7 yr Cost
Miscellaneous Classic	357,100	439,131	527,483	628,715	697,523	756,976	873,311	1,041,649	5,321,889
Safety Classic (Police)	426,739	500,940	580,548	681,825	747,534	806,268	902,539	1,041,542	5,687,935
Miscellaneous PEPRA	58,342	59,614	60,692	61,792	62,865	63,902	65,347	67,068	499,622
Safety PEPRA	52,187	53,486	54,508	55,555	56,561	57,518	58,956	60,710	449,481
City Wide Total	894,368	1,053,171	1,223,231	1,427,888	1,564,483	1,684,664	1,900,153	2,210,968	11,958,926

As can be seen in the chart, pension costs are expected to more than double between FY2018/19 and FY 2024/25.

Non-Personnel Services

Professional Services will increase by \$161k in FY2018/19 due to the continued ramp up of the Marketing and Promotions division of the Community Development department (\$188k) as well as increased insurance cost (\$41k). Cost increases are budgeted to be offset by cost savings in the area of travel/training as well as in the area of small tools and equipment. The small tools and equipment year over year variance is caused by the one-time purchase of body worn cameras in the Police Department in FY2017/18. Materials & Services detail is presented below:

General Fund Materials & Services	FY 2017/18	FY 2018/19	Change
	PROJECTED	ADOPTED	
Professional Services	\$ 1,413,820	\$ 1,573,528	\$ 159,708
Utilities	176,137	176,300	163
Insurance	158,110	199,575	41,465
Supplies	105,488	102,800	(2,688)
Training/Travel	105,524	74,950	(30,574)
Equipment Repair and Maintenance	5,400	8,000	2,600
Equipment Leases and Rental	39,686	38,227	(1,459)
Dues and Memberships	19,001	19,160	159
Small Tools and Equipment	68,197	41,190	(27,007)
Postage	9,494	8,800	(694)
Total General Fund Materials & Services	\$ 2,100,858	\$ 2,242,530	\$ 141,672

Other Expenditures will increase \$71k with continued payments budgeted for the Noyo Center and the School Playing Fields project in connection with Measure AA/AB. As Transient Occupancy Tax increases so do the earmarks established through the measure AB advisory (\$41k). Additionally, Asset Forfeiture funds previously used to pay the costs of maintaining the City's two K-9 units in the Police Department are no longer available and the costs therefore will shift to the General Fund (\$26k).

Debt Service is expected to remain steady in FY2018/19.

**CITY OF FORT BRAGG - FY 2018/19
Operating Transfers - All Funds**

Fund Type/Name	Transfers In	Transfers Out	Net Transfers
110 General Fund			
From 146 - OJP Bulletproof Vest Partnership	872	-	872
From 720 - Clean Water Education Fund	2,300	-	2,300
Total	3,172	-	3,172
120 Parking Permits			
To 121 Parking-in-Lieu - Skunk Depot Parking Lot Lease	-	(8,300)	(8,300)
Total	-	(8,300)	(8,300)
121 Parking-in-Lieu			
From 120 Parking Permits - Skunk Depot Parking Lot Lease	8,300	-	8,300
Total	8,300	-	8,300
146 - OJP Bulletproof Vest Partnership			
To 110 - General Fund	-	(872)	(872)
Total	-	(872)	(872)
162 CDBG Program Income			
To 331- CDBG 2016 Super NOFA	-	(150,000)	(150,000)
Total	-	(150,000)	(150,000)
223 STP D1, MCOG			
To 314- MCOG OWP	-	(69,978)	(69,978)
Total	-	(69,978)	(69,978)
250 Special Sales Tax - Street Repair			
To 405- Streets Project	-	(2,000,000)	(2,000,000)
Total	-	(2,000,000)	(2,000,000)
314 MCOG OWP			
From 223 STP D1, MCOG	69,978	-	69,978
Total	69,978	-	69,978
320 State Parks Prop 84			
To 415- Central Coastal Trail & Restoration Project	-	(10,000)	(10,000)
Total	-	(10,000)	(10,000)
323 CalTrans ATP			
To 415- Central Coastal Trail & Restoration Project	-	(20,000)	(20,000)
Total	-	(20,000)	(20,000)
327 State Water Resources Control Board			
To 716- Wastewater Capital Projects	-	(6,000,000)	(6,000,000)
Total	-	(6,000,000)	(6,000,000)
329 State Grants			
To 651- Water Capital Projects	-	(205,000)	(205,000)
Total	-	(205,000)	(205,000)
330 Federal Grants			
To 522 - USDA PD Vehicles	-	(25,850)	(25,850)
To 716- Wastewater Capital Projects	-	(3,388,000)	(3,388,000)
Total	-	(3,413,850)	(3,413,850)
331 CDBG 2016 Super NOFA			
From 162 - Program Income Supplemental Activities	150,000	-	150,000
Total	150,000	-	150,000
405 Street Resurfacing/ Crosswalk Rehab Projects			
From 250 - Special Sales Tax	2,000,000	-	2,000,000
Total	2,000,000	-	2,000,000

(continued next page)

**CITY OF FORT BRAGG - FY 2018/19
Operating Transfers - All Funds**

Fund Type/Name	Transfers In	Transfers Out	Net Transfers
415 Central Coastal Trail & Restoration Project			
From 320 State Parks Prop 84	10,000	-	10,000
From 323 CalTrans ATP	20,000	-	20,000
Total	30,000	-	30,000
522 Fleet & Equipment Services Internal Service Fund			
From 330 USDA PD Vehicles	25,850	-	25,850
Total	25,850	-	25,850
610 Water O&M			
To 651 Water Enterprise Capital Projects	-	(1,057,000)	(1,057,000)
To 614- Non-Routine Maintenance	-	(28,498)	(28,498)
From 615 - True up Operating Reserve	57,671	-	57,671
Total	57,671	(1,085,498)	(1,027,827)
614 Water Enterprise Non Routine Maintenance			
From 610 Water O&M	28,498	-	28,498
Total	28,498	-	28,498
615 Water Enterprise Capital Reserve			
To 610 - True up Operating Reserve		(57,671)	(57,671)
Total	-	(57,671)	(57,671)
651 Water Enterprise Capital Projects			
From 329 State Grants - Pudding Creek Water Main Relocation	205,000	-	205,000
From 610 Water O&M - Raw Water Line Replacement - Phase II	682,000	-	682,000
From 610 Water O&M -Matsen Hole Rainey-Design	175,000	-	175,000
From 610 Water O&M -Raw Water Pond Rehabilitation	200,000	-	200,000
Total	1,262,000	-	1,262,000
710 Wastewater O&M			
To 717 - Debt Service	-	(79,111)	(79,111)
To 717 - Debt Service Reserve	-	(18,590)	(18,590)
To 717- Short Lived Asset Reserve	-	(65,333)	(65,333)
To 715 - Sw eep Excess Fund Balance to Capital Reserve	-	(1,069,875)	(1,069,875)
Total	-	(1,232,909)	(1,232,909)
715 WW Enterprise Capital Reserve			
From 710 - Sw eep Excess Fund Balance to Capital Reserve	1,069,875	-	1,069,875
To 716 - Funding for WWTP	-	(2,814,225)	(2,814,225)
Total	1,069,875	(2,814,225)	(1,744,350)
716 WW Capital Projects			
From 717- Funding for WWTP	5,000,000	-	5,000,000
From 715- Funding for WWTP & Lift Stations	2,814,225	-	2,814,225
From 327 State Water Resources Control Board - Treatment Plant	6,000,000	-	6,000,000
From 330 Federal Grants - Treatment Plant	3,388,000	-	3,388,000
Total	17,202,225	-	17,202,225
717 JPFA WWTP Financing			
To 716- Proceeds of Loan	-	(5,000,000)	(5,000,000)
From 710 - Debt Service	79,111	-	79,111
From 710 - Debt Service Reserve	18,590	-	18,590
From 710 - Short Lived Asset Reserve	65,333	-	65,333
Total	163,034	(5,000,000)	(4,836,966)
720 Clean Water Education Fund			
To 110 - Storm Drains Outreach and Education	-	(2,300)	(2,300)
Total	-	(2,300)	(2,300)
Total Transfers	\$ 22,070,603	\$ (22,070,603)	\$ -

(Concluded)

COST ALLOCATION PLAN

Fiscal Year 2018/19

INTRODUCTION

The purpose of the City's Cost Allocation Plan is to identify the total costs of providing specific City services and appropriately allocate these costs to the Departments and or Funds who benefit from the identified services. Why is a separate cost accounting analysis required to do this? Because in almost all organizations—whether in the private or the public sector—the cost of producing goods or delivering services can be classified into two basic categories: direct and indirect costs. Programs that incur only direct costs benefit from the City's administrative structure and therefore should be charged for that support.

"Direct costs" by their nature are usually easy to identify and relate to a specific service. However, this is not the case for "indirect costs." As such, if we want to know the "total cost" of providing a specific service, then we need to develop an approach—a plan—for reasonably allocating indirect costs to direct cost programs.

What Are Direct and Indirect Costs? Direct costs are those that can be specifically identified with a particular cost objective, such as street maintenance, police protection and water service. Indirect costs are not readily identifiable with a direct operating program, but rather, are incurred for a joint purpose that benefits more than one cost objective. Although indirect costs are generally not readily identifiable with direct cost programs, their cost should be included if we want to know the total cost of delivering specific services.

Common examples of indirect costs provided by City departments include: the Finance Department provides accounting and utility billing services, the Administrative Services Department provides legal services and personnel administration and the City's Public Works department provides engineering and building and street maintenance.

Budgeting and Accounting for Indirect Costs. Theoretically, all indirect costs could be directly charged to specific cost objectives; however, practical difficulties generally preclude such an approach for organizational and accounting reasons. As such, almost all organizations separately budget and account for direct and indirect costs depending on their financial reporting needs and the complexity of their operations.

Distributing Indirect Costs. In order to determine the total cost of delivering specific services, some methodology for determining and distributing indirect costs must be developed, and that is the purpose of cost allocation plans: to identify indirect costs and to allocate them to benefiting direct cost programs in a logical, consistent and reasonable manner.

Plan Goal: Reasonable Allocation of Costs. The goal of most Cost Allocation Plans is to provide a clear, consistent and reasonable basis for allocating indirect costs. It is important to stress that the goal of the Cost Allocation Plan is a reasonable allocation of indirect costs, not a "perfect" one. By their very nature, indirect costs are difficult to link with direct costs. As such, in developing an allocation approach, it is important to keep this goal in mind: balancing the cost and effort of complicated allocation methods with the likely benefits from the end results.

INDIRECT COST ALLOCATION STRATEGIES

There are several ways of allocating indirect costs, including:

Internal Service Funds. Many cities allocate costs through formal internal service funds for services like facility maintenance, information technology and fleet maintenance. Typically with this approach, the internal service fund provides services to the organization and charges back departments based on their actual usage of the service at standard per unit billing rates, like a private company would (except the goal is to break even rather than earn a profit). In this case, for the operating programs, indirect costs become direct costs, like they would if they contracted-out for the service.

While this approach can result in added accounting costs to develop internal billing rates and track actual usage, it has the advantage of encouraging more efficient use of internal services by allocating costs based on actual usage, setting aside funds for long-term capital replacement needs and helping measure performance.

As shown in the side bar, the City uses three internal service funds to allocate organization-wide support costs.

Payroll Allocations. Some organizations allocate percentages of key support staff to selected funds through direct payroll allocations, such as 15% of the City Manager to the Water Fund or 20% of the Public Works Director to the Wastewater Fund, with direct cost distributions of non-staffing costs via accounts payable where possible.

While this practice is not uncommon, it has some drawbacks, such as the basis for the percentage allocations. Using this method requires a tracking of staff time by task, which requires a detailed method or program, which can be costly or time consuming.

Direct Cost Allocations. Even where internal service funds are used, cost allocation plans are still often needed in allocating indirect costs to the internal service funds (so their costs reflect the full cost of providing services to the organization) and in allocating other indirect costs not typically recovered through internal service funds, such as city manager, city attorney, city clerk, human resources and accounting. In this case, direct costs are sometimes allocated to indirect cost departments based on a percentage of indirect costs or payroll costs and direct costs.

Combination of the Three. Some agencies use a combination of these three approaches as is the case with the City of Fort Bragg.

City Internal Service Funds
<ul style="list-style-type: none">• Facilities Repair and Maintenance• Technology Maintenance and Replacement• Fleet and Equipment Services

DETERMINING DIRECT AND INDIRECT COSTS

The first step in preparing the City's Cost Allocation Plan is determining direct and indirect costs. Program costs that primarily provide service to the public are identified as direct costs, whereas the cost of programs that primarily provide services to the organization are identified as indirect costs.

In accordance with generally accepted accounting principles, only operating costs are considered in the determination of indirect costs. As such, capital outlay, debt service, interfund transfers and "pass-through" costs are excluded from the calculations.

The City's indirect costs departments are: City Council, Administrative Services, Finance, Public Works - Administration, Public Works – Corporation Yard and Non-Departmental.

BASIS OF ALLOCATION

The City's method of cost allocation is based primarily on the Personnel Staffing Allocation and therefore assumes that all indirect costs are incurred proportionately to the amount of time each staff member spends on direct cost program. However, this may not be a reasonable assumption in all cases, as the benefit received from certain types of support service programs may be more closely related to another indicator of activity than cost.

For example, if a program service is primarily delivered through contract and does not have any City staffing directly associated with it, distributing human resources costs to it may result in an inequitable allocation of costs. Because of this, the City's Cost Allocation Plan firsts allocates indirect personnel costs and then bases the allocation of non-personnel costs on the relationship of total personnel costs (both direct and allocated) so that total personnel effort is reflected in the indirect costs allocations.

Some of these costs lend themselves to an easily justified allocation method, other costs may not be as intuitive; however, the allocation of costs are consistent with generally accepted accounting principles and recognize the concept that the cost of developing the information necessary to perform the cost allocations should not exceed the benefits likely to be gained.

INDIRECT COST ALLOCATIONS

Historically, the City has estimated the percentage of time each staff member spends in each of the direct costs areas and presented this estimate in the City's budget. Personnel costs are allocated based on these allocations. The personnel staffing allocations reflect the City's estimate of the percentage of time each staff member spends working in areas that benefit each of the City's costs centers that receive an allocation from indirect cost departments. These estimates have been determined by the department director based on staffing, anticipated work load and departmental project plans. In future years, the City's project management system in conjunction with the payroll system will provide actual time spent on various activities and projects and may form the basis for determining estimates of time spent in direct cost areas.

Non-personnel costs, such as professional fees, supplies and repairs and maintenance are allocated based on the department's personnel cost percentage applied to the total non-personnel costs to be allocated.

A summary of the indirect cost allocations is presented on page 71 of the budget.

SIMPLE METHOD OF ALLOCATING COSTS

With a sophisticated cost allocation system, the cost of one indirect program would be allocated to the other indirect costs programs and iterative allocations then made to direct cost programs until all indirect costs are distributed. However, this process is extremely time consuming and places a higher level of reliance on the underlying significance of the allocation bases than may be appropriate.

The City has opted to use a "simple method" of cost allocation. In performing the cost allocations, all indirect personnel costs have been allocated first to direct cost programs including the City's internal service funds. Then a secondary allocation is performed to allocate non-personnel costs to direct cost programs. This method is simpler than the multiple iterations employed in a complex system. For example, Administrative Services personnel costs are allocated solely to direct cost programs based on the Personnel Staffing Allocations presented in the budget. However, as Administrative Services also benefits other indirect cost programs such as Finance and Public Works Administration, the cost allocations could appear to be distorted since no allocations are made to them.

Although there are some conceptual difficulties with the simple approach, it has been determined that the cost of preparation, review and audit for a more complex allocation plan is significantly higher than the City's approach and outweighs the corresponding increase in benefit. Again, as noted above, the plan's goal is a reasonable allocation of indirect costs, not a "perfect" one.

USES OF THE COST ALLOCATION PLAN

By identifying total program costs, the Cost Allocation Plan can be used as an analytical tool in many financial decision-making situations, including:

- **Reimbursement of Cost Transfers.** The Cost Allocation Plan identifies the costs incurred by the General Fund in providing administrative support services to the City's other funds such as enterprise operations and special revenue funds. For example, although the City's administrative, legal services, human resources and accounting funds are budgeted and accounted for in the General Fund, these programs provide support services to other City funds. The Cost Allocation Plan provides a clear methodology for determining this level of support and a basis for reimbursing these costs.
- **General Fund User Charges.** Similar to ensuring that enterprise fund revenues fully recover their costs, the Cost Allocation Plan can also be used in determining appropriate user fees for General Fund services, such as planning applications, building permits and recreation activities, to ensure that the full cost of services are considered in setting fees.

PLAN PREPARATION

In a true cost accounting system, indirect costs are computed and allocated on an ongoing basis throughout the fiscal year based on actual costs. However, in municipal finance this would not serve any specific purpose—such as unit price control in a manufacturing company—while consuming significant accounting resources. Accordingly, the City’s Cost Allocation Plan is modified annually based on the current year’s budgeted costs.

This approach works well when significant variances are not expected between the budget and actual costs. However, where large variances are possible, at end of the fiscal year, a “true-up” should be calculated based on actual costs. Any variances (either over or under the Cost Allocation Plan amounts) can then be recorded in the current operating costs.

At the end of each year, the City will assess whether there were any significant variances between budget and actual, and prepare a “true-up” adjustment to reflect such variances. This practice was initiated with the financial close of FY 2016/17.

SUMMARY

The Cost Allocation Plan helps make a determination of total program costs possible by establishing a reasonable methodology for identifying and allocating indirect costs to direct cost programs. Because of this, the Cost Allocation Plan is a valuable analytical tool for a number of situations, including establishing fees designed for full cost recovery and reimbursing support service costs provided by the General Fund to other funds. The allocation of costs is summarized on the following pages.



FY 2018/19 PERSONNEL STAFFING ALLOCATIONS

Description	Number of Employees	--- Percent of Time Allocated By Fund ---								
		General Fund	Fleet Services	IT ISF	Facilities ISF	Streets	Storm Drains	Water Enterprise	Sewer Enterprise	TOTAL
<u>CITY COUNCIL</u>										
Councilmembers (5)		50.0%				5.0%	0.0%	20.0%	25.0%	100%
<u>ADMINISTRATION</u>										
City Manager	1	60.0%						20.0%	20.0%	100%
Administrative Services Director	1	65.0%		15.0%				10.0%	10.0%	100%
Human Resources Technician	1	60.0%						20.0%	20.0%	100%
City Clerk	1	70.0%						15.0%	15.0%	100%
Administrative Assistant	1	80.0%						10.0%	10.0%	100%
IT Technician	1			100.0%						100%
Audi-Visual Tech	1			100.0%						100%
<u>TOTAL</u>	<u>7</u>									
<u>FINANCE</u>										
Finance Director/City Treasurer	1	36.0%	3.0%	3.0%	3.0%	3.0%	2.0%	25.0%	25.0%	100%
Government Accountant II	1	36.0%	3.0%	3.0%	3.0%	3.0%	2.0%	25.0%	25.0%	100%
Finance Technician III	1	36.0%	3.0%	3.0%	3.0%	3.0%	2.0%	25.0%	25.0%	100%
Finance Technician II	1	15.0%	1.0%	1.0%	1.0%	1.0%	1.0%	40.0%	40.0%	100%
<u>TOTAL</u>	<u>4</u>									
<u>POLICE</u>										
Police Chief	1	100.0%								100%
Lieutenant	1	100.0%								100%
Administrative Coordinator	1	100.0%								100%
Police Sergeant	4	100.0%								100%
Police Officer	10	100.0%								100%
Community Service Officers	3	100.0%								100%
Police Service Technician	2	100.0%								100%
Parking Enforcement Seasonal (1) Hourly		100.0%								100%
<u>TOTAL</u>	<u>22</u>									
<u>COMMUNITY DEVELOPMENT</u>										
Community Development Director	1	90.0%						5.0%	5.0%	100%
Special Projects Manager	1	90.0%						5.0%	5.0%	100%
Assistant Planner	1	90.0%						5.0%	5.0%	100%
Special Projects Assistant (PT)	0.8	100.0%								100%
Administrative Assistant	1	94.0%						3.0%	3.0%	100%
<u>TOTAL</u>	<u>4.8</u>									

FY 2018/19 PERSONNEL STAFFING ALLOCATIONS

Description	Number of Employees	--- Percent of Time Allocated By Fund ---								
		General Fund	Fleet Services	IT ISF	Facilities ISF	Streets	Storm Drains	Water Enterprise	Sewer Enterprise	TOTAL
<u>PUBLIC WORKS</u>										
Public Works Director	1	10.0%	5.0%		15.0%	20.0%	5.0%	20.0%	25.0%	100%
Assistant Director of Public Works	1	15.0%	5.0%		10.0%	15.0%	5.0%	20.0%	30.0%	100%
Public Works Project Analyst	1	40.0%				10.0%		30.0%	20.0%	100%
Engineering Technician	1	25.0%				10.0%	10.0%	35.0%	20.0%	100%
Engineering Technician	1	15.0%				20.0%		45.0%	20.0%	100%
Lead Maintenance Worker	1	20.0%	5.0%		10.0%	20.0%	5.0%	20.0%	20.0%	100%
Maintenance Worker III	1	20.0%				10.0%	5.0%	35.0%	30.0%	100%
Maintenance Worker II	1	60.0%			5.0%			20.0%	15.0%	100%
Maintenance Worker II	1	40.0%			15.0%			20.0%	25.0%	100%
Maintenance Worker II	1	25.0%			25.0%			25.0%	25.0%	100%
Maintenance Worker I	1	50.0%						25.0%	25.0%	100%
Maintenance Worker I	1	25.0%			25.0%			25.0%	25.0%	100%
Maintenance Worker I	1	20.0%						50.0%	30.0%	100%
Seasonal Worker Streets (2)	Hourly 1					100.0%		0.0%		100%
Mechanic	1		100.0%							100%
<u>TOTAL</u>	<u>14</u>									
<u>WATER & WASTEWATER TREATMENT</u>										
Lead Treatment Operator-WCD	1							95.0%	5.0%	100%
Lead Treatment Operator-WW	1							5.0%	95.0%	100%
Treatment Plant Operator II	1							5.0%	95.0%	100%
Treatment Plant Operator II	1							25.0%	75.0%	100%
Treatment Plant Operator II	1							25.0%	75.0%	100%
Treatment Plant Operator II /Electriciar	1							25.0%	75.0%	100%
Env. Compliance Coordinator	1							5.0%	95.0%	100%
OIT	1							5.0%	95.0%	100%
Seasonal Worker (1)	Hourly 1							10.0%	90.0%	100%
<u>TOTAL</u>	<u>8</u>									
<u>TOTAL APPROVED POSITIONS</u>	<u>59.80</u>									

Fund or Department	Fund Personnel Expenditures	Personnel Costs Allocated	Total Personnel Costs Including Salary and Benefit Allocations	% of Personnel Costs	Non-Personnel Costs Allocated	Total Allocations
General Fund	\$ 6,001,962	\$ (1,519,771)	\$ 4,482,191	62.2284%	\$ (340,064)	\$ (1,859,835)
Sub Total General Fund	6,001,962	(1,519,771)	4,482,191	62.2284%	(340,064)	(1,859,835)
Streets		143,060	143,060	1.9998%	17,475	160,535
Facilities Repair & Maint ISF		125,573	125,573	1.7554%	15,339	140,913
Technology Maint & Replacement ISF	185,149	35,438	220,587	3.0836%	26,946	62,384
Fleet & Equipment Services ISF	98,247	33,670	131,916	1.8441%	16,114	49,784
Water Enterprise		813,356	813,356	11.3699%	99,355	912,711
Wastewater Enterprise		368,674	1,267,523	17.7187%	154,834	523,508
C.V Starr Center					10,000	10,000
Subtotal Indirect Cost Participants	1,182,245	1,519,771	2,702,016	37.7716%	340,064	1,859,835
Total	\$ 7,184,207	\$ -	\$ 7,184,207	100%	\$ -	\$ -

Indirect Non Personnel General Fund Cost to be Allocated	
City Council	\$ 19,000
Administration	44,310
City Attorney	135,000
Finance	49,672
Public Works Administration	10,700
Public Works Corp Yard	15,300
Non-Departmental *	609,860
	883,842
Less Allocation to C.V. Starr Enterprise	10,000
	\$ 873,842

* Excludes Transfers, Allocations, Caspar and Community Support

Allocated To	Fleet and Equipment Services	Facilities Repair and Maintenance	Technology Maintenance And Replacement	Total
Police Department	\$ 220,522			
Non-Departmental	19,598			
Public Works: Parks	33,194			
Public Works: Streets	14,419			
Public Works: Storm Drains	8,188			
Public Works: Traffic Safety	7,525			
General Fund (Including PEG)	303,446	163,736	250,484	717,667
Water	64,982	67,650	104,814	237,446
Wastewater	134,545	67,650	104,814	307,009
Total	\$ 502,974	\$ 299,036	\$ 460,111	\$ 1,262,121



**CITY OF FORT BRAGG - FY 2018/19
Salary/Benefit & Overhead Allocations**

Fund Type/Name	Transfers In	Transfers Out
110 General Fund		
From Facilities Maintenance, Salary/Benefit	\$ 125,573	
From Facilities Maintenance, Overhead	15,339	
From Information Technology, Salary/Benefit	35,438	
From Information Technology, Overhead	26,946	
From Fleet Internal Service Fund, Salary/Benefit	33,670	
From Fleet Internal Service Fund, Overhead	16,114	
From Street Maintenance, Salary/Benefit	143,060	
From Street Maintenance, Overhead	17,475	
From Water Enterprise, Salary/Benefit	606,927	
From Water Enterprise, Overhead	99,355	
From Wastewater Enterprise, Salary/Benefit	368,674	
From Wastewater Enterprise, Overhead	154,834	
From Successor Agency, Overhead	119,228	
From C.V. Starr, Overhead	10,000	
Total - General Fund	<u>1,772,634</u>	<u>-</u>
175 Successor Agency		
To General Fund, Overhead		(119,228)
Total - Successor Agency	<u>-</u>	<u>(119,228)</u>
221 Highway User Tax		
To General Fund, Salary/Benefit		(143,060)
To General Fund, Overhead		(17,475)
Total - Successor Agency	<u>-</u>	<u>(160,535)</u>
520 Facilities Maintenance		
To General Fund, Salary/Benefit		(125,573)
To General Fund, Overhead		(15,339)
Total - Facilities Maintenance	<u>-</u>	<u>(140,913)</u>
521 Information Technology		
To General Fund, Salary/Benefit		(35,438)
To General Fund, Overhead		(26,946)
Total - Information Technology	<u>-</u>	<u>(62,384)</u>
522 Fleet Internal Service Fund		
To General Fund, Salary/Benefit		(33,670)
To General Fund, Overhead		(16,114)
Total - Fleet Internal Service Fund	<u>-</u>	<u>(49,784)</u>
610 Water Enterprise		
To General Fund, Salary/Benefit		(606,927)
To Wastewater, Salary/Benefit		(206,429)
To General Fund, Overhead		(99,355)
Total - Water Enterprise	<u>-</u>	<u>(912,711)</u>
710 Wastewater Enterprise		
To General Fund, Salary/Benefit		(368,674)
To General Fund, Overhead		(154,834)
From Water, Salary/Benefit	206,429	
Total - Wastewater Enterprise	<u>206,429</u>	<u>(523,508)</u>
810 C.V. Starr Center		
To General Fund, Overhead		(10,000)
Total - C.V. Starr Center	<u>-</u>	<u>(10,000)</u>
Total Allocations	<u>\$ 1,979,063</u>	<u>\$ (1,979,063)</u>

TEN-YEAR AUTHORIZED STAFF POSITION COMPARISON

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	Variance vs FY09-10	% Variance
General Government												
Administrative Services	5.00	4.80	4.80	6.00	6.00	6.00	6.50	6.50	7.00	7.00	2.00	40%
Finance Department	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	(1.00)	-20%
Sub-Total	10.00	8.80	8.80	10.00	10.00	10.00	10.50	10.50	11.00	11.00	1.00	10%
Public Safety												
Police Department	23.00	21.00	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00	(1.00)	-4%
Sub-Total	23.00	21.00	21.00	21.00	22.00	22.00	22.00	22.00	22.00	22.00	(1.00)	-4%
Community Services												
Community Development	4.75	3.80	3.80	3.80	4.30	4.00	4.30	4.50	4.80	4.80	0.05	1%
Public Works	14.50	12.60	12.60	12.60	13.60	12.60	12.80	12.80	14.00	14.00	(0.50)	-3%
Enterprise Funds	8.00	7.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	-	0%
Sub-Total	27.25	23.40	24.40	24.40	25.90	24.60	25.10	25.30	26.80	26.80	(0.45)	-2%
Total Authorized Positions	60.25	53.20	54.20	55.40	57.90	56.60	57.60	57.80	59.80	59.80	(0.45)	-1%

Note 1: Staffing comparison excludes Seasonal and Temporary positions.

Note 2: In FY2012/13 an Information Technology Technician position was added to Administrative Services.

Note 3: In FY2013/14, a Community Service Officer position was added to the Police Department; an Operator in Training was added to the Wastewater Enterprise; and a part-time grant-funded Grants Assistant was added to Community Development.

Note 4: FY 2014/15 reflects reclassification of the Housing & Economic Development Coordinator to full time, and deauthorization of a part-time Grants Assistant in Community Development. The Public Works Manager position was eliminated in Public Works.

Note 5: FY 2015/16 reflects the authorization of a part-time Grants Assistant in Community Development, a part-time Audio-Visual Tech in Administration and the increase to 80% of the Water Project Coordinator in Public Works. The Associate Planner in Community Development was reduced to 80%.

Note 6: FY 2016/17 reflect reclassification of the Operations Manager to the Assistant Public Works Director

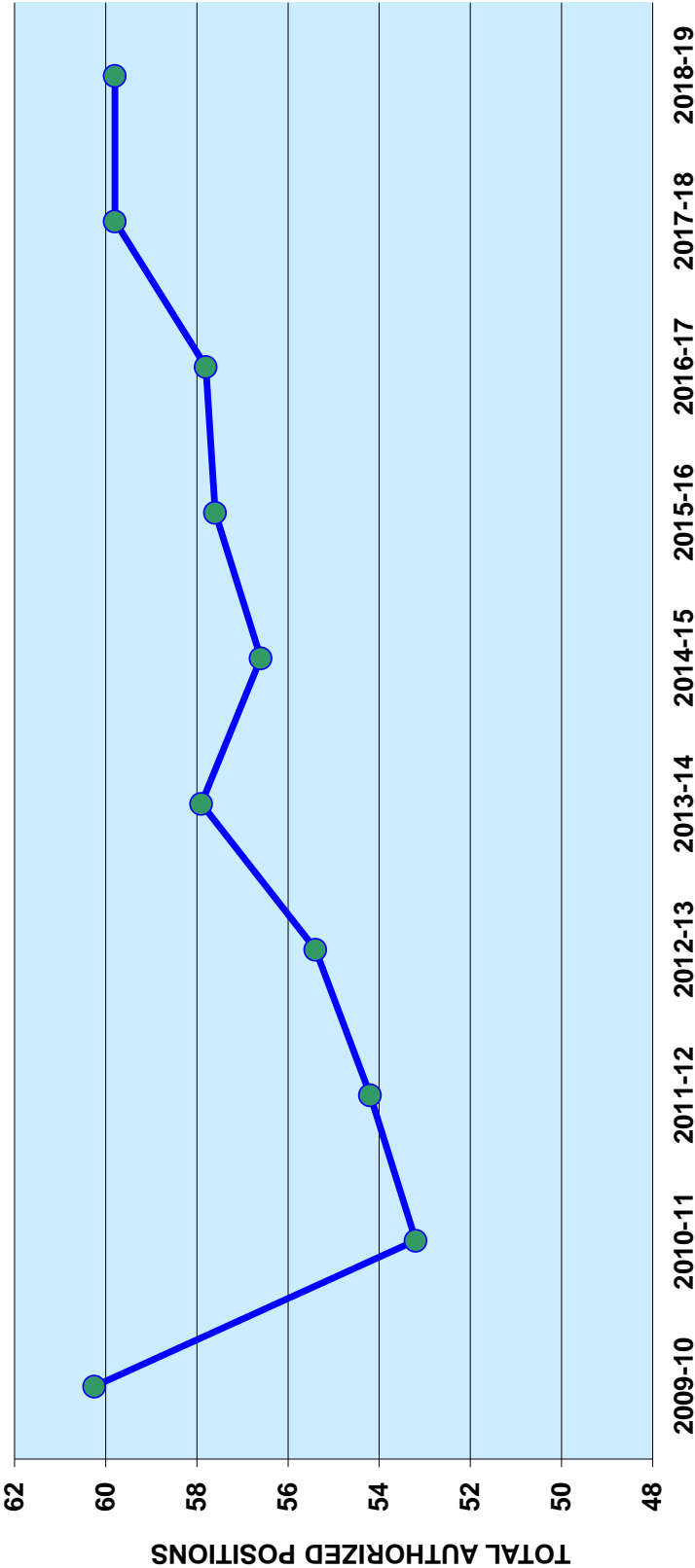
Note 7: FY 2017/18 reflects reclassification of the part time (80%) Water Project Coordinator to a full time Engineering Technician

Note 8: FY 2017/18 reflects the addition of a Public Works Maintenance I position for Noyo Headlands Park mai

Note 9: FY 2017/18 reflects the increase of the Grants Assistant position from part-time to full time

Note 10: FY 2017/18 reflects the increase of the AV Technician position from part-time to full time

TEN YEAR AUTHORIZED STAFFING COMPARISON



FY2018/19 ARTICLE XIIB APPROPRIATIONS LIMIT

The Appropriations Limit imposed by Proposition 4 and modified by Propositions 98 and 111 creates a restriction on the amount of revenue that can be appropriated in any fiscal year. The Appropriations Limit is based on actual appropriations during FY 1978/79 and is increased each year using the growth of population and inflation. The only revenues that are restricted by the Appropriations Limit are those referred to as "proceeds of taxes." Some examples of taxes are sales tax, property tax, transient occupancy tax and State motor vehicles in lieu tax. During any fiscal year, a city may not appropriate any proceeds of taxes it receives in excess of its Appropriations Limit. If the city receives excess funds in any one year, it can carry them into the subsequent year to be used if the city falls below its Appropriations Limit in that year. Any excess funds remaining after the second year must be returned to the taxpayers by reducing tax rates or fees. As an alternative, a majority of the voters may approve an "override" to increase the Appropriations Limit. The City of Fort Bragg's budgeted expenditures have always been well below its annual Appropriations Limit. The factors used are:

- **Population Factor** – At the City's choice, either the annual change in City or County population.
- **Price Factor** – At the City's choice, either the change in California per capita income or increase in non-residential assessed valuation due to new construction.

The formula to be used in calculating the growth rate is:

$$\frac{\% \text{ Change in population} + 100.00}{100.00}$$

Multiplied by either

$$\frac{\$ \text{ Change in per capita income} + 100.00}{100.00}$$

or

$$\frac{\text{Change in non-residential assessments} + 100.00}{100.00}$$

The resultant rate multiplied by the previous appropriation limit equals the new appropriation limit. In May 2018, the California State Department of Finance notified cities of the population change and the per capita personal income factor to be used to determine the appropriation limit. Using the change in per capita income method, the calculation as applied to the City of Fort Bragg for FY2018/19 is:

- The population at January 1 of the previous year for the County is .23% and for the City is .85%. The City population change is the greater of the two therefore it is the percentage that will be used.
- The per capita income percentage change is 3.67%.

The factor for determining the year-to-year increase is computed as:

$$\frac{3.67 + 100.00}{100.00} \times \frac{0.85 + 100.00}{100.00} = 1.04551$$

Applying this year's factor to last year's limit of \$9,802,296, the appropriations limit for FY2017/18 is \$10,248,398. With appropriations subject to the limitation totaling approximately \$6,429,823, the City of Fort Bragg is not at risk of exceeding the Gann Limit.

**City of Fort Bragg Appropriation Limit
Applied to FY 2018/19 Budget**

Proceeds of Taxes

Property & Other Taxes

Property Taxes	\$ 1,071,201
Sales & Use Taxes, Prop 172 Taxes	1,792,993
Transient Occupancy Taxes	2,759,609
Franchise Taxes	556,652
Transfer Taxes	23,811
Business License Taxes	199,395
Subtotal - Taxes	6,403,661

Proceeds of Non Taxes

Licenses & Permits	114,063
Fines & Forfeitures	42,500
Use of Money & Property (less interest earned)	20,600
Intergovernmental	232,300
Charges for Services	2,656,771
Other Revenues	51,570
Subtotal - Non Taxes	3,117,804

Total Non Taxes & Taxes

9,521,465

Allocate Interest Based on Ratios

Non Taxes (33%)	12,738
Taxes (67%)	26,162
Total Interest	38,900

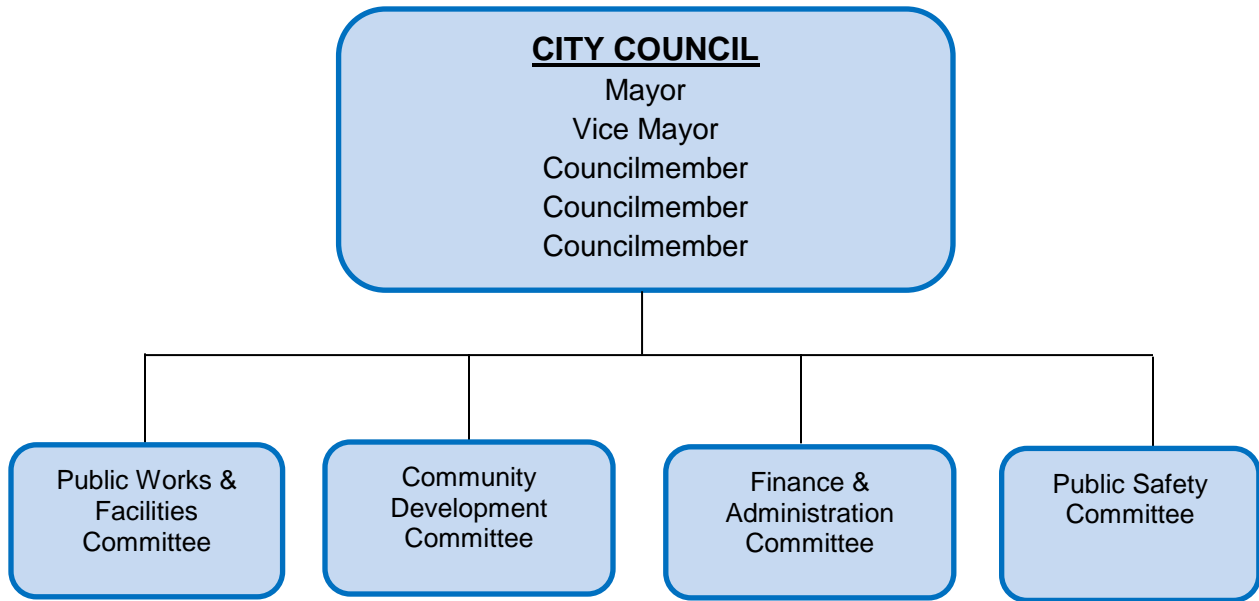
Total Revenue

\$ 9,560,365

FY 2018/19 Appropriations Limit	10,248,398
Less Proceeds of Taxes	6,429,823
Under Maximum Appropriation Limit	\$ 3,818,575



CITY COUNCIL



A five-member elected City Council provides governance over the City of Fort Bragg's services to a population of approximately 7,000 residents. Each Councilmember is elected at-large and serves a four-year term. The Mayor is elected by the members of the City Council and serves a two-year term. The Council convenes in regular session on the 2nd and 4th Mondays of each month. All regular meetings are held in Fort Bragg Town Hall and are open to the public.

SUMMARY OF SERVICES

The Council establishes policies for City operations, approves all budgets, and ensures appropriate representation and responses to community interests. The City Council appoints the City Manager who supports the City Council in its policy development functions and ensures that the City Council's policies, programs, and priorities are addressed through the work of City staff.

STRATEGIC GOALS AND OBJECTIVES

- Foster a strong, resilient and prosperous local economy.
- Ensure the timely completion of the Mill Site remediation and continue to plan for reuse of the property.
- Maintain and improve City infrastructure, including ongoing maintenance and repair of streets and alleys, increasing water storage capacity, and constructing improvements to the City's water distribution and wastewater treatment facilities.
- Develop long-range financial plans for Capital Improvement Program implementation.
- Focus on activities and programs that maintain and enhance the "quality of life" in Fort Bragg.
- Define solutions to homeless issues.
- Support development of housing.
- Ensure civility and decorum at Council meetings.
- Strengthen neighborhoods and increase public safety on our streets.
- Ensure that City is prepared to respond to natural disasters and emergencies.

FY 2017/18 TOP ACCOMPLISHMENTS

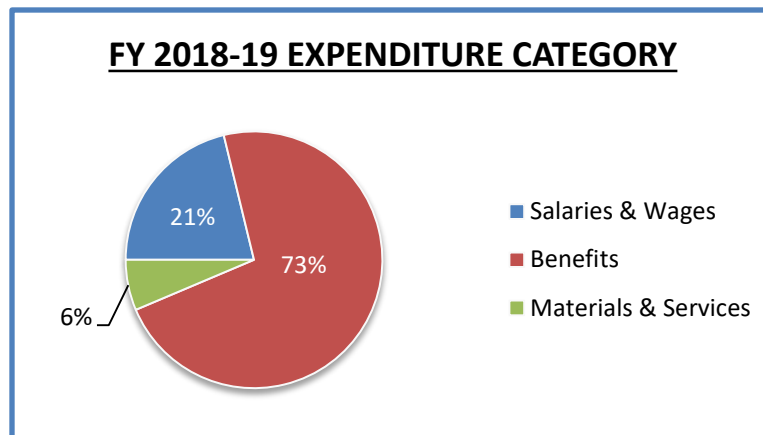
- The Council prioritized improvements to the City’s water and wastewater infrastructure.
- The Council supported several actions to enhance access to City government including live-streaming all Council Committee meetings (in addition to Council and Planning Commission meetings) as well as the “Monday Meetings with the Mayor”.
- The Council continued to make maintenance and improvement of the City’s streets and sidewalks a key priority. The Council completed the 2017 Streets & Alleys Rehabilitation project.
- The Council provided strategic vision for numerous parks and recreation projects serving our coastal community including the Fort Bragg Coastal Restoration & Trail Project, the C.V. Starr Community Center and the Bainbridge Park Master Plan.
- The Council continues to place a strong emphasis on community safety and support for the Fort Bragg Police Department’s operations. Through the budget process, the Council funded a body worn camera program and funded an officer assigned to the Mendocino County Major Crimes Task Force to help pro-actively address drug and gang-related issues in our community.
- The Council provided leadership on a number of important community issues including: addressing issues related to homelessness; the environmental clean-up of the Georgia Pacific mill site property; day lighting creeks on the mill site; development of EIR for proposed shopping center; establishing regulations for the post-Prop 64 cannabis industry; support for our immigrant community; .

FY 2018/19 TOP PRIORITIES

- Through the budget process and the mid-year budget review process, the Council provides strategic vision to guide the City organization and communicates its priorities for each of the City’s service areas. The Council’s priorities are expressed throughout the FY 2018/19 Budget.

BUDGET OVERVIEW

The FY 2018/19 budget for the Council is approximately \$137k, an increase of \$11k from the projected FY 2017/18 year-end total. The increase is due primarily to the scheduled election in FY 2018/19. Decrease in Training/Travel Reimbursements by \$4k has helped to offset the increase in election cost. Councilmembers are paid a small stipend per meeting attended. The budget for FY 2018/19 is based on the maximum number of meetings anticipated for the year.



CITY COUNCIL DEPARTMENTAL BUDGET SUMMARY

FUND 110

DEPARTMENT: 4110

Description	FY 2016/17	FY 2017/18		FY 2018/19	% + /-
	Audited	Amended Budget	17/18 FYE Projected	Adopted Budget	
Expenditure:					
Personnel Services	\$ 115,770	\$ 125,067	\$ 118,354	\$ 117,534	-1%
Non-Personnel Services	25,465	10,000	7,500	19,000	61%
Total Departmental Expenditure	141,235	135,067	125,854	136,534	8%
Revenue:					
Miscellaneous Revenue	184	-	-	-	0%
Reimbursements	-	62,534	62,534	58,767	-6%
Total Departmental Revenue	184	62,534	62,534	58,767	-6%
Net Expenditure	<u>\$ (141,051)</u>	<u>\$ (72,534)</u>	<u>\$ (63,320)</u>	<u>\$ (77,767)</u>	19%

EXPENDITURE BUDGET DETAIL:

Fund #110

Department: 4110

Object	Description	FY 2016/17	FY 2017/18		FY 2018/19	% + /-
		Audited	Amended Budget	17/18 FYE Projected	Adopted Budget	
0100	Salaries & Wages	\$ 22,588	\$ 26,626	\$ 25,042	\$ 26,626	6%
0200	Employee Benefits	93,182	98,441	93,312	90,908	-3%
	Personnel Services	115,770	125,067	118,354	117,534	-1%
0315	Election Costs	9,839	-	-	10,000	100%
0319	Professional Services	-	-	-	1,000	100%
0366	Training/Travel Reimbursement	10,060	7,500	3,500	4,000	14%
0371	Meetings/City Business	3,207	2,500	4,000	4,000	0%
0619	Miscellaneous	2,360	-	-	-	0%
	Non-Personnel Services	25,465	10,000	7,500	19,000	153%
	Total City Council	\$ 141,235	\$ 135,067	\$ 125,854	\$ 136,534	8%

REVENUE BUDGET DETAIL:

Fund #110

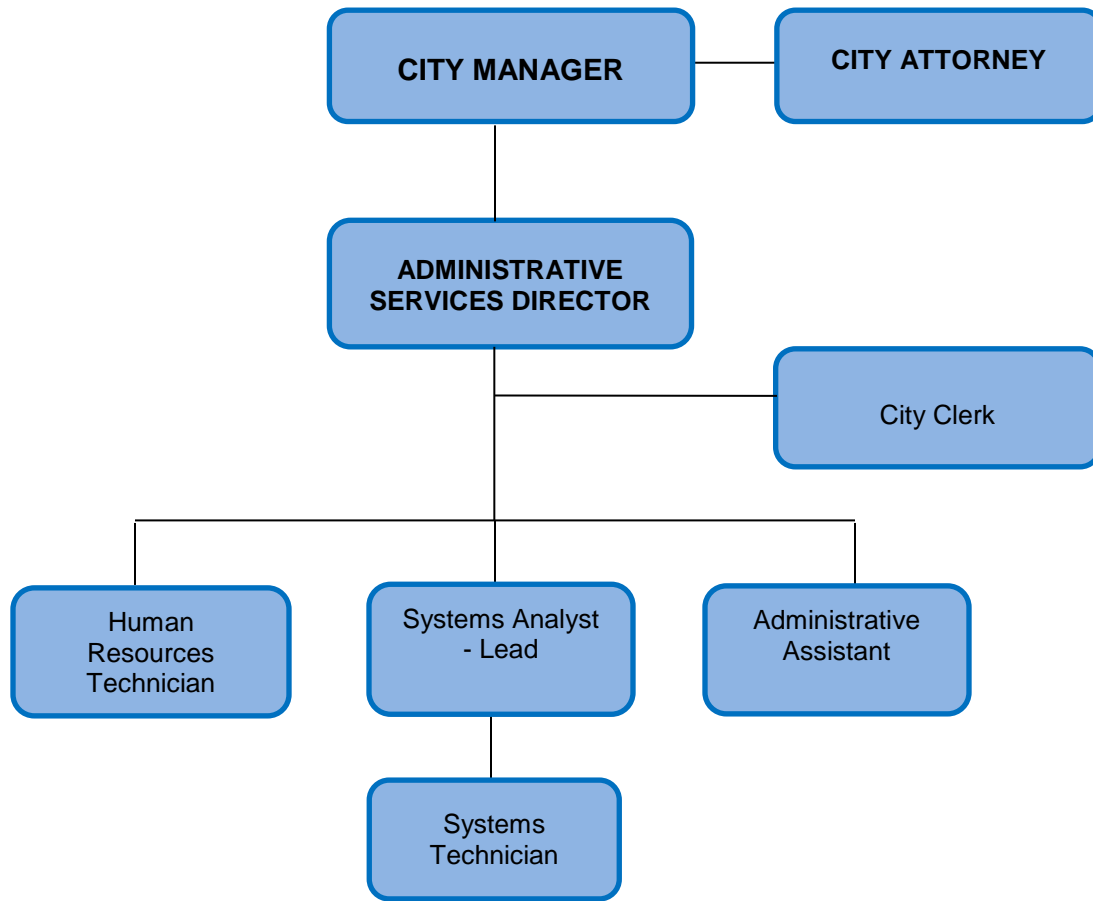
Department: 4110

Object	Description	FY 2016/17	FY 2017/18	17/18 FYE	FY 2018/19	% + /-
		Audited	Amended Budget	Projected	Adopted Budget	
Reimbursements						
3499	Overhead/Admin Cost Recovery	-	62,534	62,534	58,767	
Total Reimbursements		-	62,534	62,534	58,767	-6%
Miscellaneous Revenue						
3998	Miscellaneous Revenue	184	-	-	-	0%
Total Miscellaneous Revenue		184	-	-	-	
Total City Council Revenue		\$ 184	\$ 62,534	\$ 62,534	\$ 58,767	-6%

Expenditure Line Item Detail

Fund #110	Account	Category	FY 2018/19
Department: 4110	Detail	Detail	Adopted Budget
Personnel Costs			
	Salaries & Wages, Regular		\$ 26,626
	Employee Benefits		90,908
Total Personnel Costs			\$ 117,534
Materials & Services			
110-4110-0366	Training/Travel Reimbursement		4,000
110-4110-0371	Meetings/City Business		4,000
Total Material & Services			8,000
Total - City Council			\$ 135,534

ADMINISTRATION DEPARTMENT



AUTHORIZED FTE	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Administration Department	5	4.8	4.8	6	6	6	6.5	7	7

Note: The Technology Support Technician and the part-time Audio-Visual Technician positions are budgeted in Technology Maintenance & Replacement Internal Service Fund.

The City's Administration includes the City Attorney, City Manager, and the Administrative Services Department. Each entity contributes to the professional leadership of the organization, implementation of City Council policy objectives, and administration of City services and programs. The City's Administration works closely and provides support to other City departments with the goals of ensuring the professional delivery of quality public services; an efficient, responsive, and accountable government; fiscal stability; economic vitality; quality of life; and effective citizen engagement.

SUMMARY OF SERVICES

The City's Administration is a General Government support function. In addition to the City Manager and City Attorney, the City's Administration is comprised of the Administrative Services Department which has seven full-time staff members: Administrative Services Director, City Clerk, Human Resources Technician, Administrative Assistant, Systems Analyst - Lead and Systems Technician. The Administration budget includes appropriations for the City Manager, the City Attorney (a contracted position), and the Administrative Services Department. Funding for the Systems Analyst – Lead and the Systems Technician is presented in the City's Technology Maintenance & Replacement Internal Service Fund.

Fort Bragg has a Council-Manager form of government. The Council works collaboratively to set key City policies and priorities, pass ordinances, approve new projects and programs, and adopt the annual budget. The City Manager is responsible for day-to-day administration, including implementing Council policies, advising the Council and making professional recommendations on Council decisions, formulating the budget, and ensuring sound and effective management of City staff and resources.

The City contracts with Jones & Mayer, a firm specializing in municipal law, for City Attorney services. The City Attorney is appointed by the City Council. The City Attorney provides professional legal services to the City Council, the City Manager, the departments of the City, and the Planning Commission. Services include attending public meetings, providing legal opinions, reviewing and drafting legal documents and contracts, providing advice regarding public officials' conflicts of interest, providing advice regarding personnel and labor law issues, leading negotiations on behalf of the City Council with the City's represented employee groups and representing the City in litigation and before courts and administrative agencies. The City Attorney assigns legal work to various specialists in the firm or to outside counsel, as needed.

The Administrative Services Department is responsible for a wide array of administrative services including: technology infrastructure development and management; administration of the Public, Education and Government channel; employee/labor relations; contract negotiations; personnel and administrative policies and regulations; employee benefits administration; personnel recruitment and retention; employee classification, compensation and evaluations; risk management; assistance with budget preparation and monitoring; preparing agenda packets and maintaining official records; responding to public records requests; monitoring compliance with Fair Political Practices Commission requirements; preparing ordinances for codification; maintaining the City's official website and social media pages; maintaining updates to the Fort Bragg Municipal Code; monitoring the City's safety programs and protocols; and assisting the City Manager and other departments on an as-needed basis.

STRATEGIC GOALS AND OBJECTIVES

- Exercise overall responsibility for sound and effective management by City government. Recommend administrative, fiscal and operational policies to the City Council to improve the efficiency and effectiveness of the City's operations.
- Ensure items prepared for placement on the City Council's agenda are complete and sufficient for Council decision-making, and make appropriate recommendations on each item.
- Implement the City Council's goals and objectives by assuring that the actions and programs necessary to achieve the Council's priorities are integrated into the day-to-day work programs of City departments.
- Ensure that sound fiscal management policies are implemented throughout the organization.
- Direct administration of City personnel policies and administrative procedures including employee recruitment, retention, examination, appointment and dismissal.
- Encourage the professional development and training of all employees in order to develop competency to perform in accordance with the values of leadership, performance excellence, team building and customer service.
- Monitor and work with other City Departments to ensure the City's safety programs are deployed and compliant with requirements.
- Provide responsive, forward thinking technology services to the City's departments and secure and stable access to electronic communication, archives and documents.
- Ensure that the City is prepared for natural, civil and other emergencies and disaster by coordinating planning, training and emergency operations drills.

FY 2017/18 TOP ACCOMPLISHMENTS

- Monitored the City's financial stability including close monitoring of revenues and expenditures.
- Successfully maintained and expanded a free, reliable public Wi-Fi network in the Central Business District.
- Significantly increased social media and website activity with the goal of increasing overall civic engagement with the City's programs and initiatives.
- Responsible for PEG-TV scheduling, broadcasting and implementation of a PEG Community Advisory Committee.
- Implemented and administered a Tech Committee – an ad hoc committee of the City Council
- Supported the City Council and other City departments in the update of several ordinances including Storm drain fee calculations update; alcoholic beverage in parks policy; building and construction code update; Social Host Ordinance update; utility bill delinquency amendment; electric vehicle charging station parking.
- Conducted recruitments for 11 staff positions, including Engineering Technician, Administrative Assistant – Community Development, Planning Technician, City Manager, Police Officer, Community Service Officer, Finance Technician II, Finance Technician III, Seasonal Maintenance Workers, and Temporary Parking Enforcement Attendant.
- Assisted in City Attorney Request for Proposal, interview process and contract development and approval.
- Hosted NorCal HR Director's conference in Fort Bragg in Fall 2017 thereby promoting Fort Bragg as a destination for both business and pleasure.
- Processed three retirements of long-serving employees in Finance, Community Development and City Manager. Retirements resulted in promotion of Associate Planner to Special Projects Manager and Planning Technician to Assistant Planner.
- Implemented REMIF's employee health benefit program.
- Completed negotiations with both the Fort Bragg Police Association and the Fort Bragg Employee Organization.
- Completed Annual Police Salary Survey.
- Coordinated safety training and compliance process including a full update to the City's Illness and Injury Prevention Program as well as several other required safety policies.
- Continued to update the City's Emergency Operations Plan to ensure both relevancy and accuracy.
- Coordinated various on-site vendor visits to enhance employees' understanding and use of the many benefits and programs available to them.
- Administered and negotiated City's purchase of private water line in Casey subdivision
- Supported the Mayor's "Monday Mornings with the Mayor" meetings by streaming on Facebook Live.
- Continue to provide support in the development of the marketing plan and related activities.
- Helped coordinate installation of four Electric Vehicle Charging Stations in two City parking lots.
- Revised and updated the City's six basic contract templates to be used citywide.
- Assisted the Mendocino Coast Recreation and Park District in oversight of C.V. Starr Center operations.
- Provided staff support to the Bee City USA subcommittee.
- Created new Master File Index system
- Prepared and published 23 regular and 33 special City Council meeting (56 total!) in 2017.
- Participated on REMIF Board and HealthCare Committee
- Assisted in organization of annual Fireworks

PERFORMANCE/WORKLOAD MEASURES

INDICATORS	FY16	FY17
HUMAN RESOURCE		
Number of job posting	18	10
Number of applications received and reviewed	183	110
Open Enrollment compliance and Meetings held	95% - 3	95% - 3
Number of new hires	15	10
Safety Meetings	4	4
CITY CLERK		
Ordinances processed	7	9
Resolutions processed	118	95
Contracts processed	74	91
City council meeting Agenda packets published	46	52
Public Records requests processed	79	145
IT		
Total Help Desk requests received	557	347
Virus Alerts	37	48
Servers supported (Inc. Wi-Fi controllers, Network Security)	18	20
Network Devices supported	234	246
WEBSITE/SOCIAL MEDIA		
Website Visits	-	10,000/month
Social Media Followers (Facebook/Instagram)	2,328/400	3,946/1,857

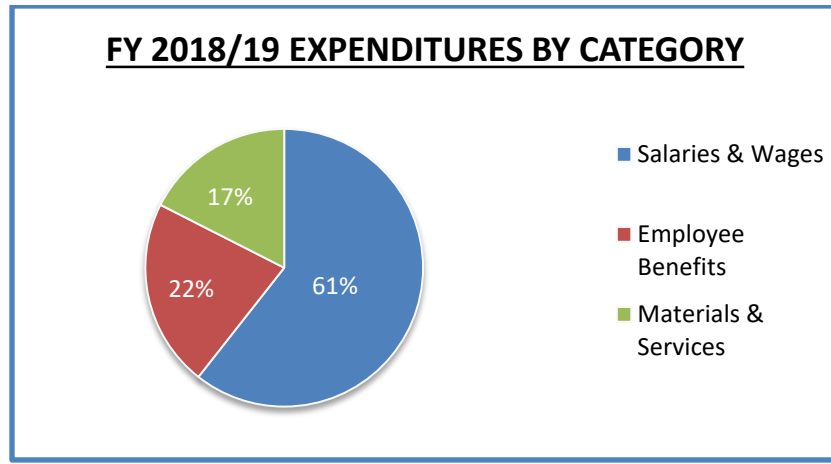
FY 2018/19 TOP PRIORITIES

- Exercise overall responsibility for sound and effective City government. Recommend administrative, fiscal and operational policies to the City Council to improve the efficiency and effectiveness of the City's operations.
- Implement the City Council's goals and objectives by ensuring that actions and programs necessary to achieve the Council's priorities are integrated into the day-to-day work programs of City departments.
- Direct the administration of City personnel policies and procedures including recruitment, examination, appointment and dismissal.
- Monitor the City's safety programs for compliance.
- Encourage the professional development and training of all employees in order to develop competency to perform in accordance with the values of leadership, performance excellence, team building, and customer service.
- Ensure that the City is prepared for potential natural, civil and other emergencies and disasters by coordinating planning, training and emergency operation exercises.
- Expand free, downtown Wi-Fi network in both accessibility and dependency.
- Continue to enhance overall communication channels and effectiveness with the Public including increased social media and website activity.
- Provide support and assistance to Community Development Department for the City's marketing and promotion efforts.
- Be role models for ethical, honest and accountable behavior and practices.
- Increase public participation and overall programming of the PEG-TV channels.
- Redesign of the City's website to enhance public participation in City activities.
- Complete negotiations with the Fort Bragg Police Association, Fort Bragg Employee Organization and unrepresented employees (agreements expire June 30, 2018).
- Organize a citywide "Trail Celebration" on the now complete coastal trail.
- Assist new City Manager with other projects and tasks, as assigned.

BUDGET OVERVIEW

The FY 2018/19 budget for the Administration department is approximately \$820k, a decrease of \$202k (20%) from the FY 2017/18 projected year-end total. This decrease is attributed to the FY 2017/18 budget amendment severance payout to the former City Manager. Non-Personnel Services also saw a decrease of \$39k owing mostly to reduction in department expenditures for Recruitment and Training/Travel budget.

Administration revenue will increase by 1% owing to the increase in Training & Travel Reimbursements the department is expected to receive.



ADMINISTRATION - DEPARTMENTAL BUDGET SUMMARY

FUND 110

DEPARTMENT: 4130

Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
Expenditure:					
Personnel Services	\$ 625,308	\$ 641,261	\$ 743,823	\$ 640,596	-14%
Non-Personnel Services	167,485	231,158	217,908	179,310	-18%
Total Departmental Expenditure	792,793	872,419	961,731	819,906	-15%
Revenue:					
Charges for services	-	-	782	700	-10%
Miscellaneous Revenue	76,570	-	12,488	12,300	-2%
Reimbursements	683	-	224,949	227,319	1%
Total Departmental Revenue	77,252	-	238,219	240,319	1%
Net Expenditure	(715,541)	(872,419)	(723,512)	(579,587)	-20%

BUDGET EXPENDITURE DETAIL:

Fund #110

Department: 4130

Object	Description	FY 2017/18		17/18 FYE Projected	FY 2018/19		% + /-
		FY 2016/17 Audited	Amended Budget		Adopted Budget		
0100	Salaries & Wages	\$ 441,903	\$ 452,510	\$ 560,297	\$ 470,627		-16%
0200	Employee Benefits	183,405	188,751	183,526	169,969		-7%
	Personnel Services	625,308	641,261	743,823	640,596		-14%
0311	Legal	111,375	150,000	137,000	135,000		-1%
0316	Pre-Employment Costs	13,359	12,000	9,000	9,000		0%
0317	Recruitment Costs	11,520	42,000	42,000	7,000		-83%
0319	Professional Services	1,100	-	-	5,000		100%
0320	Dues & Memberships	2,775	3,768	3,768	3,510		-7%
0363	Advertising & Publishing	117	-	-	-		0%
0364	Legal Notices	2,576	3,000	3,000	3,000		0%
0366	Training/Travel Reimbursement	23,305	18,640	20,640	14,950		-28%
0375	General Supplies	36	-	-	-		0%
0371	Meetings/City Business	668	750	750	600		-20%
0741	Machinery & Equipment	470	-	-	-		0%
0376	Medical/Safety Supplies	23	-	-	-		0%
0381	Small Tools & Equipment	-	750	1,500	1,000		100%
0384	Books & Subscriptions	162	250	250	250		0%
	Non-Personnel Services	167,485	231,158	217,908	179,310		-18%
Total - Administration Expenditure		\$ 792,793	\$ 872,419	\$ 961,731	\$ 819,906		-15%

BUDGET REVENUE DETAIL:

Fund #110

Department: 4130

Object	Description	FY 2017/18		17/18 FYE Projected	FY 2018/19		% + /-
		FY 2016/17 Audited	Amended Budget		Adopted Budget		
Charges for Services							
3419	Document Copies	-	-	782	700		-10%
	Total Charges for Services	-	-	782	700		-10%
Reimbursements							
3201	Training Reimbursements	683	-	5,073	9,500		87%
3499	Overhead/Admin Cost Recovery	-	-	219,876	217,819		-1%
	Total Reimbursements	683	-	224,949	227,319		1%
Miscellaneous Revenue							
3998	Miscellaneous Fines	76,570	-	3,288	2,300		-30%
3905	Rents & Concession	-	-	9,200	10,000		9%
	Total Miscellaneous Revenues	76,570	-	12,488	12,300		-2%
Total - Administration Revenue		\$ 77,252	\$ -	\$ 238,219	\$ 240,319		1%

DEPARTMENT DETAILS – ADMINISTRATION

Line Item Detail			FY 2018/19
Fund #110		Account	Category
Department: 4130		Detail	Adopted Budget

Personnel Costs

Salaries & Wages, Regular	\$	470,627	
Employee Benefits		169,969	
Total Personnel Costs			\$ 640,596

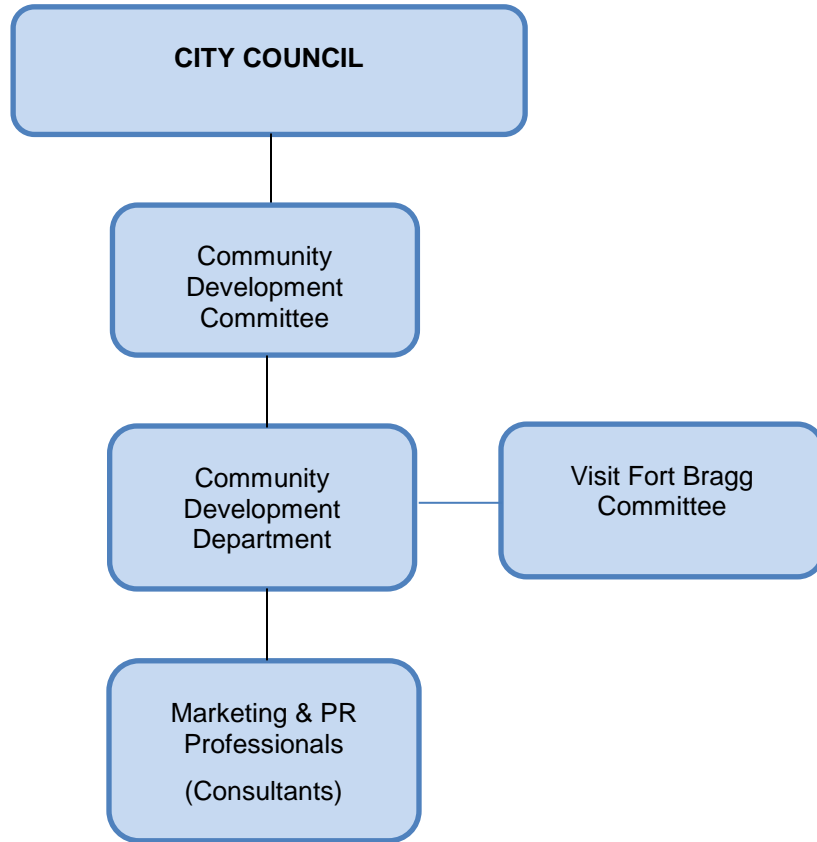
Materials & Services

110-4130-0311 City Attorney Services			135,000
110-4130-0316 Pre-Employment Costs			9,000
Live Scan	\$	500	
Occu-Med		7,500	
Polygraph & Background		1,000	
		9,000	
110-4130-0317 Recruitment Costs			7,000
110-4130-0319 Professional Services			5,000
110-4130-0320 Dues & Memberships			3,510
CalPELRA (HR)		700	
CCAC (CC)		90	
CMF (CM)		400	
CPA (CM)		75	
ICMA (CM)		1,200	
IIMC (CC)		600	
IPMA-HR (HR)		325	
Notary Public (CC)		120	
		3,510	
110-4130-0364 Legal Notices			3,000
110-4130-0366 Training/Travel Reimbursement			14,950
CAJPA (ASD) (REMIF reimburses)		3,200	
CalPELRA (ASD, HR) (REMIF reimbui		3,500	
CCAC New Laws & Elections (CC)		1,600	
CMF New City Manager Seminar (CM)		1,500	
LOCC Conferences (CM)		1,800	
NCCIPMA-HR (HR)		750	
NORCAL Consortium (ASD)		800	
PARMA (ASD) (REMIF reimburses)		1,800	
		14,950	
110-4130-0371 Meetings/City Business			600
110-4130-0381 Small Tools & Equipment			1,000
110-4130-0384 Books & Subscriptions			250
Total Material & Services			179,310

Total - Administration Expenditure			\$ 819,906
---	--	--	-------------------



Fort Bragg Tourism Marketing & Promotions



Note: In the 4th quarter of FY 2016/17, a 2% increase in the City's Transient Occupancy Tax (TOT) was implemented in accordance with the voter-approved Measure AA. Consistent with the companion advisory measure (Measure AB), one-half of the new proceeds are dedicated to marketing Fort Bragg as a visitor destination.

Fort Bragg Tourism Marketing & Promotion

Promote Fort Bragg's vibrant tourism economy; strengthen the Fort Bragg tourism experience; and Increase Transient Occupancy Tax and Sales tax revenues.

The Community Development Department will oversee implementation of Fort Bragg's new Visit Fort Bragg/Marketing & Promotion Plan which will substantially increase the City's marketing and promotions efforts with funding from increased Transient Occupancy Tax (TOT) revenues per the recently-approved Measures AA and AB. The draft Marketing & Promotion Plan includes the following primary tasks which will be undertaken through contracts with consultants and partner agencies:

- Branding
- Advertising
- Public Relations & Media Outreach
- Website Development
- Interactive & Social Media Marketing
- Collateral & Visitor Information
- Content Development (word/photo/video)
- Special Events

Community Development Department staff will take the lead in implementing the following components of the Plan:

- Project & Contract Management
- Coordinate the Visit Fort Bragg Committee
- Tourism Industry Communication
- Leisure Sales & Trade Shows
- Strategic Alliances
- Performance Evaluation & Measurement



BUDGET OVERVIEW

The FY 2018/19 budget for the Tourism Marketing & Promotion effort is \$274k. In November 2016, the citizens of Fort Bragg passed Measure AA which increased the City's TOT rate from 10% to 12%. The citizens advised the City Council through passage of Measure AB that half of the new revenues should be earmarked for increased marketing and promotion of Fort Bragg as a visitor destination.

VISIT FORT BRAGG MARKETING & PROMOTIONS BUDGET SUMMARY

FUND 110

DEPARTMENT: 4321

Description	FY 2016/17 Audited	FY 2016/17 Audited	FY 2017/18 Amended Budget	FY 2018/19 Adopted Budget	% + /-
Expenditure:					
Material and Services	\$ 550	\$ 244,500	\$ 86,525	\$ 274,737	218%
Total Departmental Expenditure	550	244,500	86,525	274,737	218%

BUDGET EXPENDITURE DETAIL:

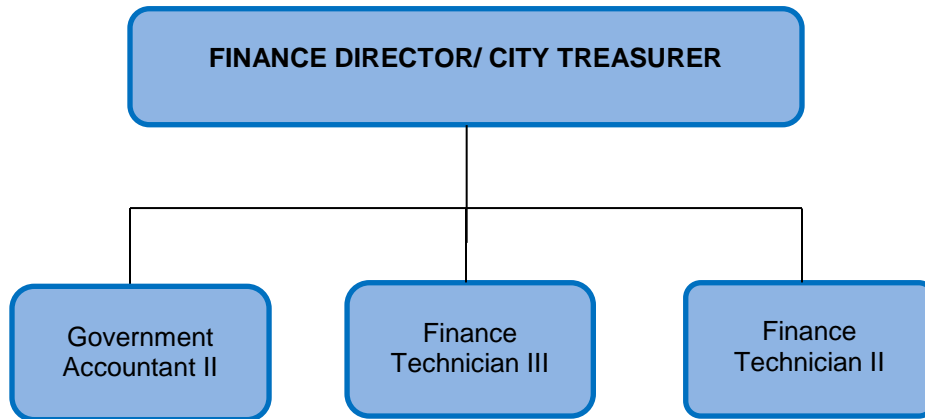
Fund #110

Department: 4321

Object	Description	FY 2016/17 Audited	FY 2016/17 Audited	FY 2017/18 Amended Budget	FY 2018/19 Adopted Budget	% + /-
0319	Professional Services	\$ 550	\$ 226,500	\$ 80,000	\$ 258,437	223%
0320	Dues & Memberships	-	500	-	400	100%
0364	Legal Notices	-	500	-	400	100%
0365	Copying/Printing	-	10,000	5,000	5,000	0%
0366	Training/Travel Reimbursement	-	3,000	-	2,500	100%
0371	Meetings/City Business	-	1,500	750	1,500	100%
0381	Small Tools & Equipment	-	2,300	575	6,000	943%
0384	Books & Subscription	-	200	200	500	150%
0619	Miscellaneous	-	-	-	5,000	100%
Total Marketing & Promotion Budget		\$ 550	\$ 244,500	\$ 86,525	\$ 274,737	218%



FINANCE DEPARTMENT



AUTHORIZED FTE	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Finance Department	5	4	4	4	4	4	4	4	4

The Finance Department is responsible for maintaining the financial integrity of the City by providing oversight to the City’s fiscal management; maintaining accurate fiscal records and reports; and providing advice regarding fiscal policies and transactions.

SUMMARY OF SERVICES

The Finance Department is a General Government support function. The Department has four full-time staff members: the Finance Director, one Government Accountant, and two Finance Technicians.

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, 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 preparation of a balanced budget and implementation of 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 receipting.
- Accurately bill utility customers and provide friendly and helpful customer service

FY 2017/18 TOP ACCOMPLISHMENTS

- Accurately bill utility customers and provide friendly and helpful customer service.
- Received the Government Finance Officers Association Distinguished Budget Presentation Award for the FY2017/18 budget.
- Produced Comprehensive Annual Financial Report (CAFR) in-house.
- No Audit findings on internal control weaknesses. Audit findings are auditor observations during internal control testing that do not entirely conform to best practices for internal controls.
- Develop & Coordinate the review of the City's Fee Schedule-FY18
- Worked closely with Public Works and Administrative Services to improve the City's long term capital, maintenance and related financial planning.
- Cross-training for staff to improve work flow and ensure staff coverage across all departmental functions.
- Improved the City budget by accounting for and presenting revenues generated by each department in the departmental summaries, expanded CIP Presentation, developed Budget in Brief summary.
- Successfully implemented Utility Billing Due date change from the end of the month to the 3rd of the following month as directed by Council.
- Made Improvements to Business Licenses renewals process.
- Develop and implement continuing education plan for Finance staff.
- Achieved processing of accounts payable consistently every Friday (excluding holiday weeks). Enforced weekly cutoff of invoice submission to Finance (Wednesdays at noon).

PERFORMANCE/WORKLOAD MEASURES

INDICATORS	FY16	FY17
BUDGET/CAFR/AUDIT		
Receive GFOA Distinguished Budget award	Yes	Yes
Receive GFOA Award for Excellence in Financial Reporting	Yes	Yes
CAFR prepared in-house	No	Yes
Audit Findings	Nil	Nil

REVENUE COLLECTION & UTILITY BILLING		
Water/Sewer Accounts	2,806/3,135	2,824/3,271
Total Amount Billed(Water/Sewer)	\$2.5m/\$3.3m	\$2.6m/\$3.3m
% of Utility payments processed through external automated/electronic process (Ebox,lockbox,ACH/CC)	-	63%
Business licenses renewals issued	868	883
% of business licenses processed within 30 days	100%	100%
Avg. Monthly Counter Payments received	-	750
Avg. Monthly Water Delinquent Notices	480	509
Avg. Monthly Number of Turn Off's – Non Payment	45	34

ACCOUNTS PAYABLE/PAYROLL		
Average days for Invoices to be Paid (turned into Finance)	3 days	2 days
% of Staff cross-trained in Payroll process	25%	75%
% of Staff cross-trained in AP process	50%	100%
% of employees signed up for direct deposit	98%	94%

FY 2018/19 TOP PRIORITIES

- Complete Comprehensive Annual Financial Report in-house by December 31, 2018.
- Assist City Manager and City Council in the establishment of new and/or enhanced revenue sources.
- Develop new Cost Allocation Plan to be implemented with the FY19-20 budget.
- Continue developing annual long term planning and forecasting document and presentation.
- Implement IVR pay by phone system for the convenience of the City’s utility customers as well as increased efficiency for the department.
- Implement Fiscal Policy aimed at reducing the City’s unfunded pension liability.
- Maintain continuing education plan for Finance staff.
- Train and mentor staff to support professional advancement.
- Increase departmental meetings and team-building activities.

BUDGET OVERVIEW

The FY 2018/19 adopted budget for the Finance Department is \$471k, a decrease of \$21k or 5% over the projected year-end total for FY 2017/18. The departmental budget decrease is due to the Govt Accountant I retiree payout costs incurred in FY 2017/18.

In FY 2018/19, a \$6k cost has been budgeted for a armored car service for daily bank deposits.

FINANCE DEPARTMENTAL BUDGET SUMMARY

FUND 110

DEPARTMENT: 4150

Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
Expenditure					
Personnel Services	\$ 392,817	\$ 459,570	\$ 456,726	\$ 421,360	-8%
Non-Personnel Services	41,665	40,564	36,866	49,672	35%
Total Departmental Expenditure	434,482	500,134	493,592	471,032	-5%
Revenue					
Charges for services	-	1,600	1,877	1,600	-15%
Reimbursements	-	303,912	303,912	276,441	-9%
Licenses & Permits	-	65,679	65,679	70,933	8%
Fines & Forfeitures	(940)	1,000	500	1,000	100%
Total Departmental Revenue	(940)	372,191	371,968	349,973	-6%
Net Expenditure	\$ (435,422)	\$ (127,944)	\$ (121,624)	\$ (121,059)	0%

BUDGET EXPENDITURE DETAIL:

Fund #110

Department: 4150

Object	Description	FY 2017/18			FY 2018/19	% + /-
		FY 2016/17 Audited	Amended Budget	17/18 FYE Projected	Adopted Budget	
0100	Salaries & Wages	\$ 280,593	\$ 331,175	\$ 331,439	\$ 300,710	-9.3%
0200	Employee Benefits	112,224	128,395	125,287	120,651	-4%
	Personnel Services	392,817	459,570	456,726	421,360	-8%
0312	Auditing & Accounting	26,328	24,714	23,660	13,282	-44%
0319	Professional Services	8,558	8,200	7,765	30,000	286%
0320	Dues & Memberships	825	600	825	600	-27%
0364	Legal Notices	268	800	442	600	36%
0366	Training/Travel Reimbursement	4,983	6,000	4,000	5,000	25%
0381	Small Tools & Equipment	703	150	173	190	10%
	Non-Personnel Services	41,665	40,564	36,866	49,672	35%
	Total Finance Expenditure	\$ 434,482	\$ 500,134	\$ 493,592	\$ 471,032	-5%

BUDGET REVENUE DETAIL:

Fund #110

Department: 4150

Object	Description	FY 2017/18			FY 2018/19	% + /-
		FY 2016/17 Audited	Amended Budget	17/18 FYE Projected	Adopted Budget	
	Charges for Services					
3711	Return Check Fee	\$ -	\$ 1,600	\$ 1,877	\$ 1,600	
	Total Charges for Services	-	1,600	1,877	1,600	-15%
	Reimbursements					
3499	Overhead/Admin Cost Recovery	-	303,912	303,912	276,441	
	Total Reimbursements	-	303,912	303,912	276,441	100%
	Licenses & Permits					
3701	Business License Fee	-	65,679	65,679	70,933	
	Total Licenses & Permits	-	65,679	65,679	70,933	8%
	Fines & Forfeitures					
3519	Miscellaneous Fines	(940)	1,000	500	1,000	
	Total Fines & Forfeitures	(940)	1,000	500	1,000	100%
	Total Finance Revenue	\$ (940)	\$ 372,191	\$ 371,968	\$ 349,973	-6%

Line Item Detail

Fund #110 Department: 4150	Account Detail	Category Detail	FY 2018/19 Adopted Budget
-------------------------------	-------------------	--------------------	---------------------------------

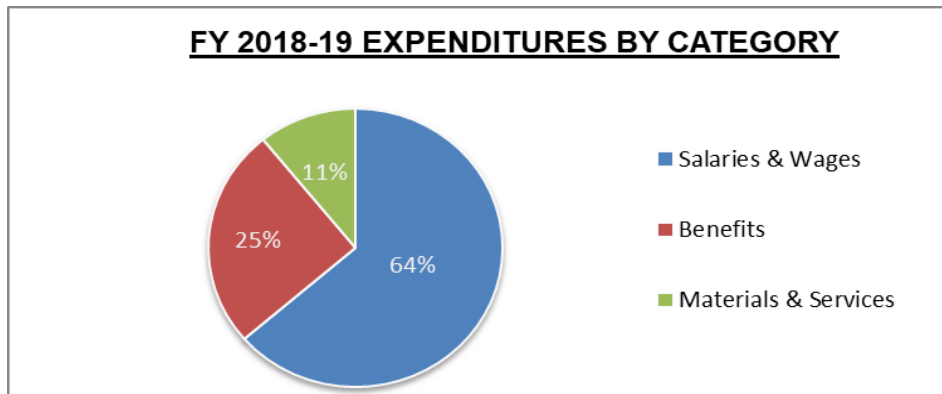
Personnel Costs

Salaries & Wages	\$ 300,710	
Employee Benefits	120,651	
Total Personnel Costs	\$ 421,360	

Materials & Services

110-4150-0312	Auditing & Accounting		13,282	
110-4150-0319	Professional Services		30,000	
	Armored Car Service	\$ 6,000		
	Banking Fees	14,600		
	Sales tax audit and analysis	2,500		
	Statistics for CAFR (MuniServices)	2,500		
	State Controllers Office - street repor	2,000		
	Filing For SB90 claims	2,400		
		<u>30,000</u>		
110-4150-0320	Dues & Memberships		600	
	GFOA	350		
	CSMFO	250		
		<u>600</u>		
110-4150-0364	Legal Notices		600	
110-4150-0366	Training/Travel Reimbursement		5,000	
110-4150-0381	Small Tools & Equipment		190	
	Total Material & Services		49,672	

Total - Finance Department \$ 471,032





NON-DEPARTMENTAL

The purpose of the Non-Departmental budget category is to record expenditures not associated with a specific department of the City.

SUMMARY OF SERVICES

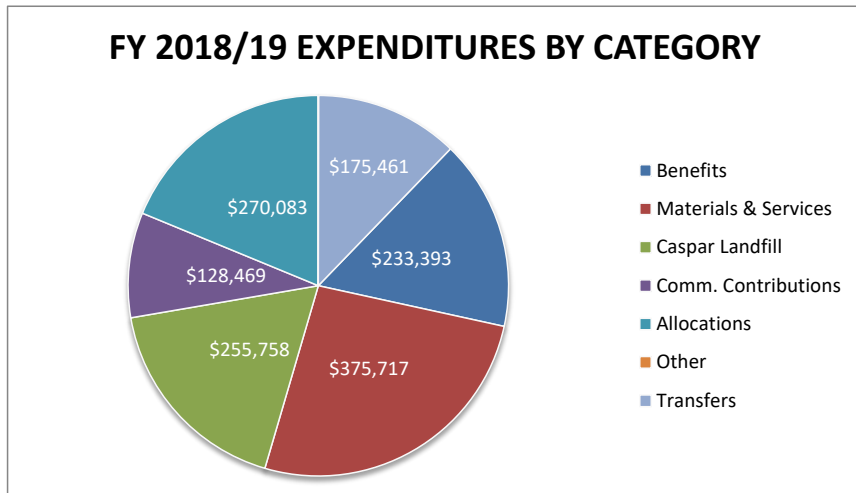
The following expenses are included in the Non-Departmental budget: costs associated with the City’s support of two Community Organizations: Public Education and Government (PEG) television services; Caspar Landfill closure and Caspar Transfer Station costs; retiree health benefits; liability and property 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 is undertaken annually and budgeted cost allocations are adjusted accordingly.

BUDGET OVERVIEW

The FY 2018/19 budget for City-Wide Non-Departmental (excluding transfers out) is \$1.3M, a decrease of \$126k or 9% compared to the FY 2017/18 projected total.

The decrease is attributed to the “Other Post-Employment Benefits” (OPEB), In FY2017/18 the recommended prefunding payment was \$215k while in FY2018/19 the recommended prefunding payment is \$83k. Furthermore, the City’s Finance and Administration Committee has recommended making OPEB prefunding payments from realized year-end surpluses rather than budgeting for them. Therefore, the FY2018/19 budget amount for prefunding the City’s OPEB unfunded liability is \$5k, which is the trust fund required minimum

This cost decrease is offset by an Increase in Liability Premium (\$37k) and the School Playing Fields rehabilitation project in connection with Measure AA and Measure AB (\$109k).



NON-DEPARTMENTAL BUDGET SUMMARY

FUND 110

DEPARTMENT: 4190, 4390, 4391, 4915

Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
Intergovernmental	\$ -	\$ 27,500	\$ 30,000	\$ 30,000	0%
Rents and Concessions	-	-	300	600	100%
Total Departmental Revenue	-	27,500	30,300	30,600	1%
Personnel Services	451,664	439,403	436,453	233,393	-47%
Non-Personnel Services	802,987	1,010,147	954,038	1,030,777	8%
Transfers	830,049	136,013	189,696	175,461	-8%
Total Departmental Expenditure	2,084,699	1,585,563	1,580,186	1,439,631	-9%
Net Expenditure	\$ (2,084,699)	\$ (1,558,063)	\$ (1,549,886)	\$ (1,409,031)	-9%

BUDGET EXPENDITURE DETAIL:

Fund #110

Department: 4190, 4390, 4391, 4915

Object	ACCT	Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
0200		Employee Benefits	\$ 451,664	\$ 439,403	\$ 436,453	\$ 233,393	-47%
		Personnel Services	451,664	439,403	436,453	233,393	-47%
		Caspar Landfill & General Fund Debt					
0319	110-4915-0319	Professional Services	23,321	70,000	70,000	70,000	0%
0607	110-4915-0607	Caspar Landfill Property Tax	207	210	218	225	3%
0911	110-4915-0911	Principal	126,509	168,825	168,825	174,556	3%
0912	110-4915-0912	Interest	21,060	16,708	16,708	10,977	-34%
		Total Caspar Landfill & General Fund Debt	171,098	255,743	255,751	255,758	0%
		Community Organization Contributions					
0621	110-4390-0621	Chamber of Commerce	9,268	9,739	-	-	0%
0619		Miscellaneous	17,686	135,013	81,552	121,826	49%
0623	110-4390-0623	PEG TV	30,908	6,115	6,115	6,643	9%
0319	110-4391-0319	Promotion Committee	81,423	-	-	-	0%
		Total Community Organizations	139,285	150,867	87,667	128,469	47%
		City-Wide Costs					
0319	110-4190-0319	Professional Services	64,244	74,126	75,000	37,192	-50%
0322	110-4190-0322	Allocation to Fleet Int Serv Fund	-	17,872	17,872	19,598	10%
0320	110-4190-0320	Dues & Memberships	12,455	12,450	13,258	13,150	-1%
0355	110-4190-0355	Equipment Leases	25,001	28,000	29,295	28,000	-4%
0356	110-4190-0356	Rentals - Equipment & Vehicles	2,156	2,130	3,590	2,500	-30%
0358	110-4190-0358	Liability Premium	128,589	128,284	128,589	166,175	29%
0359	110-4190-0359	Liability Deductible	5,050	5,000	2,550	5,000	96%
0360	110-4190-0360	Property Premium	22,835	24,000	26,971	28,400	5%
0362	110-4190-0362	Telephone & Communication	14,198	14,500	13,890	14,500	4%
0365	110-4190-0365	Copying/Printing Bid Docs	3,566	2,000	2,224	3,100	39%
0371	110-4190-0371	Meetings/City Business	6,826	5,500	4,893	5,500	12%
0372	110-4190-0372	Postage	5,761	6,400	7,494	7,000	-7%
0375	110-4190-0375	General Supplies	12,384	16,200	12,447	13,000	4%
0380	110-4190-0380	Finance Charges	196	-	225	-	-100%
0383	110-4190-0383	Utilities	50,860	47,000	52,237	52,000	0%
0384	110-4190-0384	Books & Subscriptions	299	200	186	200	8%
0396	110-4190-0396	Allocation to IT Int Serv Fund	137,309	219,125	219,126	250,484	14%
0601	110-4190-0601	Direct Liability Claims	500	-	-	-	0%
0619	110-4190-0619	Other Expenditures	375	750	773	750	-3%
		Total City-Wide Costs	492,604	603,537	610,619	646,550	6%
		Non-Personnel Services	802,987	1,010,147	954,038	1,030,777	8%
		Total Non-Departmental before Transfers	1,254,651	1,449,550	1,390,490	1,264,170	-9%
0799	110-7999-0799	Transfers to Other Funds	830,049	136,013	189,696	175,461	-8%
		Total Non-Departmental	\$ 2,084,699	\$ 1,585,563	\$ 1,580,186	\$ 1,439,631	-9%

DEPARTMENT DETAILS – NON-DEPARTMENTAL

Line Item Detail

Fund #110		Account	Category	FY 2018/19
Department: 4190		Detail	Detail	Adopted Budget
Personnel Costs				
110-4190-0224	Retiree Medical Benefits		\$ 218,393	
110-4190-0225	OPEB Funding		5,000	
110-4190-0251	Unemployment Insurance		<u>10,000</u>	
	Total Employee Benefits			\$ 233,393
Materials & Services				
110-4190-0319	Professional Services			37,192
	Alarm monitoring	\$ 18,000		
	City Hall janitorial	1,500		
	Property tax	4,700		
	Document shredding	672		
	OPEB GASB 75 reporting	2,500		
	REMIF safety program	5,020		
	Safety training/Table Top Exercise	4,000		
	GFOA CAFR and Budget Awards	<u>800</u>		
		37,192		
110-4190-0320	Dues & Memberships			13,150
	Bee City USA	150		
	Chamber of Commerce	150		
	California Chamber of Commerce	150		
	LAFCO	7,800		
	League of CA Cities	<u>4,900</u>		
		13,150		
110-4190-0355	Equipment Leases			28,000
110-4190-0358	Liability Premium			166,175
110-4190-0356	Rentals - Equipment & Vehicles			2,500
110-4190-0359	Liability Deductible			5,000
110-4190-0360	Property Premium			28,400
110-4190-0362	Telephone & Communication			14,500
110-4190-0365	Copying/Printing Bid Docs			3,100
110-4190-0371	Meetings/City Business			5,500
	Employee recognition	<u>5,500</u>		
		5,500		
110-4190-0372	Postage			7,000
110-4190-0375	General Supplies			13,000
110-4190-0383	Utilities			52,000
110-4190-0384	Books & Subscriptions			200
	Total Material & Services			\$ 375,717
Other Expenditures				
110-4190-0619	Other Expenditures			750
	Graffiti removal	\$ 750		
		<u>750</u>		
	Total Other Expenditures			\$ 750

(continued, next page)

DEPARTMENT DETAILS – NON-DEPARTMENTAL

Line Item Detail

Fund #110 Department: 4190 - Continued	Account Detail	Category Detail	FY 2018/19 Adopted Budget
Allocations			
110-4190-0322	Fleet Internal Service Fund	\$ 19,598	
110-4190-0396	IT Internal Service Fund	250,484	
Total Allocations			\$ 270,083
Transfers to Other Funds			
110-7999-0799	Transfers to Other Funds	175,461	
Total Transfers to Other Funds			175,461
Total - Non-Departmental			<u>\$ 1,055,404</u>

Line Item Detail

Fund #110 Department: 4915 & 4916	Account Detail	Category Detail	FY 2018/19 Adopted Budget
Other Expenditures			
110-4915-0319	Professional Services	\$ 70,000	
110-4915-0607	Caspar Landfill Property Tax	225	
Total Other Expenditures			\$ 70,225
Debt Service			
External Debt: Caspar Closure			
110-4915-0911	Principal	137,341	
110-4915-0912	Interest	10,228	
Interfund Loan (WW)			
110-4916-0911	Principal	37,215	
110-4916-0912	Interest	749	
Total Debt Service			185,533
Total - Caspar Closure and Transfer Station			<u>\$ 255,758</u>

Line Item Detail

Fund #110	Account	Category	FY 2018/19
Department: 4390 & 4391	Detail	Detail	Adopted Budget

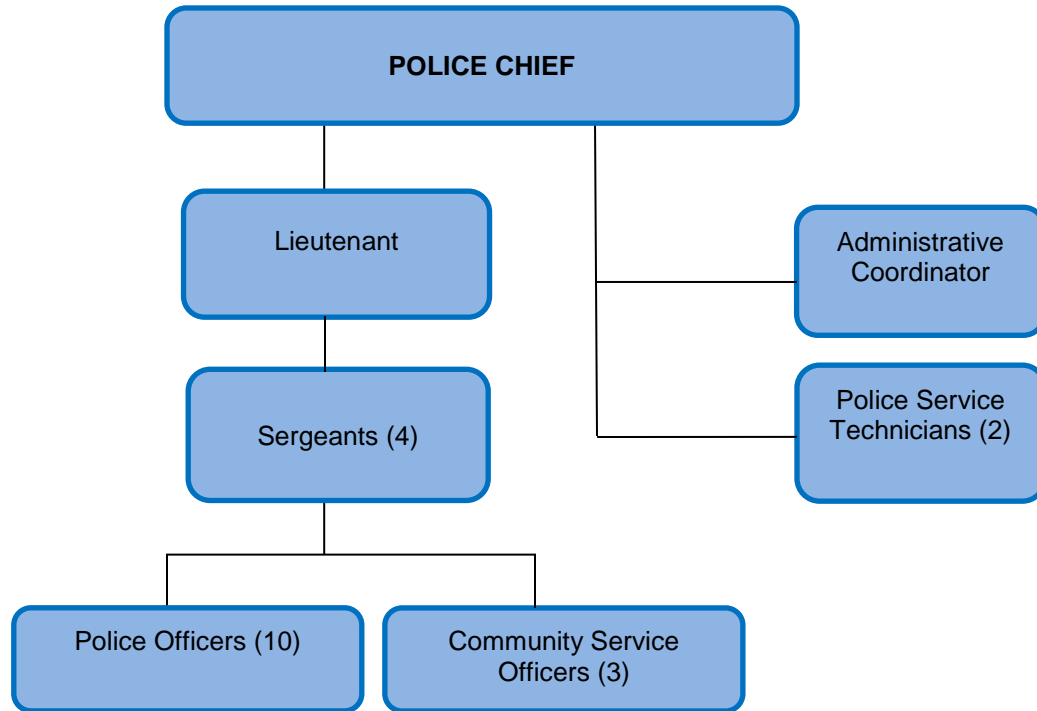
Community Organizations

110-4390-0623 PEG TV*			6,643
110-4390-0619 Community Contributions			121,826
	EDFC	5,000	
	Leadership Mendocino Scholarship	500	
	Otsuchi	1,500	
	<u>Measure: AA Funds</u>		
	Noyo Center Contribution	57,413	
	School Playing Fields Contribution	57,413	
		114,826	

Total - Community Organization Support	\$ 128,469
---	-------------------

*Annual Contribution =50% of Cable Franchise Fees from City (\$17,500) plus \$30,000 from the County of Mendocino less \$40,857 personnel costs

PUBLIC SAFETY – POLICE DEPARTMENT



Note: One Police Officer is assigned to serve on the Mendocino County Major Crimes Task Force.

AUTHORIZED FTE	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Police Department	23	21	21	21	22	22	22	22	22

The Police Department renders front line emergency and non-emergency police services to the community through uniformed police officers and community service officers who provide public safety, investigate crimes and traffic accidents, arrest law violators, enforce traffic and parking regulations and provide a variety of other community-oriented policing services. The Department also provides customer service to the community and supports police operations through the administrative and business offices of the Police Department. These tasks include executive leadership, management and supervision, management of reports, telephone inquiries, statistics, employee training, property and evidence management, fingerprinting and court coordination.

DEPARTMENTAL DESCRIPTION

The Police Department currently functions with four administrative staff consisting of the Chief of Police, Administrative Coordinator and two Police Service Technicians. The operations staff is comprised of a Police Lieutenant, four Sergeants, 10 Police Officers, and three Community Service Officers. One Police Officer is assigned to work with the Mendocino County Major Crimes Task Force.

The Chief and Lieutenant, with the support of the Administrative Coordinator, provide Department personnel with strategic goals and objectives, ensuring adequate staffing and equipment, ensuring training and certification in accordance with California Peace Officers Standards and Training regulations (POST), managing the Department's budget, and providing leadership direction. They also serve as liaisons between the Police Department and other City departments and with community members.

The Police Service Technicians (PSTs) ensure that all police records are kept, filed, released and purged in accordance with applicable laws. They are responsible for numerous State reports and validations; provide Live Scan fingerprinting services to the public; process and forward criminal reports to appropriate agencies; and provide information to the public. They assist the public with a wide variety of inquiries, both over the phone and

in person. One PST is the Department's Property and Evidence Technician who assists with the intake of property for safe-keeping and property held as evidence and oversees the release and purging/destruction of Department property. She is the Department's subpoena clerk and is responsible for all criminal and civil subpoenas received by the Department. The Department's other PST is the Records Supervisor and is responsible for overseeing all records-related activities.

The Department provides public safety services on a 24-hour a day, seven-day a week basis. The Police Officers and Community Service Officers, under the day-to-day supervision of the Sergeants, respond to calls for service, conduct investigations, and write police reports relating to those calls. They also respond to traffic accidents, traffic/parking complaints and animal control issues. They deliver a variety of prevention and awareness information to community members, service organizations and schools.

STRATEGIC GOALS AND OBJECTIVES

- Provide excellent public safety services, education and collaborative partnerships to safeguard both citizens and property.
- Maintain and enhance current service levels while providing continuing attention to employee and organizational development and community problem solving.
- Reach out to local youth through school presentations and youth programs.
- Continue to work with Neighborhood Watch to enhance communication and address needs in our community.
- Continue to educate the public on gang-related and criminal activity and prevention and provide support for CGAP (Coalition for Gang Awareness and Prevention).
- Provide mandated services for general law enforcement, code administration and emergency response.



FY 2017/18 TOP ACCOMPLISHMENTS

- One of our Sergeants successfully completed the distinguished Supervisory Leadership Institute course given by POST.
- One of our Officers completed the Mendocino Leadership Development Course for Senior officers within the County.
- Piloted the use of new technology that monitors speeds on streets throughout the City to better focus traffic enforcement efforts.
- Increased our presence in the Central Business District by use of Foot Patrols and Bike Patrols.
- Utilized our Cadets for numerous community events and throughout the City representing the Department. Three Cadets received their Cadet Badges and official Department Call Sign Designations.
- Provided training necessary to certify the Community Emergency Response Team (CERT) in Fort Bragg.
- Continued to increase community awareness on a variety of issues including traffic safety and traffic enforcement in and around our schools. Identified patterns of crimes and worked with community partnerships for prevention through informational pamphlets and probation/parole gang compliance checks on local offenders.
- Continued to collaborate with Community Based Organizations and other City Departments to define effective ways to address issues related to the local homeless population which impact public safety, emergency services, personal well-being and the quality of life in our community.
- Continued to foster a strong relationship with the Mendocino County District Attorney's Office which, in turn, has committed time and resources to assist the Department with criminal prosecutions.
- Provided successful operational oversight of a multitude of specialty events including the Fourth of July Fireworks, the Holiday Lights Parade, Paul Bunyan Days weekend and the Whale Festival.
- Continued to work with local school district and the Coalition for Gang Awareness and Prevention (CGAP) on creative ways to prevent alcohol and drug use from impacting youth and young adults in our community.
- Partnered with CGAP and the Mendocino County Youth Project on anti-gang efforts such as Day in the Park events.
- Revamped the Police Officer Recruitment pamphlet used by the City to attract candidates.



Police K9 Maverick



Sergeant Kendl and Chief Lizarraga
Supervisory Leadership Institute Graduation

PERFORMANCE/WORKLOAD MEASURES

INDICATORS	FY16	FY17
PUBLIC SAFETY		
Calls for Service	14,731	14,494
Crime Reports	1,487	1,534
Parking Citations	813	918
Bookings	587	732
DUI	42	39
Field Interviews	259	346
Traffic Accidents	183	147
Number of Community Interaction events	11	11
Leadership Team development	1	1
# of Cadets	-	9

FY 2018/19 TOP PRIORITIES

- Obtain the use of pole cameras to monitor both, homeless issues and gang activity within City boundaries.
- Establish a “rest stop” at the Mendocino Coast Hospitality Center on Franklin Street to increase officer interactions with homeless people.
- Find “housing” for OHV’s and E-Motorcycles to protect them from the elements.
- Consider establishing a Detective position for more timely and thorough felony investigations.
- Partner with Fort Bragg Unified School District to seek grant funding for re-establishing a School Resource Officer (SRO) position.
- Continue to develop the skills of support staff, officers, and supervisors through training, employee development, coaching and mentoring and continue to train Department supervisors and line officers to be future leaders within the Police Department.
- Continue proactive enforcement efforts on drug and gang-related criminal activity and continue the Department’s involvement in and support of CGAP (Coalition for Gang Awareness and Prevention).
- Continue to be proactive in addressing issues relating to transients in commercial districts and City parks.
- Continue to assign a full time officer to the Mendocino County Major Crimes Task Force to assist with narcotics investigations and major crime cases.
- Continue to work collaboratively with the schools and service agencies to address crime prevention and public safety issues such as Active Shooter training.
- Implement full and regular use of Body Worn Cameras by all field personnel.
- Continue to proactively address public safety issues on the new Coastal Trail and coordinate with other City departments on adaptive management strategies.
- Update the Department Policy Manual, Training Plan and General Orders.
- Continue to explore prisoner transport service options such as contract, retired officers, reserve officers and working with MCSO.
- Continue to work collaboratively with county-wide law enforcement agencies.



Officer Breyer

BUDGET OVERVIEW

The FY 2018/19 budget for the Police Department is \$3.8M, a 2% increase from the projected FY 2017/18 total of \$3.7M primarily due to merit increase for department personnel. Additionally, \$26k have been budgeted for the K9 Program which cannot be funded by the discretionary Asset Forfeiture Funds any longer. These cost have been offset by reduction in department budget expenditures for Training/Travel and small tools and equipment.

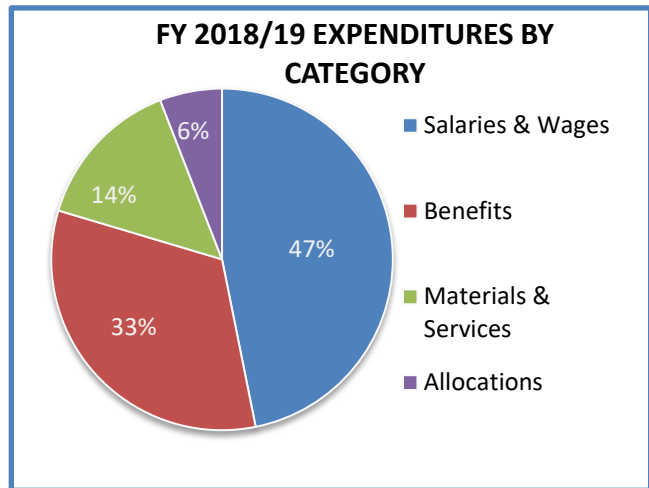
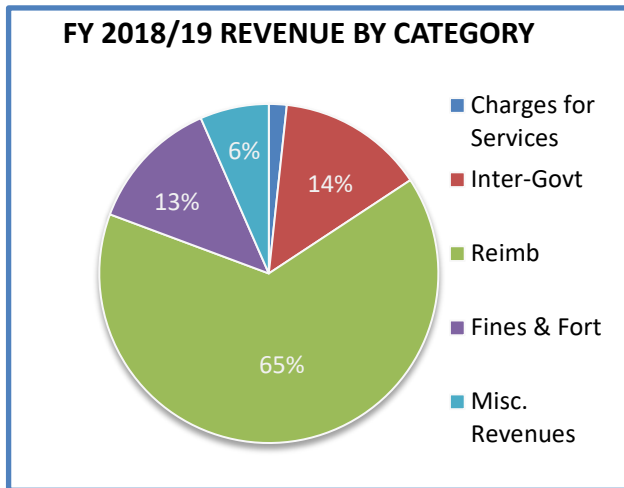
Department Revenues are estimated to increase by 49% due to the increase in Staff Time Reimbursements (\$47k) and Fines & Forfeitures due to rate increases.

POLICE DEPARTMENTAL BUDGET SUMMARY

FUND 110

DEPARTMENT: 4200

Description	FY 2017/18		17/18 FYE Projected	FY 2018/19		% + /-
	FY 2016/17 Audited	Amended Budget		Adopted Budget		
Revenue						
Charges for services	\$ 36,783	\$ 30,000	\$ 2,972	\$ 5,000	68%	
Intergovernmental	-	17,000	15,719	41,200	100%	
Reimbursements	-	230,000	144,442	190,850	32%	
Fines & Forfeitures	-	-	18,972	37,500	98%	
Miscellaneous Revenue	42,642	11,000	14,477	19,300	33%	
Total Departmental Revenue	79,426	288,000	196,583	293,850	49%	
Expenditure						
Personnel Services	2,825,497	2,865,158	2,887,322	2,977,206	3%	
Non-Personnel Services	652,981	818,753	788,452	788,049	0%	
Total Departmental Expenditure	3,478,478	3,683,911	3,675,774	3,765,255	2%	
Net Expenditure	\$ (3,399,052)	\$ (3,395,911)	\$ (3,479,191)	\$ (3,471,405)	0%	



DEPARTMENT DETAILS – PUBLIC SAFETY

BUDGET EXPENDITURE DETAIL:

Fund #110

Department: 4200

Object	Description	FY 2017/18			FY 2018/19	% + /-
		FY 2016/17 Audited	Amended Budget	17/18 FYE Projected	Adopted Budget	
0101	Salaries & Wages, Regular	1,431,652	1,531,127	1,482,728	1,550,437	5%
0102	Overtime	114,849	57,344	89,029	57,390	-36%
0103	Comp Time Payout	70,478	20,000	53,906	20,000	-63%
0104	Vacation Payout	897	7,507	7,929	7,657	100%
0105	Sick Leave Payout	-	-	2,798	-	0%
0106	Holiday Pay	72,801	84,823	80,098	77,874	-3%
0109	Other Pay	33,181	34,139	40,811	38,275	-6%
0100	Salaries & Wages	\$ 1,723,858	\$ 1,734,939	\$ 1,757,299	\$ 1,751,634	-0.3%
0200	Employee Benefits	1,101,640	1,130,219	1,130,023	1,225,572	8%
	Personnel Services	2,825,497	2,865,158	2,887,322	2,977,206	3%
0313	Laboratory	1,511	2,000	1,800	1,500	-17%
0314	Animal Care & Control	28,875	58,500	31,500	31,500	0%
0318	Investigative Medical Serv	-	5,000	12	3,000	24390%
0319	Professional Services	360,902	379,260	35,631	28,461	-20%
0320	Dues & Memberships	676	1,000	600	1,000	67%
0322	Fleet Services	81,326	181,599	181,599	220,522	21%
0351	Equipment Repair & Maint	23,405	26,875	5,400	8,000	48%
0356	Rental-Equip & Vehicles	1,876	1,800	2,126	2,127	0%
0357	Rentals - Space	4,862	4,900	4,674	5,600	20%
0362	Telephone & Communication	26,620	25,000	24,862	25,000	1%
0363	Advertising & Publishing	60	-	-	-	0%
0365	Copying/Printing	3,563	3,000	2,816	3,000	7%
0366	Training/Travel Reimbursement	37,191	35,000	45,000	35,000	-22%
0367	PD Recruit Training	(101)	20,000	21,708	-	100%
0371	Meetings/City Business	242	800	685	800	17%
0372	Postage	1,711	2,000	2,000	1,800	-10%
0374	Evidence Supplies	1,500	1,200	1,025	1,200	17%
0375	General Supplies	10,144	11,000	12,600	12,000	-5%
0376	Medical/Safety Supplies	4,963	4,000	6,200	5,000	-19%
0381	Small Tools & Equipment	20,318	50,819	61,749	30,000	-51%
0383	Utilities	3,721	4,000	3,700	4,000	8%
0384	Books & Subscriptions	842	1,000	1,000	1,000	0%
0385	Outreach	31,974	-	-	-	0%
0619	Miscellaneous	2	-	-	26,000	100%
0741	PD Equipment	6,798	-	-	-	0%
0386	Dispatch Services			341,764	341,539	0%
	Non-Personnel Services	652,981	818,753	788,452	788,049	0%
	Total Police Department	\$ 3,478,478	\$ 3,683,911	\$ 3,675,774	\$ 3,765,255	2%

DEPARTMENT DETAILS – PUBLIC SAFETY

Line Item Detail

Fund #110 Department: 4200	Account Detail	Category Account Detail	FY 2018/19 Adopted Budget
-------------------------------	-------------------	-------------------------------	---------------------------------

Personnel Costs:

Salaries & Wages	\$ 1,751,634
Employee Benefits	<u>1,225,572</u>

Total Personnel Costs **\$ 2,977,206**

Materials & Services

110-4200-0313	Laboratory		1,500
110-4200-0314	Animal Care & Control		31,500
110-4200-0318	Investigative Medical Service		3,000
110-4200-0319	Professional Services		28,461
	Car washing	\$ 300	
	DOJ Livescan	15,601	
	Evidence towing	500	
	Integrity Shred	700	
	Investigative services	1,000	
	MMCTF Annual donation	4,500	
	Parking administration	3,660	
	Reporting subscriptions	1,700	
	Whispering Pines Water	<u>500</u>	
		28,461	
110-4200-0320	Dues & Memberships		1,000
110-4200-0351	Equipment Repair & Maintenance		8,000
110-4200-0356	Rentals - Equipment		2,127
110-4200-0357	Rentals - Off Site Storage		5,600
110-4200-0362	Telephone & Communication		25,000
110-4200-0365	Copying/Printing		3,000
110-4200-0366	Training/Travel Reimbursement		35,000
110-4200-0371	Meetings/City Business		800
110-4200-0372	Postage		1,800
110-4200-0374	Evidence Supplies		1,200
110-4200-0375	General Supplies		12,000
110-4200-0376	Medical/Safety Supplies		5,000
110-4200-0381	Small Tools & Equipment		30,000
110-4200-0383	Utilities		4,000
110-4200-0384	Books & Subscriptions		1,000
110-4200-0386	Dispatch services		341,539
110-4200-0619	Miscellaneous		26,000

Total Material & Services **567,527**

Allocations

110-4200-0322	Fleet Services	<u>220,522</u>
---------------	----------------	----------------

Total Allocations **220,522**

Total - Police Department **\$ 3,765,255**

BUDGET REVENUE DETAIL:

Fund #110

Department: 4200

Object	Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% +/-
Charges for Services						
3419	Police Copies	\$ -	\$ -	\$ 2,422	\$ 4,000	0%
3422	Police Fingerprints	36,783	30,000	-	-	0%
3718	Police Witness Fee	-	-	550	1,000	82%
Total Charges for Services		36,783	30,000	2,972	5,000	68%
Intergovernmental						
3200	DNA Reimbursements	-	-	-	4,200	100%
3719	Booking Fee Reimbursement	-	-	13,750	17,000	24%
3201	Training Reimbursement	-	17,000	1,969	20,000	100%
Total Intergovernmental		-	17,000	15,719	41,200	162%
Reimbursements						
3497	Int Fund Reimb - Public Safety	-	230,000	144,442	190,850	32%
Total Reimbursements		-	230,000	144,442	190,850	32%
Fines & Forfeitures						
3511	Parking Fines	-	-	14,644	33,500	129%
3513	DUI Cost Recovery	-	-	4,328	4,000	-8%
Total Fines & Forfeitures		-	-	18,972	37,500	98%
Miscellaneous						
3998	Miscellaneous revenues	42,642	11,000	14,477	19,300	100%
Total Miscellaneous		42,642	11,000	14,477	19,300	100%
Total Police Dept. Revenue		\$ 79,426	\$ 288,000	\$ 196,583	\$ 293,850	49%



PUBLIC SAFETY - FIRE

PURPOSE

The City of Fort Bragg and the Fort Bragg Rural Fire Protection District (Rural Fire District) jointly provide fire services within their respective boundaries under a Joint Powers Agency (JPA) known as the Fort Bragg Fire Protection Authority (FBFPA). The JPA was formed in FY 1989/90. The FBFPA is a public entity that is separate and apart from both the City and the Rural Fire District. FBFPA has all of the powers relating to fire protection, fire suppression and emergency rescue authorized by law and has the power to contract for the purchase, lease, or rental of whatever services or equipment it deems appropriate for its mission. Debts, liabilities or other obligations of the FBFPA do not accrue to the two agencies that entered into the JPA.

The FBFPA's budget is approved by the FBFPA Board of Directors, the Fort Bragg City Council, and the Rural Fire District Board of Directors. Funding responsibility is shared by the City and the Rural Fire District with the breakdown of operating costs based on a three-year average call ratio. Typically, the City averages a higher percentage of calls and therefore pays a higher percentage of the FBFPA's budget.

The paid staff of the FBFPA is comprised of a Fire Chief, Fire Prevention Officer, Maintenance Engineer and Office Manager. The FBFPA has 37 volunteer firefighters who are also considered employees. Neither the Rural Fire District nor the City has employees whose job responsibilities include the provision of fire services.



PERFORMANCE/WORKLOAD MEASURES

INDICATORS	FY16	FY17
PUBLIC SAFETY - FIRE		
Total Number of Calls	579	665
Structure Fires	29	38
Vehicle Fires	3	16
Vegetation Fires	31	33
Medical Aid	150	199
Rescue	22	16
Traffic Accidents	133	98
Service Calls	91	80
Mutual Aid/Agency assist	12	18

BUDGET OVERVIEW

The FY 2018/19 budget for the Fire Department is \$414k, an increase of \$12k, or 2% compared to the FY 2017/18 projected total.

BUDGET DETAIL:

Fund #110

Department: 4220

Object	Description	FY 2016/17	FY 2017/18		FY 2018/19	%
		Audited	Amended Budget	17/18 FYE Projected	Adopted Budget	
0220	Pers	\$ 3,820	\$ 4,890	\$ 4,890	\$ 6,119	25%
0319	Professional Services	384,098	410,000	399,388	407,724	2%
Total Fire Department		\$ 387,918	\$ 414,890	\$ 404,278	\$ 413,843	2%

Line Item Detail

Fund #110	Account Detail	Category Detail	FY 2018/19 Adopted Budget
Department: 4220			

Personnel Costs

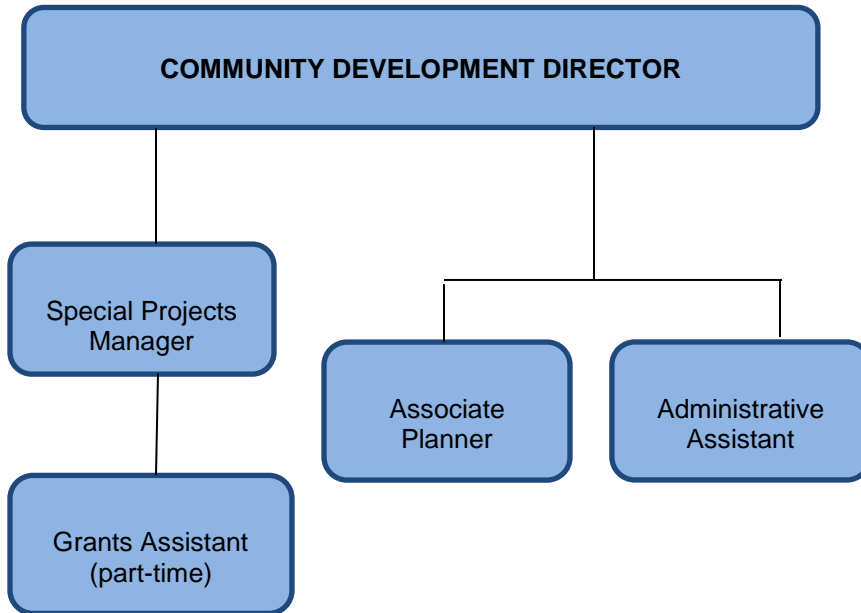
110-4220-0220	Pers	\$ 6,119	
Total Employee Benefits			\$ 6,119

Materials & Services

110-4220-0319	Professional Services	407,724	
Contribution to the Fire Protection District			
Total Material & Services			407,724

Total - Fort Bragg Fire Protection District \$ 413,843

COMMUNITY DEVELOPMENT DEPARTMENT



AUTHORIZED FTE	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
CDD Department	4.75	3.8	3.8	3.8	4.3	4	4.3	4.8	4.8

Support the sustainable development of a vibrant economy, an attractive and functional built environment, and top-notch public and private development projects by providing exemplary:

- (i) Citywide marketing & promotions;*
- (ii) Economic development, business assistance, attraction, and retention;*
- (iii) Long-range planning & current project permitting;*
- (iv) Code enforcement;*
- (v) Grant writing and administration.*

SUMMARY OF SERVICES

The Community Development Department is comprised of five staff, including: the Community Development Director, Special Projects Manager, Associate Planner, Planning Tech and Grants Assistant. The Community Development Department serves the community by planning for Fort Bragg’s future, facilitating economic development and tourism promotions, guiding and regulating development, and helping to plan and implement City projects. The Department’s work spans a wide range of activities, including:

- **Long-Range Planning:** The Department engages the community and Council to prepare and implement long-range planning projects such as: the Mill Site Reuse Rezoning and LCP Amendment, the Fort Bragg Street Safety Plan, Cannabis regulations and other projects.
- **Tourism Support:** The Department hires and manages the contractors and consultants who work on the City’s TOT funded Visit Fort Bragg Action Plan. The Department also manages the Visit Fort Bragg Committee and relationships with the larger tourism sector in Fort Bragg.
- **Economic Development:** The Department has primary responsibility for implementation of the City’s Economic Development Strategy (which is focused on jobs, tourism, arts and quality of life). This work includes providing larger Business Loans as well as funding West Company’s loan portfolio in Fort Bragg.

- **Community Development:** CDC raises and manages millions of dollars in grants for community-based non-profit's capital projects. This effort also includes improving our local stock of housing through the Housing Rehabilitation Low Interest Loan Program (a grant funded project).
- **Special Projects:** The Department seeks funding for, and oversees the planning and design process, permitting and environmental review, and engineering and construction management for special projects in our community including: the Fort Bragg Coastal Trail, the Bainbridge Park upgrade, and other projects.
- **Current Planning:** The Department works with developers, business owners, and property owners to ensure that new development proposals comply with the City's planning and zoning regulations, through our permitting process.
- **Permitting:** CDD takes in, processes and approves for final all building permits, sign permits and Limited Term Permit.
- **Code Enforcement:** The Department investigates and initiates code compliance letters, these are followed with fees and follow up enforcement activities, which can include taking cases to Small Claims Court and Superior Court.

2018 STRATEGIC GOALS AND OBJECTIVES

- Complete the Mill Site Reuse Planning Project.
- Manage the City's Marketing & Promotion activities.
- Implement the City's Economic Development Strategy.
- Complete the Fort Bragg Coastal Trail Project.
- Process new development, building and sign permits in a timely manner and with exceptional customer service.
- Oversee the City's Community Development Block Grant (CDBG) program.
- Seek grants for priority City projects and activities.
- Continue to undertake and implement new City projects.

FY 2017/18 TOP ACCOMPLISHMENTS

Long Range Planning

- Completed Fort Bragg Municipal Code regulations regarding Cannabis Manufacturing; and
- Completed about 50 percent of the GP Mill Site Reuse LCP Amendment; and
- Engaged regulatory agencies regarding Mill Pond remediation.

Current Planning

- Staff completed a wide variety of current planning projects, which included: preparation of staff reports for CDPs, Use Permits, Design Review and Subdivision and preparation of required MNDs and Negative Declarations;
- Staff provides effective and correct customer service at the counter and over the phone; and
- Processed and reviewed more than 223 building permits, 46 development permits, 25 sign permits and 96 code enforcement cases.

Economic Development

- Hired a branding consulting firm and managed the branding process; hired an outside Project Manager to implement the Visit Fort Bragg Action Plan; transitioned the Visit for Bragg committee to its advisory role as a Brown Act committee.
- Initiated business retention and attraction visits to identify and resolve barriers to business success and economic development.
- Followed up on Over-the-Counter CDBG loan projects;
- Managed CDBG Microenterprise Assistance program for West Company.



Grants

- Undertook grant close-out process for various grants; providing on-going supervision of grant activities funded by prior CDBG grants; tracked Program Income and implemented annual loan servicing requirements for CDBG-funded housing and business loans; and
- Applied for and was awarded a \$3.5 million capital grant for the Parents and Friends Project.

Housing

- Managed the HOME Owner Occupied Rehabilitation Program; and
- Completed permitting and assisted in grant submission for Danco's South Street senior and market rate housing project.

Special Projects

- Coastal Trail 2.0: Co-managed bidding and construction; managed mural and benches for the project; completed all grant billing and reporting for the Coastal Trail.
- Assisted with oversight of the GP Mill Site Remediation project including review and comments on the Feasibility Study.
- Managed the \$1.3 million CDBG grant for new Water Tank project; completed labor standards/wage compliance; finished quarterly and semi-annual grant reports.



Coastal Trail

FY 2018/19 TOP PRIORITIES

- Engage the City Council and implement the Council's vision for Community Development.
- Complete the Community-Based Mill Site Reuse Rezoning project (Local Coastal Amendment).
- Continue to implement the City's Economic Development Strategy.
- Implement and manage the implementation of the Visit Fort Bragg Action Plan.
- Complete Fort Bragg Coastal Trail 3.0 downtown access – property acquisition, acquire grant funding, complete design, undertake permitting & environmental review, bid project and construction management. Continue to engage in the restoration of the entire Coastal Trail.
- Provide exceptional customer service in the processing of all new development applications, planning permits, CEQA review, building permits and sign permits. Significant new development projects may include: Danco residential development, Hare Creek Center, Avalon Hotel, Mill Pond Remediation, and other assorted projects.
- Complete development of new cannabis regulations, Housing Element update, and the Residential Street Safety Plan.
- Implement the new HOME Housing Rehabilitation Loan Program.
- Implement CDBG Parents and Friends Project.
- Continue implementation of 2016 CDBG grant-funded projects and apply for 2018 CDBG grant.
- Seek funding for other City Council priorities.

PERFORMANCE/WORKLOAD MEASURES

INDICATORS	FY16	FY17
Development Permits (Coastal Development Permits, Use Permits, Design Review, Subdivisions, Limited Term Permits, etc.)	40	46
CEQA Documents (Environmental Impact Reports, Mitigated Negative Declarations, Negative Declarations)	3 MNDs, 2 NDs	1 EIR, 2 MNDs, 3 NDs
Building Permits	141	223
Code Enforcement Cases	75	96
Ordinance Amendments	4	3
Grants Awarded	\$2,041,963	\$1,434,978
Limited Term Permits	19	27
Sign Permits	23	25
Number of Planning Commission Staff Reports	14	25
Number of Community Development Committee Staff Reports	14	18
Number of City Council Staff Reports	31	55

BUDGET OVERVIEW

The FY 2018/19 budget for the Community Development Department is \$522k, an increase of \$29k over the FY 2017/18 projected total of \$494k. The difference is related to personnel costs which increased by 5%. The department was not at full staff for the entire FY 2017/18 which will cause a year over year variance since the expectation is to be fully staffed for the entirety of FY 2018/19. Additionally, merit increases are expected for newer staff in the department.

Department Revenues are forecasted to increase by \$108k or 44% relating to increase in Staff Time reimbursements from Grants, Fines Forfeitures/Licenses & Permits are also expected to increase as well.

COMMUNITY DEVELOPMENT DEPARTMENTAL BUDGET SUMMARY

FUND 110

DEPARTMENT: 4320

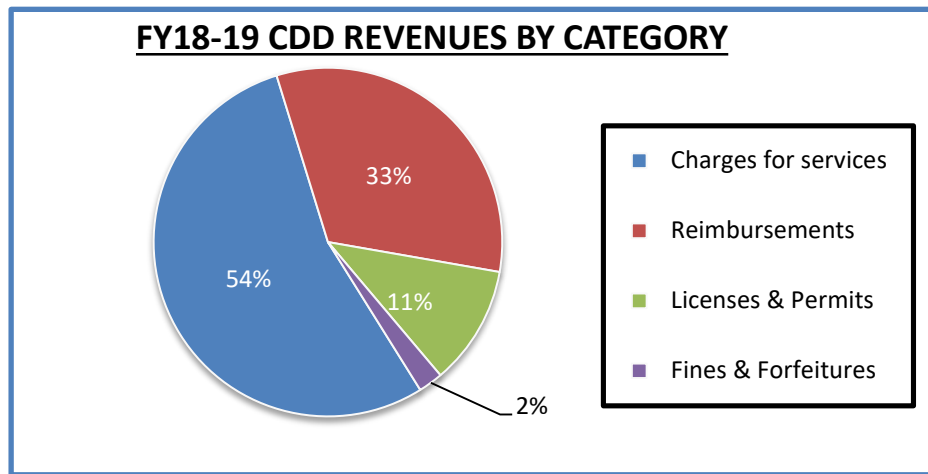
Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
Charges for services	\$ 131,610	\$ 182,300	\$ 120,250	\$ 190,400	58%
Reimbursements	72,240	97,912	84,534	114,361	35%
Licenses & Permits	21,837	25,300	34,957	39,000	12%
Fines & Forfeitures	3,190	2,500	4,095	8,000	95%
Intergovernmental	4,376	4,201	1,000	1,000	0%
Total Departmental Revenue	233,252	312,213	244,836	352,761	44%
Personnel Services	437,895	515,632	484,783	509,331	5%
Non-Personnel Services	15,010	10,550	9,076	12,900	42%
Total Departmental Expenditure	452,905	526,182	493,859	522,231	6%
Net Expenditure	\$ (219,653)	\$ (213,970)	\$ (249,023)	\$ (169,470)	-32%

BUDGET REVENUE DETAIL:

Fund #110

Department: 4320

Object	Description	FY 2017/18			FY 2018/19	% +/-
		FY 2016/17 Audited	Amended Budget	17/18 FYE Projected	Adopted Budget	
Charges for Services						
3318	Grant Staff Time Reimb	\$ 107,372	\$ 160,000	\$ 100,000	\$ 162,000	62%
3415	City Exp Reimb - Developers	24,023	22,000	20,000	28,000	40%
3424	Ordinance Fees	215	300	250	400	60%
Total Charges for Services		131,610	182,300	120,250	190,400	58%
Reimbursements						
3497	Interfund Reimb - CDD	51,810	40,000	36,208	50,000	38%
3734	Community Dev Fees	20,430	22,000	17,414	18,000	3%
3201	Training Reimbursements	-	10,000	5,000	5,000	0%
3499	Overhead/Admin Cost Recovery	-	25,912	25,912	41,361	60%
Total Reimbursements		72,240	97,912	84,534	114,361	35%
Licenses & Permits						
3715	Sign Application	765	1,500	1,535	1,500	-2%
3732	Grading Permits	1,960	800	1,300	1,500	15%
3733	Building Permit Surcharge	19,112	22,000	30,866	35,000	13%
3702	Business License Surcharge	-	1,000	1,256	1,000	-20%
Total Licenses & Permits		21,837	25,300	34,957	39,000	12%
Fines & Forfeitures						
3735	Code Enforcement Fees	3,190	2,500	4,095	8,000	95%
Total Fines & Forfeitures		3,190	2,500	4,095	8,000	95%
Intergovernmental						
3205	Intergovernmental	4,376	4,201	1,000	1,000	0%
Total Intergovernmental		4,376	4,201	1,000	1,000	0%
Total CDD Revenue		\$ 233,252	\$ 312,213	\$ 244,836	\$ 352,761	44%

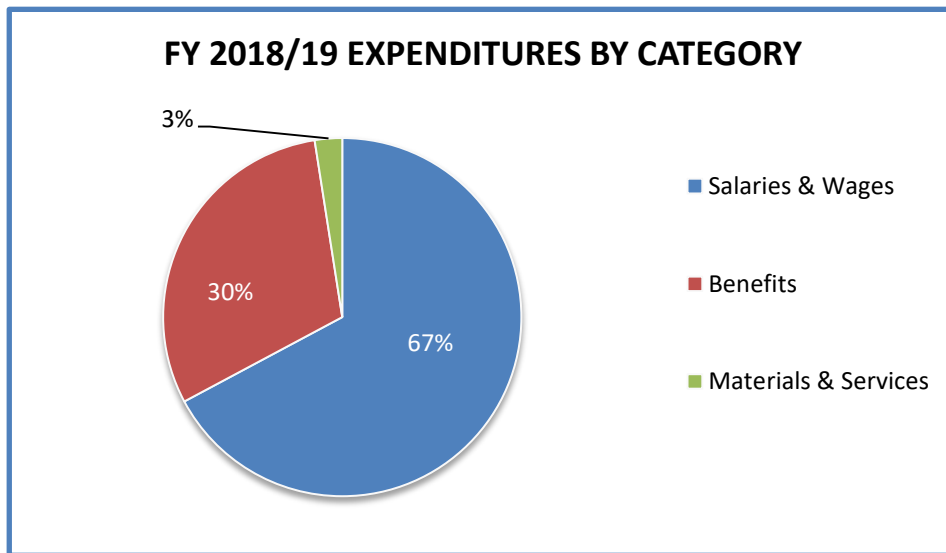


BUDGET EXPENDITURE DETAIL:

Fund #110

Department: 4320

Object	Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
0100	Salaries & Wages	\$ 319,564	\$ 364,679	\$ 335,715	\$ 350,900	5%
0200	Employee Benefits	118,332	150,953	149,068	158,431	6%
	Personnel Services	437,895	515,632	484,783	509,331	5%
0320	Dues & Memberships	225	200	200	200	0%
0364	Legal Notices	2,985	3,000	4,000	3,500	-13%
0366	Training/Travel Reimbursement	9,042	4,500	2,676	6,500	143%
0371	Meetings/City Business	1,476	2,000	1,500	2,000	33%
0381	Small Tools & Equipment	1,183	500	500	500	0%
0384	Books & Subscriptions	99	350	200	200	0%
	Non-Personnel Services	15,010	10,550	9,076	12,900	42%
	Total CDD Expenditure	\$ 452,905	\$ 526,182	\$ 493,859	\$ 522,231	6%



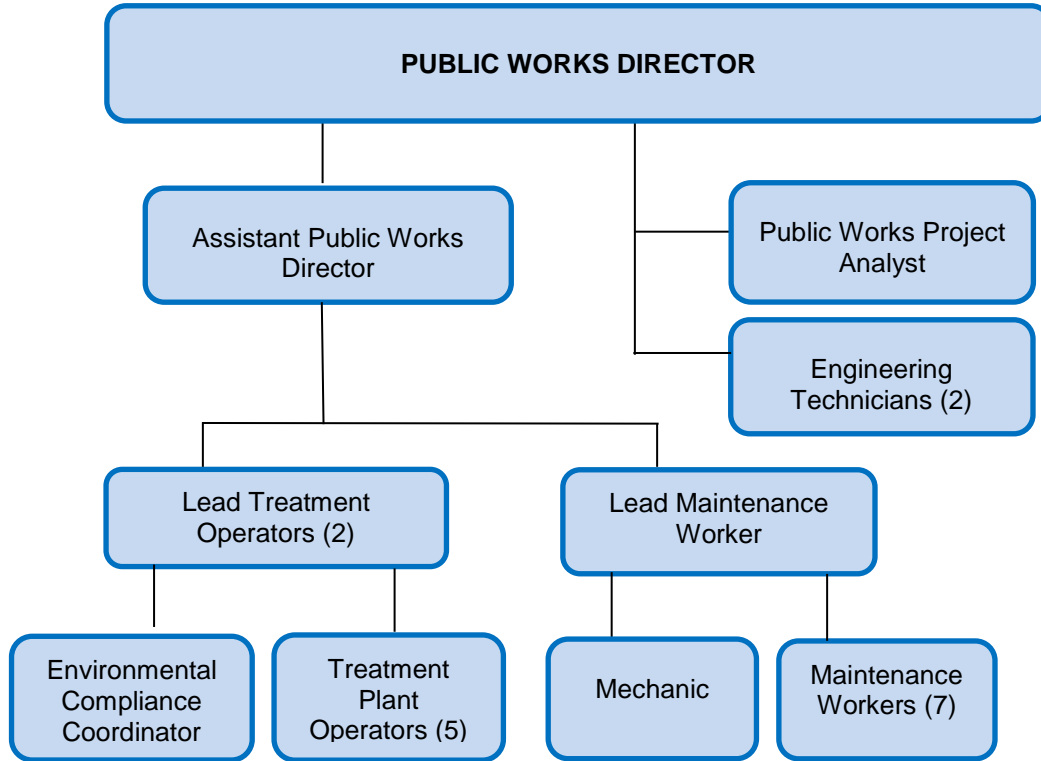
DEPARTMENT DETAILS – COMMUNITY DEVELOPMENT

Line Item Detail			FY 2018/19
Fund #110	Account	Category	Adopted
Department: 4320	Detail	Detail	Budget
Personnel Costs			
	Salaries & Wages	\$ 350,900	
	Employee Benefits	158,431	
	Total Personnel Costs		\$ 509,331
Materials & Services			
110-4320-0320	Dues & Memberships	200	
110-4320-0364	Legal Notices	3,500	
110-4320-0366	Training/Travel Reimbursement	6,500	
110-4320-0371	Meetings/City Business	2,000	
110-4320-0381	Small Tools & Equipment	500	
110-4320-0384	Books & Subscriptions	200	
		<u>12,900</u>	
	Total Material & Services		12,900
Total - Community Development Department			<u><u>\$ 522,231</u></u>





PUBLIC WORKS DEPARTMENT



AUTHORIZED FTE	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Public Works Department	14.50	12.60	12.60	12.60	13.60	12	12.60	14	14
Enterprise Department	8	7	8	8	8	8	8	8	8

Provide, operate and maintain essential public infrastructure, facilities and services to make everyday life as safe and convenient as possible for Fort Bragg residents, businesses, and visitors. The basic services provided by the Public Works Department include surveying, mapping, drafting, capital project inspection and management, City-owned facility and park maintenance, infrastructure and street maintenance and repair, traffic signage, water intake, treatment and distribution, storm water runoff management, and wastewater collection, treatment and discharge.

DEPARTMENTAL DESCRIPTION

The Public Works Department is organized in six divisions - Administration/Engineering, Parks & Facilities, Corporation Yard & Fleet, Street Maintenance, Water Enterprise, and Wastewater Enterprise. The Administration/Engineering Division provides administrative support, fiscal management and engineering services to the entire Public Works Department. It also is responsible for implementation of the City's Capital Improvement Program and works closely with various regulatory agencies to maintain permit compliance. The Parks & Facilities Division provides maintenance and repairs for City facilities and grounds, parks and street trees and also assists with capital projects, as needed. The Corp Yard & Fleet Division is responsible for maintenance of city streets, including painted curbs, crosswalks, and signage; maintenance and repairs of the City's wastewater collection lines, storm drains, water distribution system, utility meters, and fire hydrants. The Public Works crew also responds to sewage spills and water service line leaks. Fleet is responsible for the maintenance of all City vehicles, heavy equipment, and other large pieces of equipment owned by the City. The Public Works crew also provides support for many civic and community events. The Water and Wastewater Enterprises are operated as separate enterprises and are presented in separate sections of this budget.

STRATEGIC GOALS AND OBJECTIVES

- Provide coordinated oversight and management of six divisions within the Public Works Department.
- Ensure that employees are given essential safety training and job-skills training. Provide employees with adequate resources to safely and effectively complete their work. Implement employee policies and procedures in accordance with all federal, State, and local rules and regulations.
- Perform necessary physical and operational activities at each City-owned facility and for the City's infrastructure to stay current with constantly evolving regulatory requirements.
- Directly or through the use of consultants manage and inspect the City's capital projects to ensure quality of workmanship, timeliness, and conformance with plans and technical specifications and budgetary constraints.
- Pursue additional revenue sources, strive for cost-efficiencies, and reduce costs to the General Fund and Enterprise Funds.
- Strive for energy-efficiency in the operation of all City-owned facilities and continue innovating sustainability measures.
- Enhance public travel by providing a safe, durable, multi-modal road network that fully includes pedestrian, bicycling, transit, rail and other modes of transportation. Provide for a smooth flow of traffic throughout the City.
- Maintain customer satisfaction and continue to be responsive to citizen inquiries and concerns.

FY 2017/18 MAJOR ACCOMPLISHMENTS

- Ongoing maintenance and repair of the City's, facilities, parks, fleet, storm drain, and street infrastructure
 - Revise all standard construction contracts in close coordination with the City Clerk
 - Staff support for the Public Works & Facilities Committee
 - Summers Lane Reservoir grant close out and site restoration
 - Guest House Roof Rehabilitation project
 - Guest House/City Hall Painting project
 - Coastal Trail, Phase 2 construction in close coordination with the Community Development Department, including: design oversight, grant support, construction oversight, labor compliance, SWPPP support, and fence installation
 - Construction of the Streets & Alleys Rehabilitation Project
 - Engineering support (including utilities analysis), including: Alternate Dwelling Units (ADUs), GP mill site reuse, and Overtime Brewery
 - Development review and plan checking
 - Building permits and development entitlements
 - 22 storm-water permits
 - 8 grading permits
 - Predevelopment meetings and questions
 - 52 Encroachment Permits issued
 - 22 Traffic Committee requests processed
 - Emergency Operations Plan update in close coordination with the Police Department and Administrative Services
 - Oversight of CV Starr floor drain project
 - Assist CV Starr with their CIP program and asset management program
 - Rehabilitate a new room for the City Hall generator
 - Old gym roof repair project
 - Securing a less costly propane supply
 - Fleet inventory efficiencies: sold 9 vehicles/pieces of equipment, purchased 5 new vehicles
 - Partner with Mendocino Land Trust to install two Electric Vehicle Charging Stations
-
- Bainbridge Park Upgrade Project, partnered with Community Development, construction oversight, and landscaping
 - Noyo Headlands and Pomo Bluffs Parks, usage guidelines & fees
 - Harbor Lite coastal access trail rehabilitation

- Replace Downtown trash/recycling cans
- MS 4 Permit compliance
- Coordination with Mendocino County Water Agency for Storm Water Resource Planning
- Preliminary research for increased storm water management funding
- On-going work with Mendocino Council of Governments (MCOG) Technical Advisory Committee (TAC)

PERFORMANCE/WORKLOAD MEASURES

INDICATORS	FY16	FY17
PUBLIC WORKS		
# of Projects budgeted - CIP	\$5.5m	\$4.8m
Grading Permits	-	8
Storm Water Permits	-	22
Encroachment Permits issued	-	52
Traffic Committee requests processed	-	22
MAINTENANCE		
Streets (miles)	26.4	27.5
Alleys (miles)	19	19
Storm drains (miles)	10	10
Street lights	592	592

FY 2018/19 TOP PRIORITIES

- Permitting, environmental review and engineering for repair/replacement of the City’s raw water lines.
- Continue coordination with Community Development to provide timely processing of development applications.
- Award construction contract for the Wastewater Treatment Facility Upgrade Project.
- Complete engineering and construction of a new 1.5 million gallon finished water tank.
- Replace four vehicles and one generator within the fleet.
- Construct necessary improvements to stabilize City Hall East.
- Continue pothole repair and alley maintenance as part of a focused street maintenance program.
- Continue minor storm drainage repairs/improvement program.
- Continue to provide assistance for C.V. Starr Center for maintenance and capital projects.
- Assist the CV Starr Center with their LED lighting replacement project.
- Guest House, foundation and stained glass window rehabilitation (incl. park signs & walkway)
- City Hall, roofing and generator.
- City Hall East, gym lighting.
- City Hall East structural stabilization.
- Town Hall bathrooms: flooring, fixtures, & misc.
- Pomo Bluffs Park, bathroom roof.
- Glass Beach Stairway.
- Pudding Creek water main relocation, engineering, other pre-construction and construction. Construction may extend into following fiscal year.

BUDGET OVERVIEW

The Public Works Department budget for FY 2018/19 totals \$1.9M which is an increase of 12% over the FY 2017/18 projected total of \$1.7M. Personnel costs are expected to increase by \$55k.

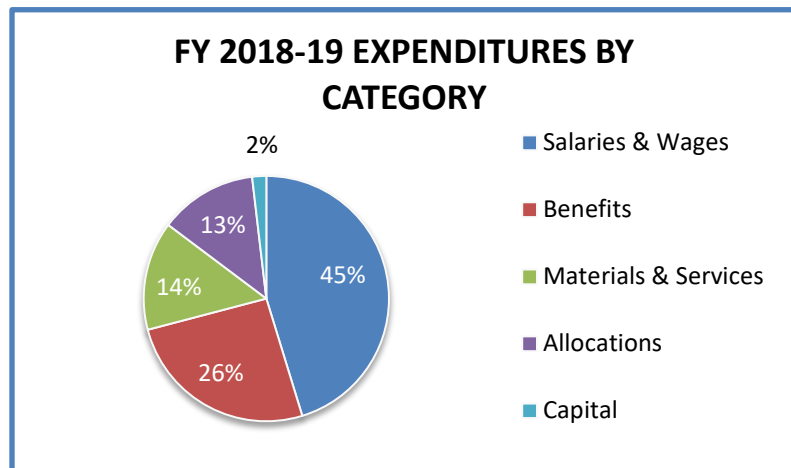
The \$112k increase in personnel costs is a result of COLA's and increased benefits costs. Additionally, Facilities allocation per the Facilities long-term plan also increased by \$44k and Storm drain project work not undertaken in FY2017/18 is budgeted in FY 2018/19.

PUBLIC WORKS DEPARTMENTAL BUDGET SUMMARY

FUND 110

DEPARTMENT: 4330, 4392, 4520, 4522, 4570, 4840

Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
Expenditure					
Personnel Services	\$ 1,098,993	\$ 1,243,848	\$ 1,223,944	\$ 1,335,934	9%
Non-Personnel Services	522,069	466,287	449,095	532,362	19%
Total Departmental Expenditure	1,621,062	1,710,135	1,673,039	1,868,296	12%
Revenue					
Charges for services	3,598	41,398	39,698	39,500	0%
Licenses and Permits	-	8,500	3,675	4,000	9%
Reimbursements	-	1,076,008	1,076,007	1,144,787	6%
Total Departmental Revenue	3,598	1,125,905	1,119,380	1,188,287	6%
Net Expenditure	\$ (1,617,464)	\$ (584,229)	\$ (553,659)	\$ (680,009)	23%



BUDGET REVENUE DETAIL:

Fund #110

Department: 4520,4330,4570,4840

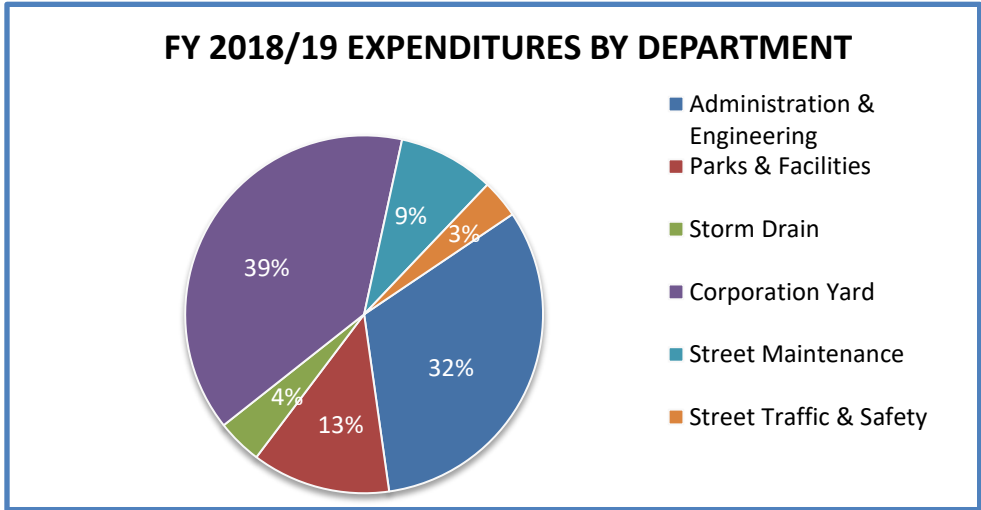
Object	Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
Charges for Services						
3418	Bid Documents	1,700	1,700	198	2,500	100%
3318	Grant: Staff Time Reimb	-	-	-	37,000	100%
Total Charges for Services		3,598	41,398	39,698	39,500	0%
Licenses and Permits						
3731	Encroachment Permit	-	8,500	3,675	4,000	9%
Total Licenses & Permits		-	8,500	3,675	4,000	9%
Reimbursements						
3499	Overhead/Admin Cost Recovery-Admin & Engin	-	401,314	401,314	454,955	13%
3499	Overhead/Admin Cost Recovery-Corp Yard	-	453,604	453,604	470,428	4%
3497	Interfund Reimbursements	-	221,089	221,089	219,404	-1%
Total Reimbursements		-	1,076,008	1,076,007	1,144,787	6%
Total Public Work Dept. Revenue		<u>\$ 3,598</u>	<u>\$ 1,125,905</u>	<u>\$ 1,119,380</u>	<u>\$ 1,188,287</u>	6%

BUDGET EXPENDITURE DETAIL:

Fund #110

Department: 4330, 4392, 4520, 4522, 4570, 4840

Object	Description	FY 2016/17	FY 2017/18	17/18 FYE	FY 2018/19	% + /-
		Audited	Amended Budget	Projected	Adopted Budget	
0100	Salaries & Wages	\$ 756,497	\$ 834,097	\$ 815,029	\$ 852,803	5%
0200	Employee Benefits	342,496	409,751	408,915	483,132	18%
	Personnel Services	1,098,993	1,243,848	1,223,944	1,335,934	9%
Administration, Engineering, Corp Yard						
0319	Professional Services	5,607	6,300	6,300	6,700	6%
0320	Dues & Memberships	214	350	350	300	-14%
0322	Fleet Services	9,414	-	-	-	0%
0366	Training/Travel Reimbursement	5,521	6,500	6,500	5,500	-15%
0373	Licenses & Permits	1,162	1,600	1,600	1,700	6%
0375	General Supplies	7,367	6,000	6,000	6,000	0%
0376	Medical/Safety Supplies	1,421	1,500	1,500	1,500	0%
0377	Boot Expense	1,542	2,200	2,200	2,100	-5%
0381	Small Tools & Equipment	1,915	2,000	2,000	2,000	0%
0384	Books & Subscriptions	246	400	400	200	-50%
	Total Administration, Engineering, Corp Yard	34,409	26,850	26,850	26,000	-3%
Parks & Facilities						
0319	Professional Services	17,398	8,600	8,600	8,000	-7%
0322	Fleet Services	21,394	18,396	18,396	33,194	80%
0353	Park Maintenance	-	4,000	4,000	4,000	0%
0366	Training/Travel Reimbursement	1,460	1,500	1,500	1,500	0%
0375	General Supplies	32,783	31,700	31,700	22,000	-31%
0381	Small Tools & Equipment	4,006	1,700	1,700	1,500	-12%
0397	Alloc to Facilities Maint	207,460	119,623	119,623	163,736	37%
	Total Parks & Facilities	284,500	185,519	185,519	233,931	26%
Street Maintenance						
0319	Professional Services	7,776	29,500	29,500	20,000	-32%
0322	Fleet Services	5,507	22,721	22,721	14,419	-37%
0375	General Supplies	17,597	10,000	10,000	13,000	30%
0383	Utilities	101,966	115,000	115,000	115,000	0%
	Total Street Maintenance	132,845	177,221	177,221	162,419	-8%
Storm Drains						
0319	Professional Services	968	22,000	4,000	22,000	450%
0322	Fleet Services	5,862	15,648	15,648	8,188	-48%
0373	Licenses & Permits	5,986	7,500	7,500	7,000	-7%
0375	General Supplies	3,526	4,000	4,000	4,000	0%
0751	Infrastructure	10,270	-	808	35,000	4233%
	Total Storm Drains	26,612	49,148	31,956	76,188	138%
Traffic & Safety						
0319	Professional Services	1,224	1,000	1,000	1,000	0%
0322	Fleet Services	1,777	6,349	6,349	7,525	19%
0375	General Supplies	35,571	15,000	15,000	20,000	33%
0383	Utilities	5,131	5,200	5,200	5,300	2%
	Total Traffic & Safety	43,703	27,549	27,549	33,825	23%
	Non-Personnel Services	522,069	466,287	449,095	532,362	19%
	Total Public Works Department	\$ 1,621,062	\$ 1,710,135	\$ 1,673,039	\$ 1,868,296	12%



Administration & Engineering Department Expenditure
Line Item Detail

Fund #110 Department: 4330		Account Detail	Category Detail	FY 2018/19 Adopted Budget
Personnel Costs				
	Salaries & Wages		\$ 408,405	
	Employee Benefits		182,593	
			<u>590,998</u>	
	Total Personnel Costs			\$ 590,998
Materials & Services				
	110-4330-0310 Engineering		5,000	
	110-4330-0366 Training/Travel Reimbursement		4,000	
	110-4330-0373 Licenses & Permits		500	
	110-4330-0377 Boot Expense		500	
	110-4330-0381 Small Tools & Equipment		500	
	110-4330-0384 Books & Subscriptions		200	
			<u>10,700</u>	
	Total Material & Services			\$ 10,700
	Total - Admin. & Engineering Department Expenditure			<u>\$ 601,698</u>

Parks & Facilities Department Expenditure
Line Item Detail

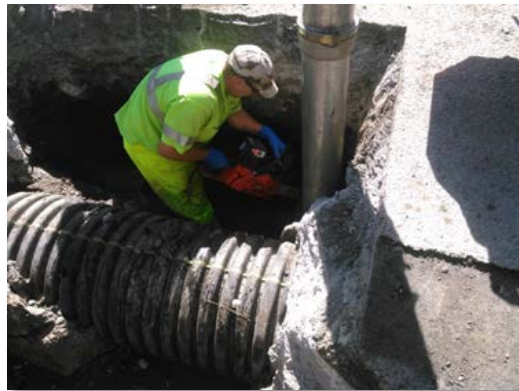
Fund #110		Account	Category	FY 2018/19
Department: 4392		Detail	Detail	Adopted Budget
Materials & Services				
110-4392-0319	Professional Services		\$ 8,000	
	Fire extinguisher maintenance	\$ 800		
	Parlin Fork work crew	2,000		
	Porta- potty maintenance	1,200		
	Tree maintenance	4,000		
		<u>8,000</u>		
110-4392-0353	Park Maintenance		4,000	
110-4392-0366	Training/Travel Reimbursement		1,500	
110-4392-0375	General Supplies		22,000	
110-4392-0381	Small Tools & Equipment		1,500	
Total Material & Services			\$ 37,000	
Allocations				
110-4392-0322	Fleet Services		33,194	
110-4392-0397	Facilities Maintenance & Repair		<u>163,736</u>	
			196,931	
Total Allocations			196,931	
Total - Parks & Facilities Department Expenditure			\$ 233,931	

Street Maintenance Department Expenditure
Line Item Detail

Fund #110		Account	Category	FY 2018/19
Department: 4520		Detail	Detail	Adopted Budget
Materials & Services				
110-4520-0319	Professional Services		\$ 20,000	
	Material disposal	\$ 10,000		
	Street structural repairs	10,000		
		<u>20,000</u>		
110-4520-0375	General Supplies		13,000	
110-4520-0383	Utilities		115,000	
Total Material & Services			\$ 148,000	
Allocations				
110-4520-0322	Fleet Services		14,419	
Total - Street Maintenance Department Expenditure			\$ 162,419	

Storm Drain Department
Line Item Detail

Fund #110	Account Detail	Category Detail	FY 2018/19 Adopted Budget
Department: 4522			
Materials & Services			
110-4522-0319	Professional Services	\$ 22,000	
	Engineering	\$ 2,500	
	Outreach	1,500	
	Rate Study	18,000	
		<u>22,000</u>	
110-4522-0373	Licenses & Permits		7,000
	NPDES permit	7,000	
110-4522-0375	General Supplies		4,000
	Total Materials & Services		\$ 33,000
Capital			
110-4522-0751	Infrastructure		35,000
	Storm Drain Repairs		
Allocations			
110-4522-0322	Fleet Services		8,188
Total - Storm Drain Department			<u>\$ 76,188</u>



Corporation Yard Department
Line Item Detail

Fund #110		Account	Category	FY 2018/19
Department: 4570		Detail	Detail	Adopted Budget
Personnel Costs				
	Salaries & Wages		\$ 416,398	
	Employee Benefits		297,904	
		Total Personnel Costs		\$ 714,302
Materials & Services				
110-4570-0319	Professional Services		1,700	
	DMV Tests	\$ 500		
	Fire extinguisher maintenance	500		
	Material disposal	700		
		1,700		
110-4570-0320	Dues & Memberships		300	
	USA (Underground Service Alert)	300		
		300		
110-4570-0366	Training/Travel Reimbursement		1,500	
110-4570-0373	Licenses & Permits		1,200	
110-4570-0375	General Supplies		6,000	
110-4570-0376	Medical/Safety Supplies		1,500	
110-4570-0377	Boot Expense		1,600	
110-4570-0381	Small Tools & Equipment		1,500	
		Total Material & Services		\$ 15,300
		Total - Corporation Yard Department		<u>\$ 729,602</u>

Street Traffic & Safety Department
Line Item Detail

Fund #110		Account	Category	FY 2018/19
Department: 4840		Detail	Detail	Adopted Budget
Personnel Costs				
	Salaries & Wages		\$ 28,000	
	Employee Benefits		2,635	
		Total Personnel Costs		\$ 30,635
Materials & Services				
	110-4840-0319 Professional Services		1,000	
	110-4840-0375 General Supplies		20,000	
	110-4840-0383 Utilities		5,300	
		Total Material & Services		\$ 26,300
Allocations				
	110-4840-0322 Fleet Services			\$ 7,525
		Total - Street Traffic & Safety Department		<u>\$ 64,460</u>





FACILITIES REPAIR & MAINTENANCE

INTERNAL SERVICE FUND

The Facilities Repair & Maintenance Internal Service Fund accounts for all costs associated with the maintenance of public buildings, including preventative maintenance and on-going maintenance. These services are primarily performed by the City's Public Works staff.

DEPARTMENTAL DESCRIPTION

The Public Works Department serves City staff and the community through the maintenance and repair of public facilities. Examples of tasks include repair and maintenance of heating and ventilation systems, repair and maintenance of plumbing systems; upgrades to ensure reliable electrical power, replacement of plumbing fixtures, light fixtures, carpentry, roofing, flooring and painting.

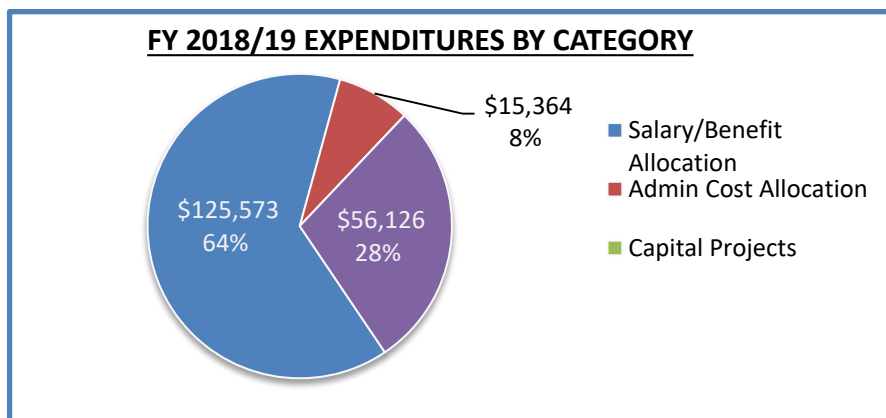
STRATEGIC GOALS AND OBJECTIVES

- The primary goal of the Public Works Department's Facilities Repair & Maintenance Internal Service Fund is to provide quality and efficient maintenance that fosters a safe and positive atmosphere for our employees and the citizens of Fort Bragg.
- Procure products and equipment that are safe to use and provide for a long-term investment at a reasonable cost.
- Identify future needs and prioritize according to safety and available funding.
- Improve internal and external communications.
- Stay current with trends in technology.

BUDGET OVERVIEW

The FY 2018/19 budget for the Facilities Repair & Maintenance Internal Service Fund (including transfers from the reserve to fund capital projects) is \$197k. In FY 2015/16, a 10-Year Financial Plan was developed which informs the annual funding requirement. FY 2018/19 includes Maintenance of City hall East (\$24k) and replacement of Town Hall doors (\$10k). No Capital Projects are being financed by the Facilities Repair & Maintenance Internal Service.

Pursuant to the City's Fund Balance and Reserve Policy, the unrestricted fund balance is intended to help pre-fund large purchases and repairs and avoid big annual swings in funding needs. In FY 2018/19, the ISF- Fund balance will increase from \$244k to \$346k based on the Fund's 10-Year Financial Plan.



FACILITIES REPAIR & MAINTENANCE DEPARTMENTAL BUDGET SUMMARY
FUND 520
DEPARTMENT: 4393

Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
Expenditure:					
Personnel Services	\$ 104,365	\$ 114,014	\$ 114,014	\$ 125,573	10%
Non-Personnel Services	35,323	71,465	106,397	71,465	-33%
Total Departmental Expenditure	139,688	185,480	220,411	197,039	-11%
Revenue:					
Charges for services - Allocation ISF	324,101	215,189	215,189	299,036	39%
Total Departmental Revenue	324,101	215,189	215,189	299,036	39%
Net Expenditure	\$ 184,413	\$ 29,709	\$ (5,222)	\$ 101,997	-2053%

BUDGET DETAIL:
Fund #520
Department: 4393

Object	Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
0801	Salary/Benefit Allocation	\$ 104,365	\$ 114,014	\$ 114,014	\$ 125,573	10%
	Personnel Services	104,365	114,014	114,014	125,573	10%
0353	Facilities Maint & Repair	18,288	56,126	88,912	56,126	-37%
0399	Admin Allocation	17,036	15,339	17,485	15,339	-12%
	Non-Personnel Services	35,323	71,465	106,397	71,465	-33%
	Total - Facilities Maintenance	\$ 139,688	\$ 185,480	\$ 220,411	\$ 197,039	-11%

Facility & Equipment Internal Service Fund - 10 Year Program

MAJOR PROJECTS/REPLACEMENTS FY:	Fiscal Year										Annual Average	General Fund	Water Enterprise	Wastewater Enterprise	
	17/18 - Budget	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27					27/28
City Hall	\$7,000	\$0	\$73,500	\$25,000	\$5,000	\$10,000	\$0	\$0	\$0	\$0	\$65,000	\$0	\$17,850	\$8,925	\$4,463
City Hall East	\$6,000	\$24,500	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,450	\$3,450	\$0
Fort Building	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000	\$0
Town Hall	\$0	\$10,000	\$20,000	\$10,000	\$60,000	\$0	\$0	\$0	\$0	\$3,000	\$0	\$0	\$10,300	\$5,150	\$2,575
Fire Station, Main St	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Station, Hwy 20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Guest House	\$70,000	\$0	\$80,000	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0	\$17,500	\$17,500	\$0
Police Department	\$8,000	\$0	\$0	\$0	\$0	\$8,000	\$0	\$70,000	\$0	\$0	\$0	\$0	\$7,800	\$7,800	\$0
Noyo Headlands Park	\$2,500	\$0	\$0	\$16,000	\$0	\$0	\$4,500	\$0	\$14,000	\$5,000	\$0	\$0	\$3,950	\$3,950	\$0
Pomo Bluffs Park	\$0	\$0	\$3,500	\$0	\$0	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0	\$4,350	\$4,350	\$0
Noyo Beach	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Corp Yard	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Harbor Life Trail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL major projects	\$99,500	\$34,500	\$187,000	\$96,000	\$65,000	\$68,000	\$4,500	\$70,000	\$17,000	\$120,000	\$0	\$0	\$66,200	\$52,125	\$7,038
General Repairs Facilities	\$21,412	\$21,626	\$21,842	\$22,061	\$22,281	\$22,504	\$22,729	\$22,957	\$23,186	\$23,418	\$23,652	\$22,626	\$22,626	\$11,313	\$5,656
TOTAL preventative maintenance	\$21,412	\$21,626	\$21,842	\$22,061	\$22,281	\$22,504	\$22,729	\$22,957	\$23,186	\$23,418	\$23,652	\$22,626	\$22,626	\$11,313	\$5,656
TOTAL PROJECT FUNDING NEED:	\$120,912	\$56,126	\$208,842	\$118,061	\$87,281	\$90,504	\$27,229	\$92,957	\$40,186	\$143,418	\$23,652	\$88,826	\$63,438	\$12,694	\$12,694

Note: CIP projects that are designated in the "Beyond CIP" category have all been placed in 6th year of the ISF, FY 2023/24

FUNDING REQUIREMENTS AND CONTRIBUTIONS

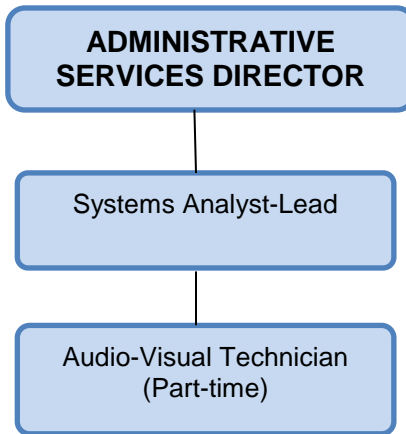
Reserve	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
ISF project work - projected	88,912	56,126	208,842	118,061	87,281	90,504	27,229	92,957	40,186	143,418	23,652
Overhead Allocation	17,485	15,339	15,493	15,648	15,804	15,962	16,122	16,283	16,446	16,610	16,776
Sal/Benefits Allocation	114,014	125,573	143,154	163,195	186,043	212,089	241,781	253,870	266,564	279,892	293,886
Projected Total Cost	220,411	197,039	367,489	296,904	289,128	318,555	285,132	363,110	323,196	439,920	334,315
Required Funds contribution	215,189	299,036	299,036	299,036	299,036	299,036	299,036	299,036	299,036	299,036	299,036
Beginning Reserve Balance	249,645	244,423	346,420	277,968	280,100	290,009	270,490	284,394	220,321	196,162	55,278
Reserve - increase (decrease)	(5,222)	101,997	(68,452)	2,133	9,908	(19,519)	13,904	(64,073)	(24,159)	(140,884)	(35,279)
Ending Reserve Balance	244,423	346,420	277,968	280,100	290,009	270,490	284,394	220,321	196,162	55,278	20,000
Contributed Funds:	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
General Fund	119,623	163,736	163,736	163,736	163,736	163,736	163,736	163,736	163,736	163,736	163,736
Water	47,783	67,650	67,650	67,650	67,650	67,650	67,650	67,650	67,650	67,650	67,650
Wastewater	47,783	67,650	67,650	67,650	67,650	67,650	67,650	67,650	67,650	67,650	67,650

Notes:

- *Overhead Allocations assume a 1% increase annually starting with FY18/19 over FY17/18
- *Salary and Benefits Allocation assumes a 14% increase annually starting with FY19/20 over FY18/19. The rate of increase is reduced to 5% beginning with FY24/25
- * Project work that benefits all three operating funds are charged 50% to the General Fund and 25% to each of the two utility funds
- * Project work that can be attributed to a single fund are charged 100% to that fund
- * Overhead, Salary and Benefits allocations are charged 50% to the General Fund and 25% to each of the two utility Funds

TECHNOLOGY MAINTENANCE & REPLACEMENT

INTERNAL SERVICE FUND



The Technology Maintenance & Replacement Internal Service Fund accounts for all costs associated with the internal computing and technological resources for all departments throughout the City.

INTERNAL SERVICE FUND DESCRIPTION

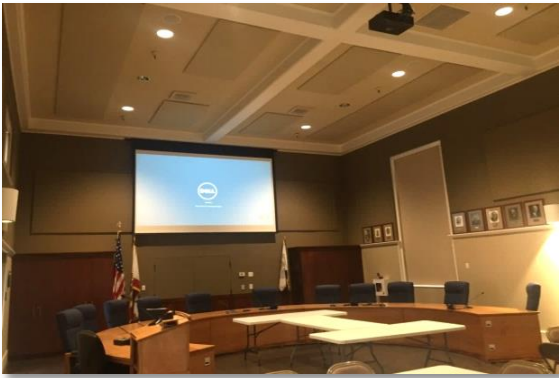
The Technology Maintenance & Replacement Internal Service Fund's costs include hardware, software and service contracts associated with the City's computers and information technology infrastructure as well as personnel costs for the City's Information Technology division which resides in the Administrative Services Department. The Information Technology division is responsible for the following:

- Workstation administration
- Server administration
- Network infrastructure administration
- Telecommunication administration and installations
- Cloud services support
- Software and database maintenance and backup
- Asset tracking for IT equipment
- Social media and website maintenance
- Live streaming and AV production of City meetings
- Technical support for City/PD users and presenters at public meetings
- Public Wi-Fi administration and support
- Digital file archiving and distribution
- Public Access TV hardware allocation and administration

FY 2017/18 TOP ACCOMPLISHMENTS

- Migration of Bainbridge Park security system server to City Hall with a Bridge Connection to park cameras.
- Installed security cameras at Town Hall.
- Provided Public Works and Police Department staff with new smart phones.
- Rolled out 4G connected iPads to Water Department for remote equipment monitoring.
- Deployed new SCADA Workstation at Water Treatment.
- Built new SCADA computer for Waste Water Treatment Facility.
- Began Email Server upgrade and virtualization.
- Configured and installed new Bridge for City Hall to Police Department data communications.
- Upgraded City's GIS system with a cloud component

- Began implementation of Adobe software as a service.
- Managed and maintained public Wi-Fi in the downtown area.
- Provided IT support to all City staff.
- Live-streamed City Council and Planning Commission meetings.
- Live-streamed Council Committee meetings.
- Set up Facebook Live for Monday Morning Meetings with the Mayor and archive on City's YouTube channel.
- Created GovDeals surplus auction account.
- Enhanced City's website by continuously updating content and overall relevancy of the site.
- Enhanced social media presence including increased Facebook activity and implementation of Instagram and Twitter as active social media channels for the public to engage with the City.
- Updated the City's servers and overall network speed and reliability to help ensure a highly productive and effective City staff.
- Implemented numerous upgrades to software and hardware to enhance staff productivity.

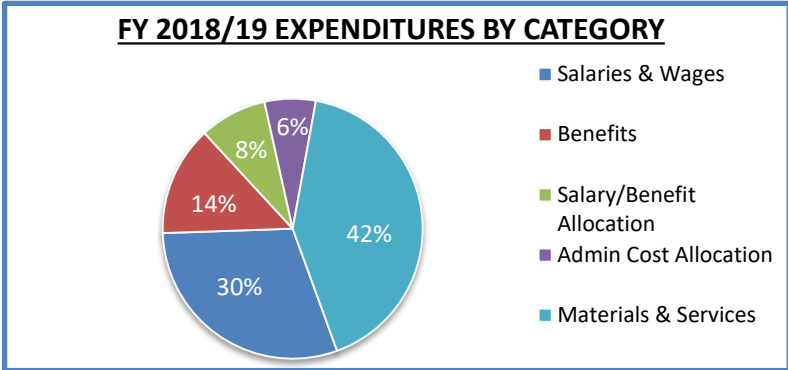


FY 2017/18 TOP PRIORITIES

- Continue to expand Downtown Wi-Fi.
- Support the PEG Channel and increase number of meetings streamed live on the website.
- Complete re-design of the City's website.
- Further enhance the City's website features and relevance to the public including continued improvement across the City's social media channels.
- Upgrade Office Productivity suite to Version 2016.
- Begin attrition based upgrade to Windows 10 Professional.
- Increase City Hall and Town Hall Internet/Cloud access speed.
- Update and enhance the City's back-up procedures for all digital information and systems ensuring secure and reliable continuity of operations in the event of a system-wide crash and/or natural disaster/emergency.
- Provide professional and dependable IT support to all City departments, personnel, initiatives and programs.

BUDGET OVERVIEW

The FY 2018/19 budget for the Technology Maintenance & Replacement Internal Service Fund before transfers is \$424k, an increase of \$18k or 4% compared to the FY 2017/18 projected balance. The increase is primarily due to increase in personnel costs by \$15k resulting from COLA's and increased benefit costs. Pursuant to the City's Fund Balance and Reserve Policy, the unrestricted fund balance in the Technology Maintenance & Replacement Internal Service Fund is intended to help pre-fund large purchases and repairs and avoid big annual swings in funding needs. In FY 2018/19 the fund balance will increase to \$126k based on the Fund's 5-Year financial plan.



IT DEPARTMENTAL BUDGET SUMMARY**FUND 521****DEPARTMENT: 4394**

Description	FY 2016/17		FY 2017/18		FY 2018/19	
	Audited		Amended Budget	17/18 FYE Projected	Adopted Budget	% + /-
Expenditure:						
Personnel Services	\$ 166,275	\$	213,576	\$ 205,712	\$ 220,587	7%
Non-Personnel Services	149,964		201,531	199,835	203,111	2%
Total Departmental Expenditure	316,240		415,106	405,547	423,698	4%
Revenue:						
Charges for services - Allocation ISF	274,619		399,366	399,366	460,111	15%
Total Departmental Revenue	274,619		399,366	399,366	460,111	15%
Net Expenditure	\$ (41,621)	\$	(15,741)	\$ (6,181)	\$ 36,413	-689%

BUDGET DETAIL:**Fund #521****Department: 4394**

Object	Description	FY 2016/17		FY 2017/18		FY 2018/19	
		Audited		Amended Budget	17/18 FYE Projected	Adopted Budget	% + /-
0100	Salaries & Wages	94,034		125,679	119,955	127,169	6%
0200	Employee Benefits	41,095		52,565	50,426	57,980	15%
0801	Salary/Benefit Allocation	31,146		35,331	35,331	35,438	0%
	Personnel Services	166,275		213,576	205,712	220,587	7%
0319	Professional Services	111,289		-	189	-	-100%
0351	Equipment Repair & Maint	27,766		-	-	600	100%
0381	Small Tools & Equipment	4,226		2,500	3,000	3,000	0%
0382	Hardware	-		34,850	34,000	51,600	52%
0383	Software	-		26,710	26,710	26,200	-2%
0384	Hardware/Software Support	(21,320)		99,119	99,119	90,413	-9%
0741	Machinery & Equipment	754		1,550	16	-	-100%
0399	Admin Cost Allocation	27,142		32,700	32,700	26,946	-18%
	Non-Personnel Services	149,964		201,531	199,835	203,111	2%
Total Information Technology Services		\$ 316,240	\$	415,106	\$ 405,547	\$ 423,698	4%

Information Technology Maintenance & Repair Internal Service Fund Detail						
	FY 2017-18	FY 2018-19 Adopted	FY 2019-20 Projected	FY 2020-21 Projected	FY 2021-22 Projected	FY 2022-23 Projected
521-4394-0384						
Software/Hardware Support						
Springbrook Maintenance Contract Due July 1		-	-	-	-	-
Auto CAD Subscription Due in October		\$ 3,053	\$ 3,053	\$ 3,053	\$ 3,053	\$ 3,053
Parcel Quest		3,000	3,000	3,000	3,500	3,700
PD IBM Maintenance TracNet		13,500	13,500	13,500	13,750	13,750
DLB Associates - IBM Server Maintenance		2,724	2,724	2,724	2,724	2,724
Spam Filter		1,300	1,300	1,400	1,500	1,600
Granicus/Legistar Annual Maintenance - \$700/ Month		8,700	8,700	9,000	9,600	9,600
Granicus Encoder Maintenance - Current Analog		2,640	-	-	-	-
Granicus Encoder Maintenance - Addition for new HD			1,800			
Granicus Remote Configuration of new appliance			875			
Granicus Encoder New Monthly			2,640	2,640	2,640	2,640
Schedule Anywhere - PD Maintenance		565	565	575	575	575
APBnet-TRAK-CriticalReach-Crime Bulliten Software		560	560	560	600	600
Adobe Enterprise agreement		2,742	2,742	2,742	2,742	3,000
PD - Training TMS Annual Fees		2,400	2,400	2,400	2,400	2,400
HWA UPS Maintenance and Warranty (four years)					4,000	4,000
CivicPlus Annual Web Site Fee		13,000	13,000	14,000	15,000	15,000
Muni Code		3,500	2,000	2,000	2,500	2,500
ESRI - ARC GIS 2 concurrent 1 online (5 user)		9,345	9,345	9,345	9,345	9,345
Accela IVR for Utility Billing		2,310	2,310	2,350	2,350	2,350
Anti-virus Software Maintenance Due in May Yearly		2,300	2,300	2,300	2,500	2,700
Munimetrix Maintenance Due annually on July 28		1,625	1,625	1,625	1,750	1,750
Comcast For City at PD MDF		1,704	1,704	1,704	1,704	1,704
Comcast Town Hall		1,704	1,704	1,704	1,704	1,704
Comcast for City Hall (Internet Pipe for CH and TH)		1,704	1,704	1,704	1,704	1,704
Corp Yard T1 Monthly Contract		2,160	2,160	2,160	2,160	2,160
MCN - Fortbragg.com registration		240	240	240	250	240
Cisco Smart Net Contract		203	203	203	225	225
Read Center support (Water billing software) Paid in May		3,810	3,810	3,810	4,200	4,200
SOLUS Software - fleet maintenance		850				
CLIPs Annual Maintenance		774	774	774	774	774
Secure Certificate for Email and WWW (GoDaddy)		-	600	-	-	-
Nor-Cal Telephone Repair Service		4,000	4,000	4,000	4,000	4,000
Sub-Total - Software/Hardware Support Maintenance	\$ 99,119	\$ 90,413	\$ 91,338	\$ 89,513	\$ 97,250	\$ 97,998
521-4394-0381						
Small Tools & Equipment						
Miscellaneous Small Tools - Cables, batteries, tools, ect.)	\$ -	\$ 3,000	\$ 2,600	\$ 2,600	\$ 3,000	\$ 3,500
Sub-Total - Small tools and Equipment	\$ 3,000	\$ 3,000	\$ 2,600	\$ 2,600	\$ 3,000	\$ 3,500
521-4394-0382						
Hardware-Upgrades/Infrastructure Improvements						
Hardware						
User WorkStation Replacement 11 units @900 each		\$ 9,000	\$ 12,000	\$ 12,000	\$ 13,000	\$ 16,000
Managers Laptop and dock		3,600				
Shared Laptops 2 units		2,000				
IT Department Workstations/laptops		1,500				1,900
User Monitor Replacements		600	800	1,400	1,400	-
Plotters/Printers		400	1,000	10,000	1,000	-
iPads for Council/Management 3 @ 410		1,500		1,500		1,230
Large Screen TV for Downstairs Conference room 48" Smart TV		-	-	-	-	-
Granicus HD Encoder upgrade		-	3,625			
HD Encoder Cables		-	200			
WFB Check Scanner		900	-	-	-	900
Tablet Computers for Public Works		-	-	-	-	3,600
55 Inch Monitor for WWTF SCADA						
Laptop/Docking for Water Plant Manager		-	-	-	1,500	-
Security Cameras		-	6,000	1,000		1,000
Laptops for Toughbook replacement				2,500	-	
SCADA Computer with Video Cards		-	-	-	2,000	
Security Camera Monitoring for PD		500	500	-	1,000	4,000
GIS Enabled GPS						

Information Technology Maintenance & Repair Internal Service Fund Detail						
		FY 18-19 Adopted Budget	FY 19-20 Proposed Budget	FY 20-21 Proposed Budget	FY 21-22 Proposed Budget	FY 2016-17 Budget
521-4394-0382 CONT'D						
Hardware-Upgrades/Infrastructure Improvements						
Public Use Kiosk PC		\$ -	\$ 800	\$ -	\$ -	\$ 800
Wireless Access Points Internal Network		400	400	400	400	600
Network Cabling		1,000	350	1,500	500	200
Mixing board Town Hall		-	-	-	1,000	800
Microphone Equipment		700	750	750	2,000	700
Environmental Controls and Racking		300	300	300	300	300
Replacement Server		9,700		9,700		
Email Server Dell R730 Hyper V						10,000
IBM Server for Tracnet		15,000				
UPS for PD			20,000			
PD Contingency		4,000	4,000	4,000	4,000	4,000
Replacement Firewall				5,000		
New Backup Harddrives		500				500
Smart/Cell Phone update			500			1,500
	Sub-Total - Hardware	\$ 34,000	\$ 51,600	\$ 51,225	\$ 50,050	\$ 28,100
521-4394-0383						
Software- Upgrades/Infrastructure improvements						
Software						
Additional AV Licenses 10 @ 25		\$ -	\$ 100	\$ 100	\$ 100	\$ 250
Project 2016 Std 4 Licenses @ \$371						-
Microsoft Visio 2016						
NovaStor Backup Client		1,700	1,000	1,000	1,200	1,200
Exchange Server 2016 STD						-
Office 2016 Pro 10 at 327		3,500				
Office 2016 Standard 80 @ 239		21,000	-	-	-	
	Sub Total Software	\$ 26,710	\$ 26,200	\$ 1,100	\$ 1,100	\$ 1,300
521-4394-0366						
Training & Conferences						
Training Budget						
Storm Wind Distance Learning Server 2012	\$ 1,250	\$ 2,500	\$ 2,500	\$ 2,500	\$ 3,000	\$ 3,000
Training/Travel	2,500	1,500	3,000	3,000	3,500	2,000
MISAC Fee	160	160	160	160	175	175
Experts Exchange	192	192	192	192	192	192
	Sub Total Training and Conferences	\$ 4,102	\$ 4,352	\$ 5,852	\$ 5,852	\$ 6,867
521-4390-0741						
Public Wi-Fi Upgrades & Maintenance						
13DB Antenna			\$ 300		\$ 300	
Wireless station			200		200	1,000
Cables and other hardware		50	500	50	300	
Equipment repair		300	300	300	300	300
Mesh Radio		250	250	250	250	
	Sub Total Public WiFi	\$ -	\$ 600	\$ 1,550	\$ 600	\$ 1,350
Total Information Technology						
	\$ 166,931	\$ 176,165	\$ 153,665	\$ 149,715	\$ 137,867	\$ 157,645

FUNDING REQUIREMENTS AND CONTRIBUTIONS

<u>Reserve</u>	FY 2017-18	FY 2018-19 Adopted	FY 2019-20 Projected	FY 2020-21 Projected	FY 2021-22 Projected	FY 2022-23 Projected
Non-Personnel Costs	167,135	176,165	153,665	149,715	137,867	157,645
Sal/Benefits	170,381	185,149	211,070	240,620	274,307	312,710
Sal/Benefits Allocation	35,331	35,438	40,399	46,055	52,503	59,854
Overhead Allocation	32,700	26,946	27,215	27,487	27,762	28,040
Projected Total Cost	(405,547)	(423,698)	(432,350)	(463,878)	(492,439)	(558,248)
Required Funds contribution	399,365	460,111	460,111	460,111	460,111	460,111
Beginning Reserve Balance	96,238	90,056	126,469	154,231	150,464	118,137
Reserve - increase (decrease)	(6,182)	36,413	27,762	(3,766)	(32,328)	(98,137)
Ending Reserve Balance	90,056	126,469	154,231	150,464	118,137	20,000
Contributed Funds:	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
General Fund - 50%	180,240	209,627	209,627	209,627	209,627	209,627
Water - 25%	90,120	104,814	104,814	104,814	104,814	104,814
Wastewater - 25%	90,120	104,814	104,814	104,814	104,814	104,814
General Fund - PEG Personnel Funding	38,885	40,857	40,857	40,857	40,857	40,857

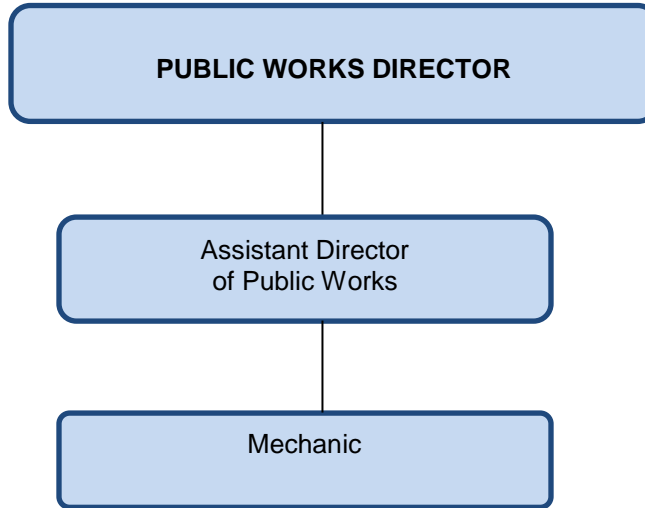
Notes:

- *Overhead allocations assume a 1% increase annually.
- *Salary Benefits allocation assumes a 5% increase annually.



FLEET & EQUIPMENT SERVICES

INTERNAL SERVICE FUND



The Fleet & Equipment Services Internal Service Fund is responsible for acquisition, maintenance and repair of the City's fleet vehicles and equipment. Services include scheduled preventive maintenance, welding and fabrication, diagnostic and emissions testing, auto parts warehouse and inventory functions. These services are performed by the City's Mechanic.

DEPARTMENTAL DESCRIPTION

Fleet & Equipment Services is responsible for ensuring functional, reliable and economical vehicles and equipment necessary for the conduct of City operations; providing vehicle and equipment specifications for bidding purposes, assisting with vehicle and equipment auctions, and preparing and administering the annual fleet budget. In addition Fleet & Equipment Services coordinates the following external services: paint and body repair, engine and transmission repair/rebuild, heavy duty suspension service, air conditioning service, and glass replacement.

STRATEGIC GOALS AND OBJECTIVES

- Provide necessary maintenance and repair to City's fleet vehicles and equipment, including: electrical repairs, engine tune-up, tire replacements, brake replacements and adjustments and other general maintenance work.
- Account for and track all costs and assist Finance Department with preparation of year-end cost allocations.
- Provide recommendations to reduce vehicle miles traveled, fleet vehicle emissions, use of petroleum-based fuels, including the purchase of alternative fuel vehicles and hybrids whenever possible.
- Provide regular inspection and maintenance of the City's fleet and equipment. City staff maintained 30 public work vehicles, 26 police vehicles, three city hall vehicles and eight trailers. Vehicles include forklifts, backhoes, a dump truck, mobile generators, and a street sweeper. Small equipment is also included in the maintenance program such as small generators, mobile pumps, mowers and 30 small engines on equipment to name a few.

FY 2017/18 TOP ACCOMPLISHMENTS

- Ten vehicles and two small generators were sold.
- Six vehicles were purchased
 - One pool car for City Hall
 - Four Public Works
 - One Police vehicle
- Acquired small vehicle storage..

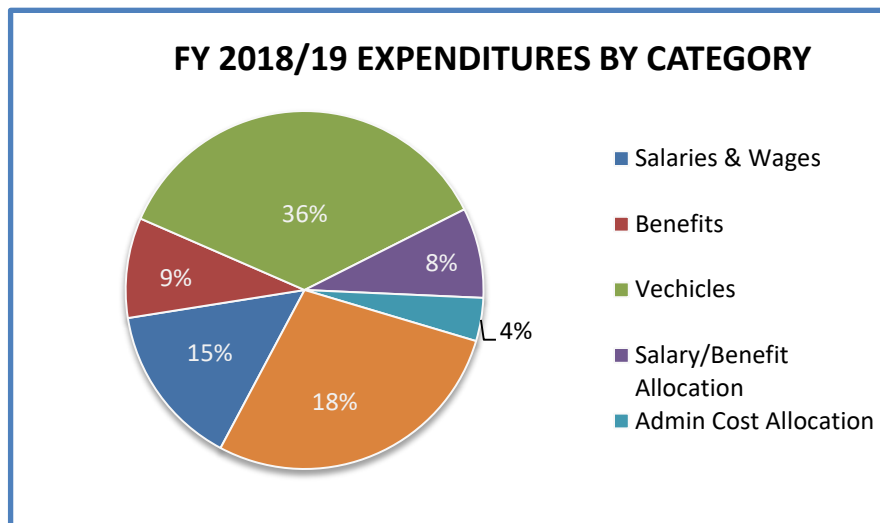
FY 2018/19 TOP PRIORITIES

- Reduce maintenance costs by removing lightly used vehicles from the fleet.
- Research alternative fuel vehicles and hybrids when replacement is necessary.
- Provide continued preventive maintenance for the fleet to facilitate timely emergency response.

BUDGET OVERVIEW

The FY 2018/19 budget for the Fleet & Equipment Services is \$414k, a decrease of \$57k or 12%, compared to the FY 2017/18 projected year end. The decrease is attributable largely to the decline in Vehicles purchased compared to last FY. According to the Fleet long term plan, year to year swings in expenditures are to be expected. In FY 2015/16 a three-year plan was developed which informed the annual funding requirement. In FY 2017/18, the long-term plan was increased to 10 years to provide better long term financial planning.

Pursuant to the City’s Fund Balance and Reserve Policy, the unrestricted fund balance in Fleet & Equipment is intended to help pre-fund large purchases and repairs and avoid big annual swings in funding needs. In FY 2018/19, the fund balance will be increase to \$93k based on the Fund’s 10-Year financial plan.



FLEET & EQUIPMENT SERVICES DEPARTMENTAL BUDGET SUMMARY

FUND 522

DEPARTMENT: 4550

Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
Expenditure:					
Personnel Services	\$ 113,060	\$ 118,068	\$ 117,794	\$ 131,916	12%
Non-Personnel Services	247,809	354,424	353,424	254,614	-28%
Total Departmental Expenditure	360,869	472,492	471,219	386,530	-18%
Revenue:					
Charges for services - Allocation ISF	210,142	427,238	427,238	477,124	12%
Transfers	518,025	6,937	16,744	25,850	100%
Total Departmental Revenue	728,167	434,175	443,982	502,974	13%
Net Expenditure	367,298	(38,317)	(27,237)	116,443	-528%

BUDGET DETAIL:

Fund #522

Department: 4550

Object	Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	17/18 FYE Projected	FY 2018/19 Adopted Budget	% + /-
0100	Salaries & Wages	\$ 57,887	\$ 58,521	\$ 58,823	\$ 60,856	3%
0200	Employee Benefits	30,960	32,904	32,328	37,391	16%
0801	Salary/Benefit Allocation	24,213	26,643	26,643	33,670	26%
	Personnel Services	113,060	118,068	117,794	131,916	12%
0319	Professional Services	1,295	2,000	1,000	1,500	50%
0351	Equipment Repair & Maint	11,282	6,500	6,500	6,500	0%
0352	Vehicle Repair & Maint	34,939	34,000	34,000	35,000	3%
0366	Travel/Training Reimbursement	814	700	700	800	14%
0375	General Supplies	1,317	2,000	2,000	1,800	-10%
0381	Small Tools & Equipment	1,091	800	800	900	13%
0382	Fuel & Lubricants	66,550	70,000	70,000	70,000	0%
0399	Admin Cost Allocation	18,455	18,107	18,107	16,114	-11%
0499	Depreciation Exp	110,245	-	-	-	0%
0742	Vehicles	1,823	220,317	220,317	122,000	-45%
	Non-Personnel Services	247,809	354,424	353,424	254,614	-28%
	Total Fleet Services	\$ 360,869	\$ 472,492	\$ 471,219	\$ 386,530	-18%

Vehicle Replacement Plan																
Unit No.	Make	Yr.	Model	Hours/Miles	FY 17/18 Estimated	FY 18/19 Proposed	FY 19/20 Projected	FY 20/21 Projected	FY 21/22 Projected	FY 22/23 Projected	FY 23/24 Projected	FY 24/25 Projected	FY 25/26 Projected	FY 26/27 Projected	FY 27/28 Projected	
Public Works Vehicles																
WW14	Dodge	2002	1500 PIU	67,402	\$40,000											
WW130	NISSAN	2007	FRONTIER	19,676	\$28,000											
WW135	Generac	1986	GEN. SET	Generator	\$42,000											
CH116	TOY	2004	PRIUS	96,000	\$27,000											
Jetter/Vactor Trailer	HONDA		JETTER TRAILER			\$75,000										
WW131	NISSAN	2007	FRONTIER	64,414			\$27,000									
PW48	FORD	2008	RANGER	70,083		\$35,000										
WW115	TMC	86	LIFT TRUCK	737hrs			\$15,000									
WT1	Dodge	2005	1500 Q. CAB	46,383			\$30,000									
PW8	JOHNDE	85	BACKHOE	5,516			\$50,000									
PW16	FORD	2006	F-150 X-TRA	59,826			\$30,000									
PW46	STERLING	2001	CAMEL	14,215			\$400,000									
CHE121	FORD	2006	ESCAPE	52,091					\$36,000							
PW1	CHEV.	2000	3500. Flatbed	46,383					\$50,000							
PW5	FORD	2006	F-250 SERV.	69,713						\$37,000						
Public Works Sub-Total					\$137,000	\$75,000	\$35,000	\$42,000	\$80,000	\$430,000	\$86,000	\$37,000	\$0	\$0	\$0	
Police Vehicles																
PD746	Dodge	2007	DURANGO	88,720	\$46,000											
PD731	FORD	2005	CROWN VIC	88,759		\$47,000										
PD735	FORD	2005	CROWN VIC	89,424			\$47,000									
PD743	FORD	2007	CRN VIC. (K-9)	115,117			\$55,000									
PD747	FORD	2009	ESCAPE	101,872				\$35,000								
PD1301	FORD	2011	CROWN VIC	62,090					\$47,000							
PD1302	FORD	2011	CROWN VIC	62,005					\$47,000							
PD744	FORD	2008	RANGER	45,682					\$30,000							
PD1403	FORD	2014	INTERCEPTOR	48,856						\$47,000						
PD501	FORD	2015	INTERCEPTOR	32,134						\$48,000						
PD500	FORD	2015	INTERCEPTOR	34,682						\$48,000						
PD503	FORD	2015	INTERCEPTOR	16,626						\$48,000						
PD502	FORD	2015	INTERCEPTOR	17,545						\$48,000						
PD507	FORD	2016	INTERCEPTOR	15,970						\$48,000				\$48,000		
PD508	FORD	2016	INTERCEPTOR	9,023						\$48,000				\$48,000		
PD513	FORD	2018	INTERCEPTOR	100												
Police Sub-Total					\$46,000	\$47,000	\$102,000	\$35,000	\$77,000	\$47,000	\$47,000	\$133,000	\$96,000	\$96,000	\$48,000	
Total Replacement Costs					\$183,000	\$122,000	\$137,000	\$77,000	\$157,000	\$477,000	\$133,000	\$133,000	\$96,000	\$96,000	\$48,000	\$48,000

VEHICLE ALLOCATION:

Vehicle Replacement Plan				Percentage of Fleet Usage							
Unit No.	Make	Yr.	Model	110 POLICE LAW	110 CH NON Depart	110 PARKS	110 DRAINS	221GAS TAX	230 TRAFFIC	610	710
Public Works Vehicles											
WWT4	Dodge	2002	1500 P/U	0	0	0	0	0	0	0	100
WWT30	NISSAN	2007	FRONTIER	0	0	0	0	0	0	0	100
WWT35	Generac	1986	GEN. SET	0	0	0	0	0	0	0	100
CH716	TOY	2004	PRIUS	0	100	0	0	0	0	0	0
Jetter/Vactor Trailer	HONDA		JETTER TRAILER	0	0	0	0	0	0	50	50
WWT31	NISSAN	2007	FRONTIER	0	0	0	0	0	0	15	85
PW48	FORD	2008	RANGER	10	20	5	5	0	0	50	10
WWT15	TMC	86	LIFT TRUCK	0	0	0	0	0	0	0	100
WT1	Dodge	2005	1500 Q. CAB	10	10	10	10	15	5	20	20
PW8	JOHNDE	85	BACKHOE	0	0	0	0	0	0	0	100
PW16	FORD	2006	F-150 X-TRA	0	0	20	20	10	10	20	20
PW46	STERLING	2001	CAMEL	0	0	0	10	0	0	45	45
CHE121	FORD	2006	ESCAPE	0	100	0	0	0	0	0	0
PW1	CHEV.	2000	3500 Flatbed	0	0	0	0	30	0	35	35
PW5	FORD	2006	F-250 SERV.	0	0	0	0	0	0	40	60

Police Vehicles											
Unit No.	Make	Yr.	Model	110 POLICE LAW	110 CH NON Depart	110 PARKS	110 DRAINS	221GAS TAX	230 TRAFFIC	610	710
PD746	Dodge	2007	DURANGO	100	0	0	0	0	0	0	0
PD731	FORD	2005	CROWN VIC	100	0	0	0	0	0	0	0
PD735	FORD	2005	CROWN VIC	100	0	0	0	0	0	0	0
PD743	FORD	2007	CRN VIC. (K-9)	100	0	0	0	0	0	0	0
PD747	FORD	2009	ESCAPE	100	0	0	0	0	0	0	0
PD1301	FORD	2011	CROWN VIC	100	0	0	0	0	0	0	0
PD1302	FORD	2011	CROWN VIC	100	0	0	0	0	0	0	0
PD744	FORD	2008	RANGER	100	0	0	0	0	0	0	0
PD1403	FORD	2014	INTERCEPTOR	100	0	0	0	0	0	0	0
PD501	FORD	2015	INTERCEPTOR	100	0	0	0	0	0	0	0
PD500	FORD	2015	INTERCEPTOR	100	0	0	0	0	0	0	0
PD503	FORD	2015	INTERCEPTOR	100	0	0	0	0	0	0	0
PD502	FORD	2015	INTERCEPTOR	100	0	0	0	0	0	0	0
PD507	FORD	2016	INTERCEPTOR	100	0	0	0	0	0	0	0
PD508	FORD	2016	INTERCEPTOR	100	0	0	0	0	0	0	0
PD513	FORD	2018	INTERCEPTOR	100	0	0	0	0	0	0	0

Vehicle purchase prices are allocated to individual departments according to the allocation chart above. All other Fleet costs are allocated according to each department's percentage of the total fleet.

FUNDING REQUIREMENTS AND CONTRIBUTIONS

	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28
Maintenance & Purchases	Estimated	Proposed	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Sal/Benefits	\$ 91,151	\$ 98,247	\$ 112,001	\$ 127,681	\$ 145,557	\$ 165,935	\$ 189,166	\$ 198,624	\$ 208,555	\$ 218,983	\$ 229,932
Sal/Benefits Allocation	26,643	33,670	38,383	43,757	49,883	56,867	64,828	68,069	71,473	75,046	78,799
Non-Personnel Costs	115,000	116,500	117,665	118,842	120,030	121,230	122,443	123,667	124,904	126,153	127,414
Overhead Allocation	18,107	16,114	16,275	16,438	16,602	16,768	16,936	17,106	17,277	17,449	17,624
Vehicle Purchases	220,317	122,000	137,000	77,000	157,000	477,000	133,000	133,000	96,000	96,000	48,000
Projected Total Cost	471,219	386,530	421,325	383,718	489,072	837,800	526,372	540,466	518,208	533,631	501,769
Required Funds contributi	443,982	502,974	535,149	496,374	521,124	502,974	502,974	529,924	529,924	529,924	503,524
Beginning Reserve Balance	31,268	4,031	120,474	234,298	346,953	379,005	44,178	20,780	10,237	21,953	18,245
Reserve - increase (decrea	(27,237)	116,443	113,824	112,656	32,051	(334,827)	(23,399)	(10,542)	11,715	(3,708)	1,755
Ending Reserve Balance	\$ 4,031	\$ 120,474	\$ 234,298	\$ 346,953	\$ 379,005	\$ 44,178	\$ 20,780	\$ 10,237	\$ 21,953	\$ 18,245	\$ 20,000

**FY 2018/19 FLEET FUNDING
DETAIL OF CONTRIBUTIONS BY DEPARTMENT**

FY 18-19 Contributed Funds Vehicle Maintenance and Purchases:	FY 18/19 Proposed	FY 19/20 Projected	FY 20/21 Projected	FY 21/22 Projected	FY 22/23 Projected	FY 23/24 Projected	FY 24/25 Projected	FY 25/26 Projected	FY 26/27 Projected	FY 27/28 Projected	% of Fleet
Non Departmental Maintenance	\$ 14,933	\$ 14,933	\$ 14,933	\$ 14,933	\$ 14,933	\$ 14,933	\$ 14,933	\$ 14,933	\$ 14,933	\$ 14,933	4%
Non Departmental Purchases	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	
Reserve Funding	65	65	65	65	65	65	65	65	65	65	
Sub Total	19,598	19,598	19,598	19,598	19,598	19,598	19,598	19,598	19,598	19,598	44%
Police Department Maintenance	162,576	162,576	162,576	162,576	162,576	162,576	162,576	162,576	162,576	162,576	
Police Department Purchases	31,388	31,388	31,388	31,388	31,388	31,388	31,388	31,388	31,388	31,388	
Reserve Funding	709	709	709	709	709	709	709	709	709	709	
Sub Total	194,672	194,672	194,672	194,672	194,672	194,672	194,672	194,672	194,672	194,672	
USDA Grant for Police Department Purchases	25,850	58,025	19,250	44,000	25,850	25,850	52,800	52,800	52,800	26,400	
Sub Total	25,850	58,025	19,250	44,000	25,850	25,850	52,800	52,800	52,800	26,400	
Public Works: Parks Maintenance	31,980	31,980	31,980	31,980	31,980	31,980	31,980	31,980	31,980	31,980	9%
Public Works: Parks Purchases	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	
Reserve Funding	139	139	139	139	139	139	139	139	139	139	
Sub Total	33,194	33,194	33,194	33,194	33,194	33,194	33,194	33,194	33,194	33,194	
Public Works: Streets Maintenance	12,116	12,116	12,116	12,116	12,116	12,116	12,116	12,116	12,116	12,116	3%
Public Works: Streets Purchases	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	
Reserve Funding	53	53	53	53	53	53	53	53	53	53	
Sub Total	14,419	14,419	14,419	14,419	14,419	14,419	14,419	14,419	14,419	14,419	
Public Works: Storm Drains Maintenance	3,099	3,099	3,099	3,099	3,099	3,099	3,099	3,099	3,099	3,099	1%
Public Works: Storm Drains Purchases	5,075	5,075	5,075	5,075	5,075	5,075	5,075	5,075	5,075	5,075	
Reserve Funding	14	14	14	14	14	14	14	14	14	14	
Sub Total	8,188	8,188	8,188	8,188	8,188	8,188	8,188	8,188	8,188	8,188	
Public Works: Traffic Safety Maintenance	7,044	7,044	7,044	7,044	7,044	7,044	7,044	7,044	7,044	7,044	2%
Public Works: Traffic Safety Purchases	450	450	450	450	450	450	450	450	450	450	
Reserve Funding	31	31	31	31	31	31	31	31	31	31	
Sub Total	7,525	7,525	7,525	7,525	7,525	7,525	7,525	7,525	7,525	7,525	
Water Maintenance	36,488	36,488	36,488	36,488	36,488	36,488	36,488	36,488	36,488	36,488	10%
Water Purchases	28,335	28,335	28,335	28,335	28,335	28,335	28,335	28,335	28,335	28,335	
Reserve Funding	159	159	159	159	159	159	159	159	159	159	
Sub Total	64,982	64,982	64,982	64,982	64,982	64,982	64,982	64,982	64,982	64,982	
Wastewater	98,053	98,053	98,053	98,053	98,053	98,053	98,053	98,053	98,053	98,053	27%
Wastewater Purchases	36,065	36,065	36,065	36,065	36,065	36,065	36,065	36,065	36,065	36,065	
Reserve Funding	427	427	427	427	427	427	427	427	427	427	
Sub Total	134,545	134,545	134,545	134,545	134,545	134,545	134,545	134,545	134,545	134,545	
Total Cost	\$ 502,974	\$ 535,149	\$ 496,374	\$ 521,124	\$ 502,974	\$ 502,974	\$ 529,924	\$ 529,924	\$ 529,924	\$ 503,524	100%



CITY OF FORT BRAGG
DEBT MANAGEMENT POLICY

Introduction

The City of Fort Bragg and the Fort Bragg Municipal Improvement District No. 1 (collectively referred to as the “City”) have adopted the following “Debt Management Policy” which is intended to guide decisions related to debt issued by the City. Debt issuance should be evaluated on a case-by-case basis as well as within the context of the City’s overall capital structure and policy objectives. Adherence to the Debt Management Policy is necessary to ensure that the City maintains a sound debt position and that it protects the credit quality of its debt obligations.

Goals and Objectives

The Debt Management Policy formally establishes parameters for issuing debt and managing a debt portfolio which recognizes the City’s specific capital improvement needs, ability to repay financial obligations, and legal, economic, financial and capital market conditions. Specifically, the Debt Management Policy is intended to assist the City in the following:

- Promoting sound financial management through accurate and timely information on financial conditions,
- Evaluating critical debt issuance options,
- Protecting and enhancing the City’s credit rating.

The policies outlined in the Debt Management Policy are a tool to help ensure that adequate financial resources are available to support the City’s long-term capital needs.

Principles of Debt Management and Debt Issuance

Factors to be considered when evaluating issuance or refunding of debt will include:

- Intergenerational equity,
 - Compliance with the City’s reserve policies,
 - Cost of on-going maintenance of new projects,
 - Forgone interest earnings from the use of cash reserves or investments,
 - Debt service requirements and affordability.
- The City will manage its debt to ensure high credit quality, access to capital markets, and financial flexibility.
 - The City will seek to fund a portion of its overall capital program from current resources (pay-as-you-go) and reserves, depending upon the specific projects, annual budgetary constraints and availability and rate of investment earnings.
 - The City will consider the use of debt in those cases where public policy, equity, and economic efficiency favor debt over cash (pay-as-you-go) financing.
 - The City will not construct or acquire a facility or capital improvement if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility.
 - The City will not fund working capital (general fund) reserves, or operating and maintenance costs through the issuance of debt.
 - The City will utilize a multi-year capital financing plan to determine the affordability of debt. The capital financing plan will provide a multi-year forecast which shall include, but not be limited to; description of sources of funds; availability of current revenues, timing of capital projects, and debt service requirements.

Standards for Use of Debt Financing

City Council Consideration. The City Council shall endeavor to receive sufficient information about debt financing to understand the short- and long-term ramifications of each debt issuance. The Council shall meet as necessary with the City Manager, Finance Director and other appropriate advisors, if deemed necessary, for the purpose of reviewing and making a final determination related to each debt issuance.

Long-Term Capital Projects. The City Council will consider the use of debt to finance long-term capital projects only when paying for the facilities or equipment over their useful life and concurrent with the benefits derived from the use of such facilities, and when project revenues or specific resources will be sufficient to service the long-term debt. The final maturity of the bonds shall not exceed the expected useful life of each project.

Special Circumstances for Debt Issuance. Debt may be used in special circumstances for projects other than long-term capital projects (as an example, for pension obligations) only after careful policy evaluation by the City.

Debt Financing Mechanisms. The City will seek to utilize the most cost advantageous financing alternative available, taking into consideration policy objectives. The Finance Director shall evaluate the use of all financial alternatives available, including, but not limited to long-term debt, pay-as-you-go, joint financing, reserve fund releases, lease-purchase, special districts, special assessments, state and federal aid, tax-exempt leasing, public/private partnerships, and State revolving loan programs. The recommendation of the Finance Director shall be submitted to the City Manager and a staff recommendation shall be submitted to the Council.

Methods of Issuance. The City will determine, on a case-by-case basis, whether to sell its bonds competitively or through negotiation.

Credit Quality. All City debt management activities will be conducted to receive the highest credit ratings possible, consistent with the City's financing objectives and, at a minimum, to maintain current credit ratings assigned to the City's debt by the major credit rating agencies.

Debt Capacity. The City will carefully monitor its level of general purpose debt. Because the City's general purpose debt capacity is limited, it is important that the City only use general purpose debt financing for high-priority projects where other financing methods cannot be used. In evaluating debt capacity, general purpose annual debt service payments shall not exceed 10% of General Fund revenues. The City's Enterprise Fund debt capacity will be evaluated as an integral part of the City's rate review and setting process. The City will set Enterprise Fund service rates at levels needed to fully cover debt service, operations, maintenance, administration and capital improvement requirements.

Financing Criteria

When the City determines that the use of debt is appropriate, the following criteria will be utilized to evaluate the type of debt to be issued:

Pay-As-You-Go Financing. The City will consider Pay-As-You-Go Financing if current revenues and adequate fund balances are available or project phasing can be accomplished. Other factors to be considered include: current debt levels, the effect of additional debt on the City's credit rating, anticipated difficulties in marketing debt, and stability of market conditions.

Long-Term Debt. The City may issue long-term debt, when required capital improvements cannot be financed from current revenues or reserves without having an impact on the City's financial stability and/or operating flexibility. Long-term borrowing should not be used to finance current operations or normal maintenance and repairs.

Variable Rate Debt. To maintain a predictable debt service burden and rate structure, the City may give preference to debt that carries a fixed interest rate. The City, however, may consider variable rate debt, especially in periods of high interest rates, or when the revenue stream for repayment is variable.

Interfund or Short-Term Debt. Interfund or short-term borrowing may be utilized for temporary funding of operational cash flow deficits or anticipated revenues. Short-term debt may be used when it provides an interest rate advantage or as interim financing until market conditions are more favorable.

Terms and Conditions of Bonds

The City shall establish all terms and conditions relating to the issuance of bonds, and will control, manage, and invest all bond proceeds. Unless otherwise authorized by the City Council, the following shall serve as bond requirements.

Maturity/Term. All capital improvements financed through the issuance of debt will be financed for a period not to exceed the useful life of the improvements, but in no event will the term exceed 40 years.

Debt Service Structure. Debt issuance shall be planned to achieve relatively rapid repayment of debt while still matching debt service to the useful life of facilities. The City shall avoid the use of bullet or balloon maturities

except in those instances where these maturities serve to meet aggregate debt service structuring objectives. Debt service should be structured primarily on an aggregate level annual basis, as opposed to on an escalating or deferred basis.

Coupon Structure. Debt may include par, discount, premium and capital appreciation bonds. Discount, premium, and capital appreciation bonds must be demonstrated to be advantageous relative to par bond structures.

Call Provisions. The City's securities should include an optional call feature, which typically is no later than 10 years from the date of delivery of the bonds. The City will avoid the sale of non-callable bonds absent careful evaluation by the City and its financial advisor with respect to the value of the call option.

Bond Insurance / Credit Enhancement. The City shall have the authority to purchase bond insurance or credit enhancement when such purchase is deemed prudent and advantageous. The determination shall be based on the net present value debt service cost comparison of insured/enhanced bonds versus uninsured/unenhanced bonds.

Debt Service Reserves. A reserve fund shall be funded from the proceeds of each series of bonds, subject to federal tax regulations and in accordance with the requirements of credit enhancement providers, rating agencies, and investor demands. The reserve fund shall be treated as a Restricted Reserve as defined in the City Reserve Policy. The City shall have the authority to purchase reserve equivalents (i.e., the use of a reserve fund surety) when such purchase is deemed prudent and advantageous. Such equivalents shall be evaluated in comparison to cash funding of reserves on a net present value basis, taking into account the impact of investments and arbitrage rebate considerations.

Refinancing Outstanding Debt

The Finance Director shall analyze outstanding bond issues for refunding opportunities that may be presented by underwriting firms. The City will consider the following issues when analyzing possible refunding opportunities:

Debt Service Savings. The City will refund debt when it is in the best financial interest of the City to do so. The City shall evaluate each refunding opportunity based on net present value savings, which shall take into account foregone interest earnings, all costs related to the refinancing, and arbitrage implications (i.e., net-to-net savings).

Restructuring. The City will only consider restructuring when it can be demonstrated that a proposed structure will assist the City in meeting at least one of several goals, including: meeting unanticipated revenue expectations, achieving cost savings, mitigating irregular debt service payments, releasing reserve funds or removing restrictive bond covenants.

Term of Refunding Issues. The City will refund bonds within the term of the originally issued debt. However, the City may consider maturity extension when necessary to achieve a desired outcome, provided that such extension is legally permissible. The City may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of intergenerational equity should guide this decision.

Escrow Structuring. The City shall utilize the least costly securities available in structuring refunding escrows.

Arbitrage. The City shall take all necessary steps to optimize escrows and to minimize negative arbitrage in a refunding escrow, including evaluating the risks and benefits of an economic versus legal defeasance.

Market Relationships

Rating Agencies and Investors. The Finance Director shall be responsible for maintaining the City's relationships with rating agencies (i.e., Moody's Investors Service, Standard & Poor's and Fitch).

Continuing Disclosure. The City shall remain in compliance with Securities Exchange Commission (SEC) Rule 15c2-12 by filing its annual financial statements and other financial and operating data for the benefit of its bondholders within the deadlines imposed by Rule 15c2-12. The City shall provide this information to the Municipal Securities Rulemaking Council (MSRB) Electronic Municipal Market Access Website (www.emma.msrb.org). The City will make this information available on its website.

Record Keeping/Reporting. The City shall maintain a repository for all debt-related records, which includes: all official statements, ordinances, indentures, trustee reports, leases, etc. for all City debt in electronic format. To the extent that official transcripts incorporate these documents, possession of a transcript will suffice.

Arbitrage Rebate. The City will account for all interest earnings in debt-related funds. The use of bond proceeds and their investments shall be monitored to ensure compliance with all debt covenants, legal requirements, and IRS arbitrage regulations. The City will endeavor to make investments that maximize the amount of the interest earnings it can retain (under IRS regulations) for all bond funds. The Finance Director shall ensure that proceeds and investments are tracked in a manner which facilitates accurate calculation and timely payment of rebates, if applicable.

Procurement and Selection of Financing Team

The City shall procure professional services as required to execute financing transactions and to provide advice on non-transaction related work. The City shall establish selection criteria for selecting its financing team members, which include financial advisor, bond counsel, and underwriter. The criteria may include, but are not limited to:

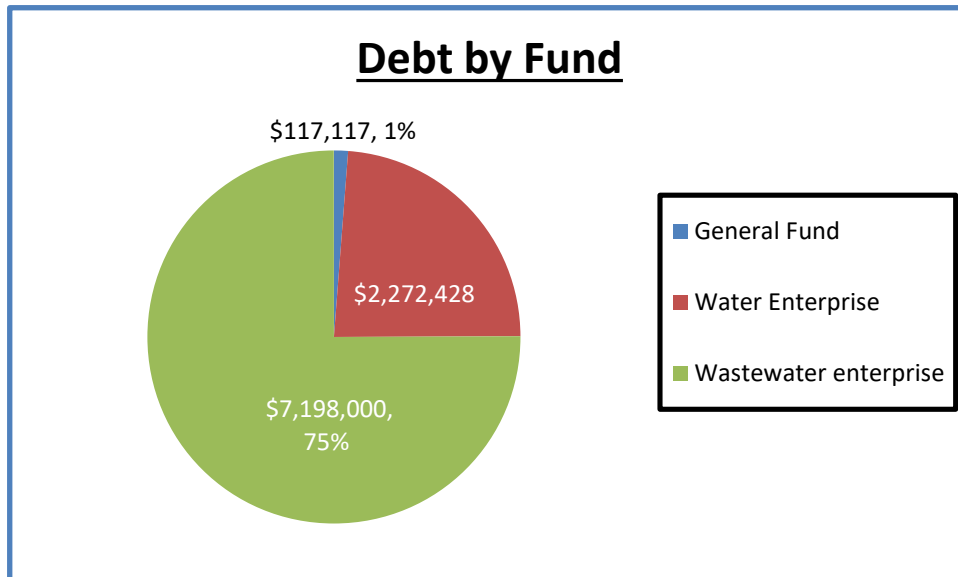
- Professional excellence,
- Demonstrated competence,
- Specialized experience performing similar services for California agencies,
- Education and experience of key personnel to be assigned,
- Geographic proximity,
- Staff capability,
- Ability to meet schedules,
- Nature and quality of similar completed work of the firm or individual,
- Reliability and continuity of the firm or individual.

Note: Definitions to financial terms used in this policy are found in the Glossary section of the budget.

DEBT SERVICE SUMMARY

Funding Source	Issue Date	Maturity Date	Interest Rate	Balance 06/30/18	Principal Payment FY18/19	Interest Expense FY18/19	Fees FY18/19	Total Due FY18/19	Debt Balance 06/30/19
<u>GENERAL FUND</u>									
Caspar Landfill Post:	2005	2020	4.15%	\$ 264,686	\$ 137,341	\$ 10,228	\$ -	\$ 147,569	\$ 117,117
<u>INTERFUND LOAN</u>									
WasteWater to General Fund	2017	2022	0.55%	149,142	37,215	749	-	37,964	111,178
Total General Fund Debt				264,686	137,341	10,228	-	185,533	117,117
<u>WATER ENTERPRISE</u>									
2014 Water Revenue Refunding Bond	2014	2023	3.06%	1,793,800	290,000	52,418	3,000	345,418	1,451,382
California Department of Water Resour	2007	2027	0%	926,824	72,849	32,929	600	106,378	821,046
Total Water Enterprise Fund Debt				2,720,624	362,849	85,347	3,600	451,796	2,272,428
<u>WASTEWATER ENTERPRISE</u>									
1998-WW Revenue Bonds	1998	2018	3 - 5%	56,458	55,000	1,458	2,200	58,658	-
2018-Certificates of Participation	2018	2057	2%	7,274,111	-	76,111	3,000	79,111	7,198,000
Total WasteWater Enterprise Debt				7,330,569	55,000	77,569	5,200	137,769	7,198,000
Total Debt				10,315,879	555,190	173,144	8,800	775,098	9,587,545

Required for Debt Payments:	<i>FY17-18</i>	<i>FY18-19</i>	7%
	\$ 724,024	\$ 775,098	



GENERAL FUND: 2005 REFUNDING & LANDFILL CLOSURE

**\$1,655,035
City of Fort Bragg
2005 Certificates of Participation
110-4915**

Date: September 1, 2005
Interest: Semiannual each December and June, commencing December 1, 2005. Interest accrues at 4.15%.
Maturity: June 1, 2020
Rating: Standard and & Poor's Not Rated
Purpose: To refund the 1989 Certificates of Participation for Oceanview Drive, and to fund the Police Building construction and the Caspar Landfill closure costs.
Security: The Certificates of Participation are secured by a ground lease and refinancing lease/purchase agreement between the City and the City of Fort Bragg Joint Powers Financing Authority which covers Town Hall (363 N. Main Street) and the Corporation Yard (831 Cedar Street).
Covenants*: If 45 days before the end of the then current Fiscal Year, the Rent Payments for the next Fiscal Year have not been appropriated, the Lessee, within 5 business days, shall notify in writing the Lessor of such event.
Debt Service:

	Principal	Interest	Total	Fees	Total Payment
FY 2018/19 Requirements	\$ 137,341	\$ 10,228	\$ 147,569	\$ -	\$ 147,569

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
FY 05-06	\$ 99,957	\$ 47,612	\$ 147,569
FY 06-07	83,895	63,674	147,569
FY 07-08	87,413	60,156	147,569
FY 08-09	91,078	56,491	147,569
FY 09-10	94,897	52,672	147,569
FY 10-11	98,876	48,693	147,569
FY 11-12	103,022	44,547	147,569
FY 12-13	107,341	40,228	147,569
FY 13-14	111,842	35,727	147,569
FY 14-15	116,532	31,037	147,569
FY 15-16	121,418	26,151	147,569
FY 16-17	126,509	21,060	147,569
FY 17-18	131,814	15,755	147,569
FY 18-19	137,341	10,228	147,569
FY 19-20	143,100	4,469	147,569
	<u>\$ 1,655,035</u>	<u>\$ 558,501</u>	<u>\$ 2,213,535</u>

*Additional Covenants may apply. Please contact the City Finance Department for more information.

WATER ENTERPRISE : 2014 REVENUE REFUNDING BOND

\$2,962,000
City of Fort Bragg Water Enterprise
2014 Water Revenue Refunding Bond
610-4612

Date: June 5, 2014
Interest: Semiannual each April and October, commencing October 1, 2014. Interest rate is 3.060% per annum.
Maturity: October 1, 2023
Rating: Not available at this time.
Purpose: To refund the 2003 California Statewide Communities Development Authority Water (CSCDA) and Wastewater Revenue Bonds. The CSCDA bonds were issued to refund the 1993 Water System Certificates of Participation which were issued to fund improvements to the City’s water system.
Security: The Bond is secured by revenues from the Water Enterprise Fund.
Required Coverage Ratio: 1.20
Disclosures: Upon request the City shall provide (i) Audited Financial Statements with (240) days of the end of the Fiscal Year, (ii) annual certification that the City has satisfied the 1.20x coverage ratio, (iii) the approved annual budget of the City within (30) days of the end of the Fiscal Year and (iv) any other financial or operational reports as may reasonably requested and as soon as available.

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
FY 14-15	\$ 276,000	\$ 70,301	\$ 346,301
FY 15-16	268,000	78,091	346,091
FY 16-17	276,000	69,768	345,768
FY 17-18	284,000	61,200	345,200
FY 18-19	290,000	52,418	342,418
FY 19-20	300,000	43,391	343,391
FY 20-21	304,000	34,150	338,150
FY 21-22	312,000	24,725	336,725
FY 22-23	320,000	15,055	335,055
FY 23-24	332,000	5,080	337,080
Total	\$ 2,962,000	\$ 454,179	\$ 3,416,179

	Principal	Interest	Total	Fees	Total Payment
FY 2018/19 Requirements	\$ 290,000	\$ 52,418	\$ 342,418	\$ 3,000	\$ 345,418

WATER ENTERPRISE : DEPT OF WATER RESOURCE 0% LOAN

\$1,382,784

**State of California Department of Water Resources
610-4612**

Date: January 1, 2007
Interest: Semiannual each July and January, commencing July 1, 2007. This is an interest free loan.
Maturity: January 1, 2027
Rating: Standard and & Poor's Not rated.
Purpose: To finance the construction of a project to meet safe drinking water standards.
Security: The loan is secured by revenues from the Water Enterprise Fund.
Fiscal Agent: US Bank Corporate Trust Services
Covenants*: A reserve fund equal to two semiannual payments must be maintained with the Fiscal Agent.
Disclosures: While there are no specific reporting requirements, the Fiscal Agent does request and the City does provide Financial Statements on an annual basis.
Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Imputed Interest*</u>	<u>Total</u>
FY 06-07	\$ 21,745	\$ 31,793	\$ 53,538
FY 07-08	45,350	61,727	107,077
FY 08-09	47,447	59,630	107,077
FY 09-10	49,642	57,435	107,077
FY 10-11	51,938	55,139	107,077
FY 11-12	54,340	52,737	107,077
FY 12-13	55,540	50,238	105,778
FY 13-14	58,108	47,670	105,778
FY 14-15	60,796	44,982	105,778
FY 15-16	63,608	42,170	105,778
FY 16-17	66,550	39,228	105,778
FY 17-18	69,628	36,150	105,778
FY 18-19	72,849	32,929	105,778
FY 19-20	76,218	29,560	105,778
FY 20-21	79,743	26,035	105,778
FY 21-22	83,432	22,346	105,778
FY 22-23	87,291	18,487	105,778
FY 23-24	91,328	14,450	105,778
FY 24-25	95,552	10,226	105,778
FY 25-26	99,972	5,806	105,778
FY 26-27	51,707	1,182	52,889
	\$ 1,382,784	\$ 739,920	\$ 2,122,704

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Fees</u>	<u>Total Payment</u>
FY 2018/19 Requirements	\$ 72,849	\$ 32,929	\$ 105,778	\$ 600	\$ 106,378

*Additional Covenants may apply. Please contact the City's Finance Department for more information.

WASTEWATER ENTERPRISE: 1998 REVENUE BONDS**\$770,000****1998 Wastewater Revenue Bonds****710-4712**

Date:	April 13, 1998
Interest:	Semiannual each October and April, commencing October 1, 1998. Interest rates range from 3.75% to 5.30%.
Maturity:	October 1, 2018
Rating:	Standard and & Poor's AAA/Negative
Purpose:	To acquire and construct capital improvements to the District's wastewater system.
Security:	The Bonds were issued by the Association of Bay Area Governments (ABAG) whereby ABAG issued revenue bonds on behalf of the City. The Bonds are an obligation of ABAG and payable solely from and secured by revenues that consist primarily of payments on an installment obligation of the City.
Fiscal Agent:	Union Bank of California, N.A.
Disclosures:	The City's Annual Financial Report is due no later than 210 day after the end of the City's Fiscal Year. Additionally, ABAG requests and the City provide reporting on the following; Number of connections, outstanding program obligations, maximum annual installment payments and coverage of net revenues to parity debt.

Debt Service:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
FY 98-99	\$ 25,000	\$ 37,730	\$ 62,730
FY 99-00	25,000	36,758	61,758
FY 00-01	25,000	35,298	60,298
FY 01-02	25,000	34,304	59,304
FY 02-03	25,000	33,279	58,279
FY 03-04	30,000	32,130	62,130
FY 04-05	30,000	30,855	60,855
FY 05-06	30,000	29,550	59,550
FY 06-07	30,000	28,140	58,140
FY 07-08	35,000	26,515	61,515
FY 08-09	35,000	24,765	59,765
FY 09-10	35,000	23,015	58,015
FY 10-11	40,000	21,140	61,140
FY 11-12	40,000	19,080	59,080
FY 12-13	40,000	16,960	56,960
FY 13-14	45,000	14,708	59,708
FY 14-15	45,000	12,322	57,322
FY 15-16	50,000	9,805	59,805
FY 16-17	50,000	7,155	57,155
FY 17-18	55,000	4,373	59,373
FY 18-19	55,000	1,458	56,458
	<u>\$ 770,000</u>	<u>\$ 479,337</u>	<u>\$ 1,249,337</u>

	Principal	Interest	Total	Fees	Total Payment
FY 2018/19 Requirements	\$ 55,000	\$ 1,458	\$ 56,458	\$ 2,200	\$ 58,658

WASTEWATER ENTERPRISE: TREATMENT FACILITY

\$5,000,000

**2018 Wastewater Certificates of Participation
717-4712**

Date: October, 2018
Interest: Semiannual each October and April, commencing October 1, 1998. Interest rate is 2.00% per annum.
Maturity: 2058
Rating: TBD
Purpose: To acquire and construct the District's Wastewater Treatment Facility.
Security: The Certificates of Participation are secured by an Installment Sale agreement between the City and the City of Fort Bragg Joint Powers Financing Authority with the JPFA as Seller and the City as Purchaser. The obligation is secured and payable from net revenues of the Wastewater Enterprise.

Fiscal Agent: US Bank Corporate Trust Services
Disclosures: TBD

Debt Service: **Preliminary schedule as follows, Schedule will be updated next budget cycle once finalized.*

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
FY 18-19	\$ -	\$ 76,111	\$ 76,111
FY 19-20	86,000	99,140	185,140
FY 20-21	87,000	97,410	184,410
FY 21-22	89,000	95,650	184,650
FY 22-23	91,000	93,850	184,850
FY 23-24	93,000	92,010	185,010
FY 24-25	95,000	90,130	185,130
FY 25-26	97,000	88,210	185,210
FY 26-27	99,000	86,250	185,250
FY 27-28	101,000	84,250	185,250
FY 28-29	103,000	82,210	185,210
FY 29-30	105,000	80,130	185,130
FY 30-31	107,000	78,010	185,010
FY 31-32	109,000	75,850	184,850
FY 32-33	111,000	73,650	184,650
FY 33-34	113,000	71,410	184,410
FY 34-35	115,000	69,130	184,130
FY 35-36	118,000	66,800	184,800
FY 36-37	120,000	64,420	184,420
FY 37-38	123,000	61,990	184,990
FY 38-39	125,000	59,510	184,510
FY39-58	2,913,000	587,990	3,500,990
	<u>\$ 5,000,000</u>	<u>\$ 2,274,111</u>	<u>\$ 7,274,111</u>

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Fees</u>	<u>Total Payment</u>
FY 2018/19 Requirements	\$ -	\$ 76,111	\$ 76,111	\$ 3,000	\$ 79,111

CITY OF FORT BRAGG INTERFUND LOAN POLICY

The purpose of the City's Interfund Loan Policy is to specify the principles under which interfund loans may be considered and approved. The policy specifies the terms and conditions, it summarizes the due diligence necessary prior to the loan and provides guidance as to the repayment and accounting for these loans. This policy was designed to avoid the problems in interfund loans experienced in the past, facilitate future loans in a structured manner and set clear accounting rules for these loans. The principles of City's Interfund Loan Policy are as follows:

- a. The City Council shall act by resolution to approve any proposed interfund loan. All interfund loans must be documented by formal agreements that specify the terms and conditions. The loan amount shall be approved at the amount minimally necessary to ensure the completion of the project for which the funding is required.
- b. All interfund loans shall be interest bearing and the amount of interest to be paid on the loan must be at least equal to the investment earnings the fund making the loan would have received had the loan not occurred.
- c. The term of an interfund loan shall be established by the City Council and typically shall not exceed five years.
- d. All interfund loan proposals require a feasibility analysis demonstrating that:
 - The borrowing fund has the capacity to repay the debt;
 - The lending fund has the capacity to lend the funds, beyond its own operating and capital needs; and
 - The loan does not violate any debt covenants or other provisions of the borrowing and lending funds.
- e. As part of the due diligence, each loan proposal must demonstrate that the loan can be repaid. It is important to avoid masking an operating deficiency in one fund with an interfund loan from another fund. This is the centerpiece of the policy, which seeks to avoid loans that fail the fundamental test of performance (repayment) under the contract.
 - If a feasibility analysis does not show that the loan can be safely repaid, the appropriate recommendation may be a revenue enhancement or another correction of the underlying reason for the funding deficiency. An alternative financing recommendation may be a fund balance donation. This requirement is also intended to identify conflicts with specific restrictions or requirements pertaining to certain funds. Such conflicts may arise from applicable debt covenants, fiduciary requirements on funds held by the City or legal hurdles that the funding needs to overcome.
- f. There is to be no prepayment penalty, the interest is to be paid quarterly, and principle payments are subject to the feasibility analysis cash projections.
- g. The interest expense from interfund loans is to be treated as user fund expense, while the interest income is to be treated as interest revenue to the loaning fund.

GENERAL FUND: INTERFUND LOAN

WW Fund to General Fund
710→110

Date:	July 1, 2017
Loan Amount:	\$187,105
Interest Rate:	Quarterly Payments commencing September 30th 2017 Interest accrues at 0.55%
Maturity:	June 30th, 2022
Purpose:	Repayment of Prior Year Over Allocations of Overhead Costs
Resolution:	3962-2016

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
FY 17-18	\$ 37,011	\$ 953	\$ 37,964
FY 18-19	37,215	749	37,964
FY 19-20	37,420	544	37,964
FY 20-21	37,626	338	37,964
FY 21-22	37,834	130	37,964
	<u>\$ 187,106</u>	<u>\$ 2,714</u>	<u>\$ 189,820</u>

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Fees</u>	<u>Total Payment</u>
FY18/19 Requirements	\$ 37,215	\$ 749	\$ 37,964	\$ -	\$ 37,964



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's	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	Adopted FY 2018/19
Water Operating Fund Unrestricted Net Position	\$ 3,120,650	\$ 3,791,767	\$ 3,669,406

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

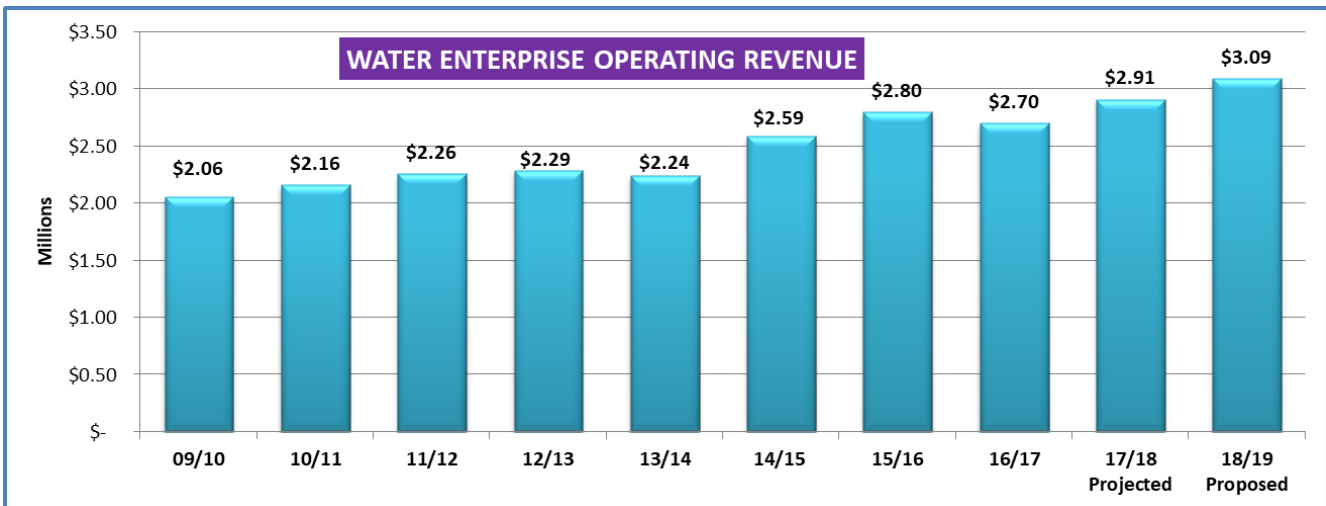
The Water Enterprise Fund Capital Reserve is established in accordance with the City's Fund Balance & Reserve Policy which is intended to plan for future capital projects and unanticipated emergencies. Each year, all unrestricted fund balance in the Water Enterprise Fund in excess of 25% of the prior 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 \$514k. \$1.1M will be used to fund capital project and \$58k will be transferred to the capital reserve.

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	Adopted FY 2018/19
Water Enterprise Capacity Fees Fund	\$ 177,501	\$ 164,529	\$ 197,934
Water Enterprise Capital Reserve	1,652,747	3,008,532	2,957,539
Unrestricted Balance	1,290,402	618,706	513,933
	\$ 3,120,650	\$ 3,791,767	\$ 3,669,406

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 \$118k 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	Adopted FY 2018/19
Salary/Benefit Allocation	\$ 666,122	\$ 743,275	\$ 813,356
Facilities, Fleet, and Administration Allocations	277,259	312,315	336,801
Materials and Services	397,697	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>\$ 1,508,844</u>	<u>\$ 2,071,364</u>	<u>\$ 2,188,733</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 2017/18		FY 2018/19		% +/-
	FY 2016/17 Audited	Amended Budget	17/18 FYE Projected	Adopted Budget	
Salary/Benefit Allocation	\$ 666,122	\$ 743,275	\$ 743,275	\$ 813,356	9%
Other Operating Allocations	277,259	312,315	312,315	336,801	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	2,188,733	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	927,961	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	\$ (129,039)	-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)

ENTERPRISE FUNDS - WATER DEPARTMENT

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 Adopted Budget	% + /-
0801	Salary/Benefits Allocation	666,122	743,275	743,275	813,356	9%
0801	Salary/Benefits Allocation	-	-	-	-	
0801	Salary/Benefits Allocation	-	-	-	-	
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	64,982	8%
0396	Allocation to IT Int Serv Fund	68,655	90,120	90,120	104,814	16%
0397	Alloc to Facilities Maint	58,321	47,783	47,783	67,650	42%
0399	Admin Costs Allocation	108,587	113,990	113,990	99,355	-13%
	Other Operating Allocations	277,259	312,315	312,315	336,801	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	\$ 3,332,126	-27%

Water Enterprise Administration Division
Line Item Detail

Fund #610			Account	Category	FY 2018/19
Department: 4610			Detail	Detail	Adopted 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		
			<u>27,440</u>		
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			104,814	
610-4610-0399	Admin Costs			99,355	
610-4610-0801	Salary/Benefits			813,356	
	Total Allocations			\$	1,017,525
	Total - Water Enterprise Administration Division			\$	<u>1,105,805</u>

Water Enterprise Maintenance Division
Line Item Detail

Fund #610			Account	Category	FY 2018/19
Department: 4611			Detail	Detail	Adopted 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			67,650	
	Total Allocations			\$	67,650
	Total - Water Enterprise Maintenance Division			\$	<u>98,650</u>

Water Enterprise Treatment Division
Line Item Detail

Fund #610		Account	Category	FY 2018/19
Department: 4612		Detail	Detail	Adopted 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, Urban Water	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		
	Sanitary Survey	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	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	

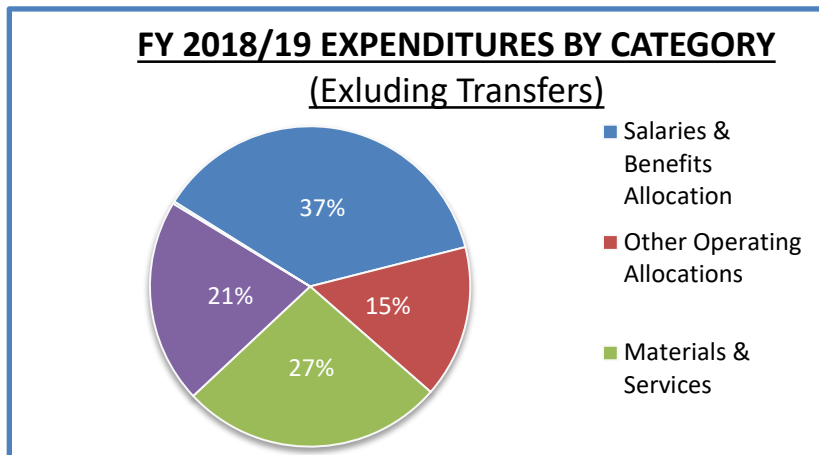
(continued on next page)

Water Enterprise Treatment Division Cont'd

Fund #610			Account	Category	FY 2018/19
Department: 4612: Continued			Detail	Detail	Adopted Budget
Allocations					
	610-4612-0322	Fleet Services		64,982	
				Total Allocations	\$ 64,982
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					\$ 1,994,671

**Water Enterprise Non-Routine Maintenance
Line Item Detail**

Fund #614			Account	Category	FY 2018/19
Department: 4614			Detail	Detail	Adopted 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





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.
- Award construction contract for the Wastewater Treatment Facility Upgrade project.

FY 2018/19 TOP PRIORITIES

- Rehabilitate Native American Lift Station electrical system.
- 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	Projected	Adopted
	FY 2016/17	FY 2017/18	FY 2018/19
Wastewater Fund Unrestricted Net Position	\$ 3,615,944	\$ 4,765,372	\$ 1,468,365

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 \$584k. 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	Adopted
	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	434,992
Restricted for Debt Service			83,923
Unrestricted Balance	2,874,244	565,437	583,452
	<u>\$ 3,615,944</u>	<u>\$ 4,765,372</u>	<u>\$ 1,468,365</u>

DISCUSSION OF WASTEWATER ENTERPRISE FUND REVENUE TRENDS

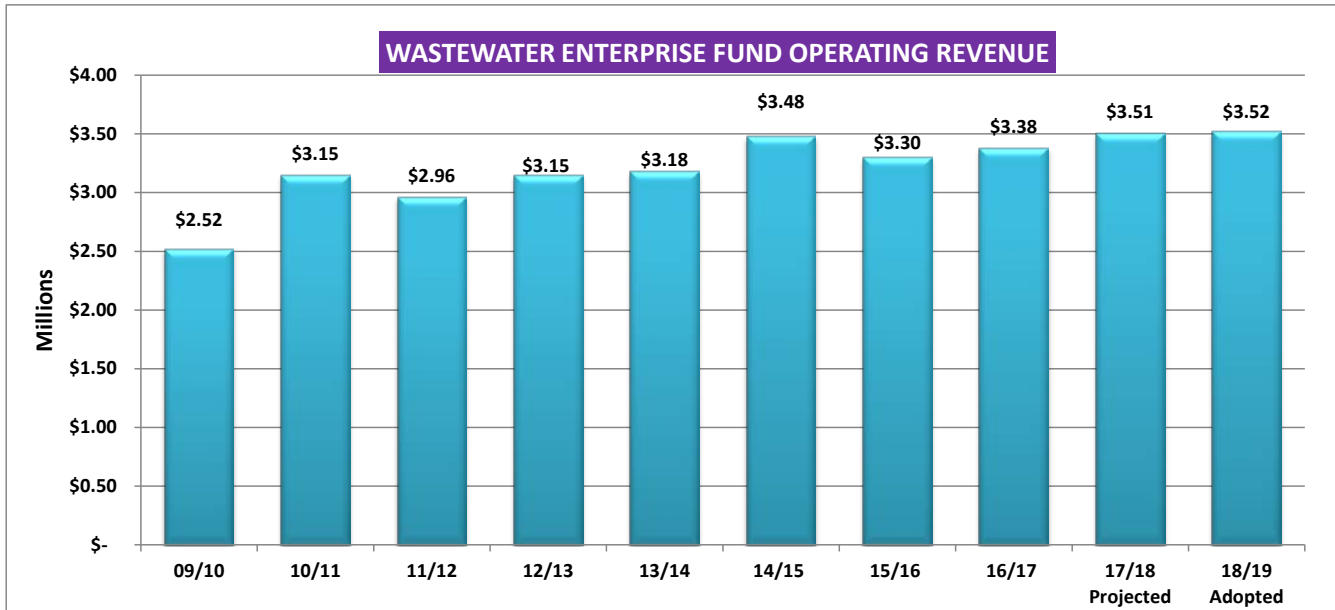
FY 2018/19 Wastewater Enterprise Fund revenues (before transfers in and bond proceeds) are projected to total \$3.62M, a decrease of 2% from the \$3.69M projected in FY 2017/18. Charges for Services will see a 3% increase or \$105k while Other Revenue will decrease 65% or \$180k. The decrease in Other 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
Fixed Charges:							
<i>Residential</i>							
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
<i>Commercial:</i>							
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
Variable Charges:							
<i>Residential:</i>							
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
<i>Commercial:</i>							
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	Adopted FY 2018/19
Salaries/Wages/Benefits	\$ 849,314	\$ 868,825	\$ 959,097
Salary/Benefit Allocation	345,715	399,734	368,674
Fleet, IT and Administration Allocations	357,107	429,137	461,843
Materials and Services	427,286	499,256	482,534
Miscellaneous	3,709	2,946	3,000
Non-Routine Maintenance	209,198	195,786	164,000
Debt Service	9,067	61,573	137,769
	<u>\$ 2,201,396</u>	<u>\$ 2,457,256</u>	<u>\$ 2,576,917</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 205 thru 240.

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 153 thru 164

Other Operating Allocations

Allocations to Internal Service Funds are budgeted \$33k 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

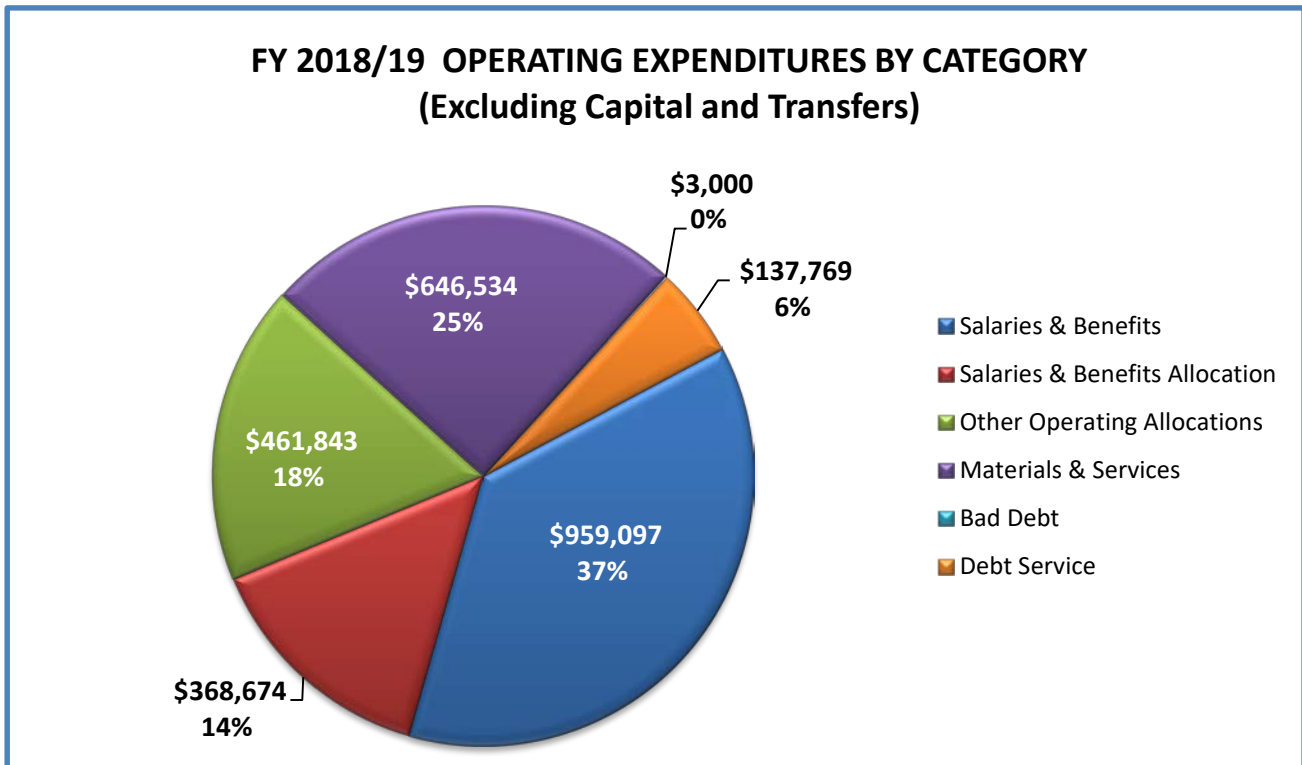
Department: 4710, 4711 & 4712

Appropriations & Revenue

Description	FY 2016/17 Audited	FY 2017/18 Amended Budget	FY 2017/18 FYE Projected	FY 2018/19 Adopted 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	461,843	8%
Non-Personnel Services	649,260	828,051	759,560	787,303	4%
Total Appropriations	2,201,396	2,536,030	2,457,256	2,576,917	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	1,236,240	1,040,693	-16%
Transfers In	2,171,200	12,269,785	5,896,791	18,435,134	213%
Transfers Out	(1,019,731)	(3,852,869)	(5,983,809)	(9,049,434)	51%
NET CHANGE IN FUND BALANCE	\$ 2,909,664	\$ 9,245,851	\$ 1,149,222	\$ 10,426,393	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 Adopted 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	3,000	2%
	Bad Debt	3,709	3,000	2,946	3,000	2%
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	787,303	4%
0322	Fleet Services	43,166	104,231	104,231	134,545	29%
0396	Allocation to IT Int Serv Fund	68,655	90,120	90,120	104,814	16%
0397	Alloc to Facilities Maint	58,321	47,783	47,783	67,650	42%
0399	Admin Costs Allocation	186,965	187,003	187,003	154,834	-17%
	Other Operating Allocations	357,107	429,138	429,137	461,843	8%
0799	Transfer to Other Funds	1,019,731	3,852,869	5,983,809	9,049,434	51%
	Total Wastewater Enterprise	\$ 3,221,127	\$ 6,388,899	\$ 8,441,065	\$ 11,626,351	38%

ENTERPRISE FUNDS – WASTEWATER

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	Professional Services 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	<u>8,700</u>	
	Total Material & Services		\$ 67,634
Other Expenditures			
710-4710-0606	Bad Debts Sent to Collection	3,000	
	Total Other Expenditures		3,000
Allocations			
710-4710-0396	IT Internal Service Fund	104,814	
710-4710-0399	Admin Costs	154,834	
	Total Allocations		259,647
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	1,069,875	
	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		<u>9,049,434</u>
	Total - Wastewater Enterprise Administration Division		<u><u>\$ 9,379,715</u></u>

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			
	710-4711-0366 Training/Travel Reimbursement	\$ 2,500	
	710-4711-0375 General Supplies	5,000	
	710-4711-0381 Small Tools & Equipment	<u>3,500</u>	
	Total Material & Services		\$ 11,000
Allocations			
	710-4711-0397 Facilities Maintenance Allocation	<u>67,650</u>	
	Total Allocations		67,650
	Total - Wastewater Enterprise Maintenance Division		<u>\$ 78,650</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	
710-4710-0801	Salary/Benefits Allocation from General Fund		575,103	
710-0000-3499	Salary/Benefits Allocation to Water Enterprise		<u>(206,429)</u>	
	Total Personnel Costs			\$ 1,327,771
Materials & Services				
710-4712-0313	Laboratory			27,000
710-4712-0319	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	<u>3,000</u>		
		68,000		
710-4712-0320	Dues & Memberships			2,300
710-4712-0343	Chemicals			58,000
710-4712-0351	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	<u>1,500</u>		
		70,000		
710-4712-0353	Building Repair & Maintenance			5,000
	Fencing and Gates	1,000		
	Lift stations	1,800		
	Roof and door maintenance	1,400		
	SWPPP BMPS	<u>800</u>		
		5,000		
710-4712-0354	Laundry/Cleaning/Janitorial			1,000
710-4712-0366	Training/Travel Reimbursement			6,000
710-4712-0372	Postage			4,500

(continued on next page)

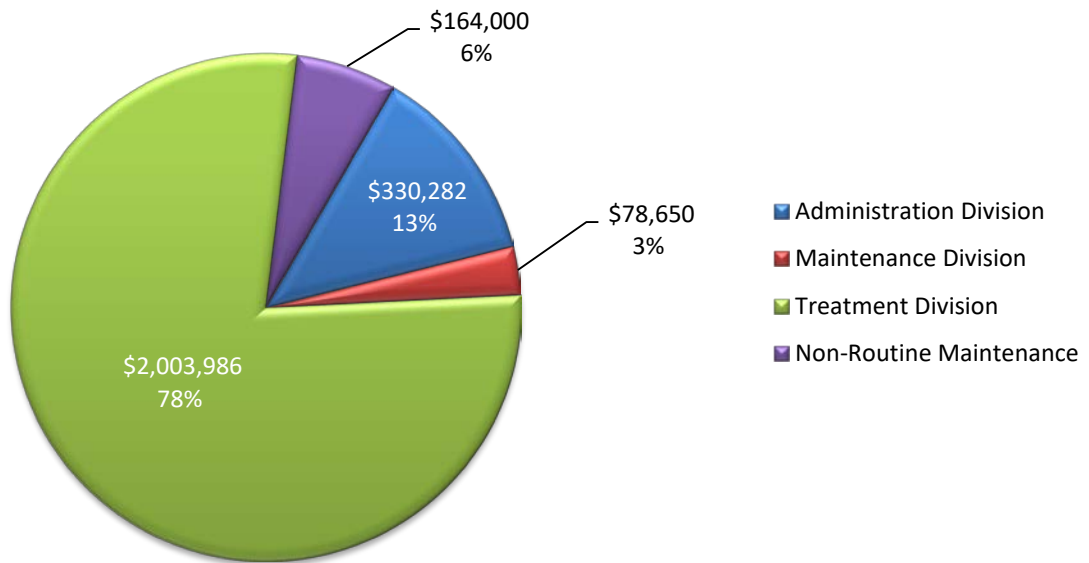
Municipal Improvement District #1 Cont'd

Fund #710		Account	Category	FY 2017/18
Department: 4712		Detail	Detail	Proposed Budget
Materials & Services, Continued				
710-4712-0373	Licenses & Permits		15,000	
	Annual Fees	11,000		
	AQMD	3,000		
	County Hazmat	1,000		
		<u>15,000</u>		
710-4712-0375	General Supplies		4,500	
710-4712-0376	Medical/Safety Supplies		6,000	
	Confined Space	1,500		
	Respirator Maintenance	500		
	Safety supplies	4,000		
		<u>6,000</u>		
710-4712-0377	Boot Expense		1,800	
710-4712-0381	Small Tools & Equipment		4,500	
710-4712-0383	Utilities		130,000	
710-4712-0384	Books & Subscriptions		300	
			<u>300</u>	
	Total Material & Services			403,900
Allocations				
710-4712-0322	Fleet Services		134,545	
			<u>134,545</u>	
	Total Allocations			134,545
Debt Service				
710-4712-0911	Principal		55,000	
710-4712-0912	Interest		77,569	
710-4712-0913	Fees		5,200	
			<u>5,200</u>	
	Total Debt Service			137,769
	Total - Wastewater Enterprise Treatment Division			<u>\$ 2,003,986</u>

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

Fund # 714	Account Detail	Category Detail	FY 2017/18 Proposed Budget
Department: 4713			
Materials & Services			
714-4713-0741	Machinery & Equipment		44,000
	Stairscreen Wash Press Assembly	\$ 34,000	
	SCADA roll over	10,000	
		<u>44,000</u>	
714-4713-0751	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>

**FY 2017/18 EXPENDITURES BY DIVISION
 (Excluding Capital and Transfers)**



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 presented 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 scheduled 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 17/18		
	FY 16/17 Audited Results	Revised Budget	FY18/19 Adopted
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	\$ 735,611	\$ 725,306	\$ 634,368
Operating Reserve	\$ 388,893	\$ 397,347	\$ 425,457
Capital Repair & Equip Reserve	346,719	327,959	208,911
Unrestricted Net Position	\$ 735,611	\$ 725,306	\$ 634,368

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	FY 2017/18	FY 2017/18	FY 2018/19	% +/-
	Audited	Amended Budget	FYE Projected	Adopted Budget	
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)

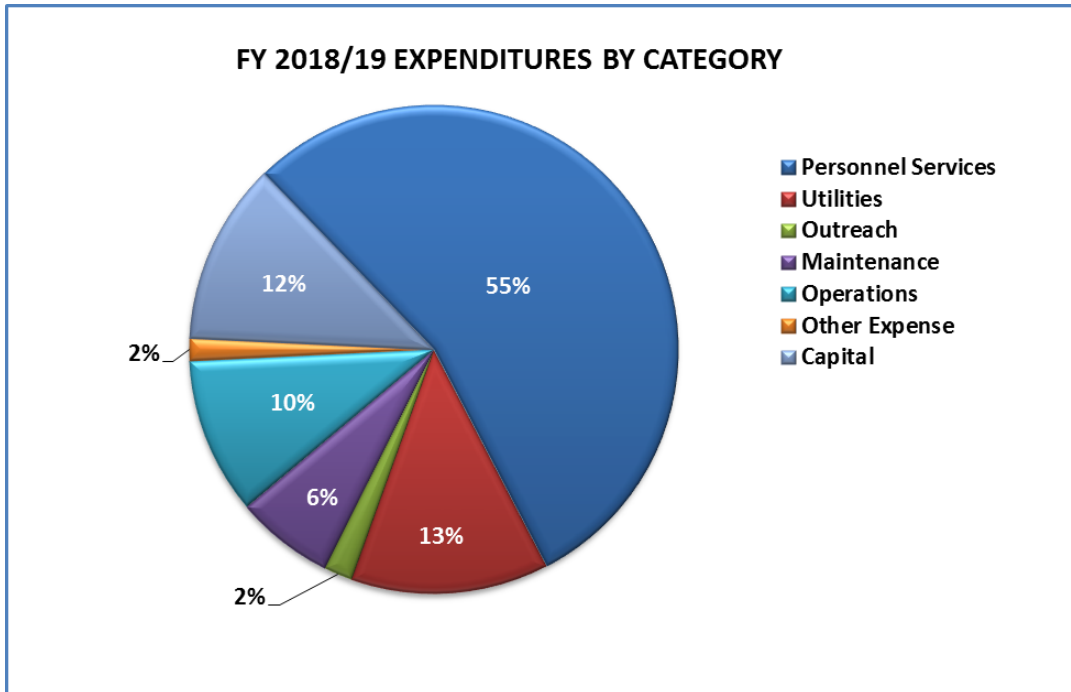


BUDGET DETAIL:

Fund #810

Department: 4812

Description	FY 2016/17	FY 2017/18	FY 2017/18	FY 2018/19	% +/-
	Audited	Amended Budget	FYE Projected	Adopted 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%








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)	<ul style="list-style-type: none"> • 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.
		
319		<ul style="list-style-type: none"> • 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
		
320	California Safe Drinking Water	<ul style="list-style-type: none"> • 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.
331	Community Development Block Grant Funds 2016	<ul style="list-style-type: none"> • 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. • 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.
		

Fund No.	Grant Special Revenue	Description
----------	-----------------------	-------------

332 Other Grants



•**NATIONAL FISH AND WILDLIFE FOUNDATION GRANT** - 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.

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

Fund	Description	GRANT AMOUNT AWARDED	PRIOR YEAR(S) ACTIVITY	FY 2018/19 ADOPTED 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 H2O	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 Supplemental	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 ADOPTED 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
	Microenterprise 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 Administration	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 Rehabilitation	75,000	-	75,000
	Water & Sewer Improvements	75,000	-	75,000
	Total 2016 Supplemental	<u>150,000</u>	<u>-</u>	<u>150,000</u>
332	Other Grants			
	Community Foundation - Mural Project	5,000	5,000	-
		<u>5,000</u>	<u>5,000</u>	<u>-</u>
	Total FY 18/19 Grant Activity	<u>\$ 19,254,431</u>	<u>\$ 6,812,468</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.
285	OJ Park Maintenance	This fund accounts for revenues from a one-time gift to the City by the heirs of Otis Johnson for use on special projects and/or maintenance activities at Otis Johnson Wilderness Park.

SPECIAL REVENUE FUNDS - RESTRICTED

Fund	Fund Description	FY 2016/17	FY 2017/18	FY 2017/18	FY 2018/19
		AUDITED	AMENDED BUDGET	FYE PROJECTED	ADOPTED 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.

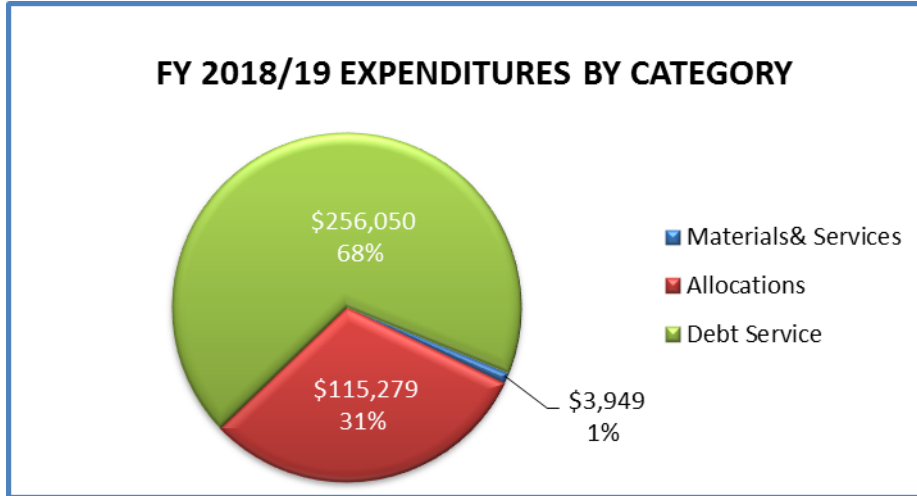
Fort Bragg Redevelopment Successor Agency

Fund 175

Department: 4810

Expense & Revenue

Description	FY 2016/17	FY 2017/18	FY 2017/18	FY 2018/19	% + /-
	Audited	Amended Budget	FYE Projected	Adopted 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	FY 2017/18	FY 2017/18	FY 2018/19	% +/-
		Audited	Amended Budget	FYE Projected	Adopted 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 Successor Agency	\$ 203,037	\$ 400,709	\$ 400,705	\$ 375,278	-6%

FORT BRAGG REDEVELOPMENT SUCCESSOR AGENCY

\$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
	<u>\$ 4,040,000</u>	<u>\$ 1,454,613</u>	<u>\$ 5,494,613</u>

	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.





CAPITAL IMPROVEMENT PROGRAM FY 2018-19 ADOPTED BUDGET



CAPITAL IMPROVEMENT PROGRAM OVERVIEW

INTRODUCTION

The City of Fort Bragg's Five-Year Capital Improvement Program (CIP) outlines current and future infrastructure needs and capital funding priorities in the following areas:

- (i) Municipal Facilities,
- (ii) Parks & Community Services,
- (iii) Street Maintenance & Traffic Safety,
- (iv) Storm Drains,
- (v) Water Enterprise,
- (vi) Wastewater Enterprise.

The CIP is an important planning tool that identifies and prioritizes all major capital projects in the City. It helps determine funding sources and needs.

In general, the CIP provides funding for infrastructure construction and non-routine maintenance, while funding for routine infrastructure maintenance is appropriated in the operating budget and in other special revenue funds. CIP projects, including streets, buildings, recreational facilities, and parks are defined as assets with an initial individual cost of at least \$50k and an estimated useful life of greater than two years. Acquisitions of other capital assets (such as machinery, furniture, and vehicles) are generally accounted for in an internal service fund or departmental account that is responsible for financing each expenditure. Cost estimates are prepared for each capital project using current year dollars.

The CIP shows detailed expenditures and funding for capital projects over the next five years, covering FY 2018/19 through FY 2022/23. "Prior Year" funding for projects which span multiple years is also shown. The CIP also includes a "Beyond CIP" category that recognizes the importance of planning for future significant capital projects beyond the five-year CIP timeframe.

The projects planned for FY 2018/19 include expenditures that will be appropriated through the FY 2018/19 Budget adoption process. Projected expenditures shown for FY 2019/20 through FY 2022/23 and Beyond CIP are provided primarily for project planning and long-range financial planning purposes and do not reflect a commitment of funds. Expenditure approval will be sought for these projects during the appropriate fiscal year.

The CIP is comprised of 31 projects with a total cost of approximately \$47 million. For FY 2018/19, 12 projects totaling approximately \$22 million are recommended for appropriation. The FY 2018/19 priorities will focus largely on waste water facilities for a two year construction project to upgrade the Waste Water Treatment Plant (WWTP) with a new anaerobic digester and the rehabilitation/replacement of other essential elements. Up to three aging sewer lift stations will be rehabilitated. Important priorities for the system include the design of the remaining portions of the raw water transmission main that are overdue for replacement. In addition, the raw water pond is ready for rehabilitation. Other street and storm drain projects will be included as time and resources permit.

The CIP is organized as follows:

1. FY 2017/18 Capital Projects Status Report
2. FY 2018/19 Adopted Capital Budget
3. FY 2018/19-2022/23 Five Year Capital Improvement Program – Expenditures by Category
4. FY 2018/19-2022/23 Five Year Capital Improvement Program – Expenditures by Source
5. FY 2018/19-2022/23 Capital Improvement Program Projects Detail

FY 2017/18 CAPITAL PROJECTS STATUS REPORT

The following projects and appropriations were adopted in the FY 2017/18 Capital Projects Budget.

Project Name	Project cost	Prior Year(s)	FY 17/18 Adopted	% of Total CIP Budget
Guest House Rehabilitation	\$ 363,730	\$ 213,730	\$ 70,000	
City Hall Maintenance - Painting	137,000	77,000	-	
East City Hall - Roof	367,200	72,700	-	
Police Station Garage	270,000	-	20,000	
Total Municipal Facilities			90,000	1%
Coastal Restoration & Trail Project - Phase II	1,220,000	99,422	950,578	
Bainbridge Park Improvements	108,290	75,000	33,290	
Glass Beach Stairs	194,807	32,807	162,000	
Total Parks & Community Services			1,145,868	7%
Chestnut Street Multi Use Trail	1,380,000	1,380,000	-	
Annual Alley Rehab	2,500,000	300,000	750,000	
Downtown Crosswalk Rehab	124,600	-	62,300	
Street Resurfacing & Structural Repairs	5,084,879	1,084,879	-	
Total Street Maint. & Traffic Safety			812,300	5%
Summers Lane Reservoir Construction	700,000	-	700,000	
Pudding Creek Water Main Relocation	1,700,000	-	205,000	
Water Tank Installation	1,395,349	-	1,395,349	
Water Treatment Plant Overhaul	1,350,000	-	50,000	
Raw Water Line Engineering	400,000	-	400,000	
Raw Water Line Replacement II - Road 450 to Hare Creek	682,000	-	682,000	
Total Water Enterprise			3,432,349	21%
WW Treatment Facility Upgrade	11,699,000	69,000	11,000,000	
Sewer Main Rehabilitation	300,000	-	60,000	
Total Wastewater Enterprise			11,060,000	67%
Total FY 2017/18 Capital Projects			\$ 16,540,517	

FY 2017-2018 CAPITAL PROJECTS STATUS REPORT

The following projects and appropriations were adopted in the FY 2017/18 Capital Projects Budget:

- **Summers Lane Reservoir Cover:** The new Summers Lane Reservoir will greatly benefit from a floating cover to manage algae growth and prevent the colonizing of the reservoir by non-native bull frogs, (the latter is an environmental mitigation required of the original reservoir project). Fabrication and delivery of the floating blocks was delayed to ensure that they were being manufactured correctly. Floating blocks are being placed and the work is expected to be completed during the summer.
- **Guest House Rehabilitation:** The Guest House was donated to the City of Fort Bragg in 1985 and only minimal improvements to the exterior of the structure have been undertaken since that time. It received a new roof, repairs to the shingles, and a fresh coat of paint during FY 17/18. The project has been finished. Rehabilitation of the existing brick foundation and chimneys is also needed and scheduled to be done in the future. The 2012 Guest House Master Plan recommends other upgrades as well, including: upgrade of windows for ultraviolet light protection, improved pedestrian facilities, and updated exterior signage and lighting. This project will be phased over two fiscal years and have a total cost of \$450,000.
- **City Hall Improvements:** As part of a consolidated contract with the Guest House, City Hall was painted during FY 2017/18. In addition, an electric vehicle charging station was installed in the adjacent parking lot. This work was done in partnership with the Mendocino Land Trust using funding from PG&E. It is a single charging station that can accommodate two electric vehicles simultaneously.
- **Glass Beach Staircase:** The design of the replacement staircase has been completed and construction will occur during the summer of 2018. Work on other capital projects was accelerated, (e.g. 1.5 million gallon water tank), and resources were re-directed to accommodate the changes.
- **Coastal Trail, Phase 2 (central segment):** Construction of Phase 2 was completed March 2018. The coastal trail now extends the entire length of the Noyo Headlands Park from Noyo Bay to Pudding Creek running a distance of 3-1/2 miles with over a mile of additional side trails. The trail extends to the south, (over the Noyo River bridge), to the Pomo Bluffs Park. To the north, it connects to the old Haul Road running the length of Mac Kerricher State Park.
- **Bainbridge Park Improvements:** The first portion of the Master Plan improvements was completed in late 2017. Improvements included: an expanded basketball court, re-surfaced tennis court, a new perimeter fence and landscaping upgrades.
- **Streets and Alley Rehabilitation Project:** Construction of this project was completed at the end of 2018. Four alleys were rehabilitated: a residential alley from Chestnut Street to Walnut Street lying between Whipple Street and Grove Street, the alley behind Portuguese Hall, The alley behind Sears, and the alley next to Starbucks. Three streets were also repaired: South Franklin Street from Oak Street to North Harbor Street, Boatyard drive, and Sanderson Way north of Cedar Street.
- **Waste Water Treatment Facility (WWTF) Upgrade Project:** Design to upgrade the WWTF was completed in FY 2016/17. Primary improvements will be the replacement of the open air aerobic digesters with an up-to-date, enclosed digesters. Other parts of the 40 year old treatment will be replaced and/or upgraded as necessary. Staff successfully secured grants for construction, construction management, and engineering support during the past fiscal year. Bids were opened on April 17, 2018. Once bids have been reviewed by the funding sources, construction is

scheduled to begin in late 2018. Construction is expected to take two years with the new upgrades coming online during the summer of 2020.

- **1.5 MG New Water Tank Project:** The City was able to take advantage of an unusual funding opportunity from the Community Development Block Grant (CDBG) program in 2017 to receive approximately \$1,400,000 for a drought fighting water project. This allowed the accelerated design and construction of a new 1,500,000 gallon water tank. Design has been completed, construction is underway, and will be done in summer of 2018. The new tank will add a new layer of water storage stability and open up the ability to fully maintain the City's other two water storage tanks.
- **Pudding Creek Water Main Relocation:** The City has received approximately \$6,000 from the California Governor's Office Emergency Service (Cal-OES) for immediate disaster response during the winter of 2016/17 when a dam across Pudding Creek owned by Georgia Pacific was overtopped during high creek flows and reduced maintenance by the owner. A 10-inch water main lies on the top. To eliminate any risk to the water main, it is to be relocated to a nearby State Highway across the creek. The City is working with Cal-OES to secure the necessary funding for this work. Until the funding is finalized, specific project scheduling is not being made.
- **Raw Water Line Replacement, Phases II through V:** Portions of the raw water transmission main from the City's water sources to the water treatment plant have been replaced over the years. Approximately 15,000 feet of pipe is read for replacement. The stretch of pipe from Forest Road 450 (downstream of Waterfall Gulch) to Sherwood Road has been broken into five phases. Phase I from Highway 20 to the Summers Lane Reservoir has already been completed. For efficient work, design of the remaining four phases will be done under one contract. Construction of each phase will follow as funding and time permit.

The City, its staff and consultants will be faced with a challenge it has not seen in recent years. Construction will start on the largest capital project in the City's history, the Waste Water Facility (WWTF) in FY 2018/19 Project. This two year project will require the attention and focus of Engineering Division to ensure a successful project that will operate reliably for the upcoming decades.

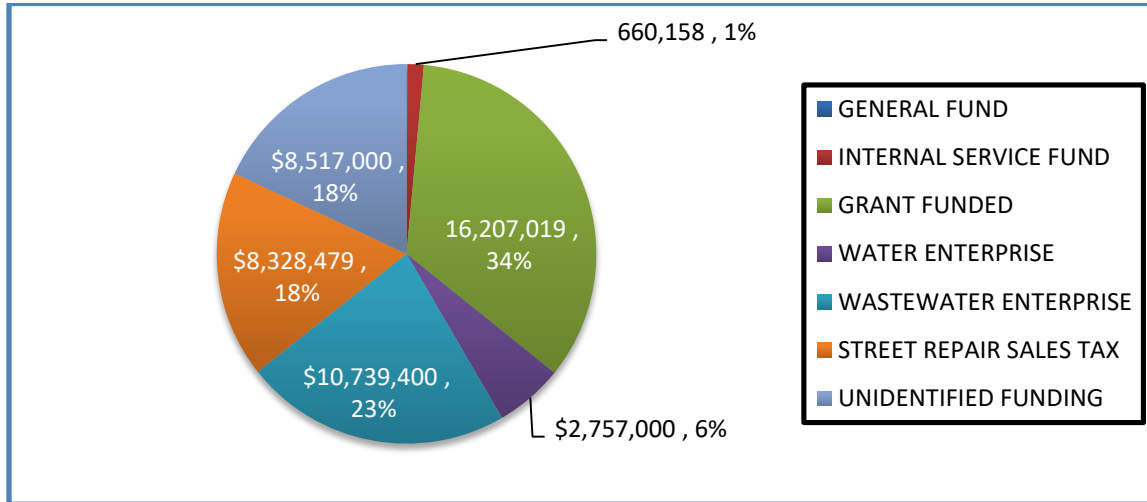
FY 2018/19 CAPITAL PROJECTS & APPROPRIATIONS

Project Name	Total Project	Prior Year(s)	FY 18/19 Budget	% of Capital Budget
Guest House Rehabilitation	\$ 363,730	\$ 283,730	\$ -	
City Hall Maintenance - Painting	166,733	93,233	-	
East City Hall - Roof	69,695	69,695	-	
TOTAL MUNICIPAL FACILITIES			-	0%
Coastal Restoration & Trail Project - Phase II	1,220,000	1,190,000	30,000	
Bainbridge Park Improvements	125,470	125,470	-	
Glass Beach Stairs	33,856	33,856	-	
TOTAL PARKS & FACILITIES			30,000	0.1%
Chestnut Street Multi Use Trail	1,380,000	1,380,000	-	
Annual Alley Rehab	2,550,000	1,050,000	-	
Downtown Crosswalk Rehab	62,300	62,300	-	
Street Resurfacing & Structural Repairs	5,084,879	1,084,879	2,000,000	
TOTAL STREET & MAINTENANCE			2,000,000	9%
Pool Basin Resurfacing	180,000	-	180,000	
Total CV STARR ENTERPRISE			180,000	
Summers Lane Reservoir Cover	450,000	450,000	-	
Pudding Creek Water Main Relocation	1,700,000	-	205,000	
Madsen Hole Rainey Design	175,000	-	175,000	
Water Tank Installation	1,762,549	1,762,549	-	
Water Treatment Plant Overhaul	50,000	50,000	-	
Raw Water Pond Rehabilitation	200,000	-	200,000	
Raw Water Line Engineering	400,000	400,000	-	
Raw Water Line Replacement II - Road 450 to Hare Creek	682,000	-	682,000	
TOTAL WATER ENTERPRISE			1,262,000	6%
WW Treatment Facility Upgrade	18,552,400	949,000	17,603,400	
Lift Station Rehab	1,000,000	-	1,000,000	
Sewer Main Rehabilitation	360,000	-	120,000	
TOTAL WATER ENTERPRISE			18,723,400	84%
TOTAL FY2018-19 CAPITAL BUDGET			\$ 22,195,400	

SUMMARY OF PROJECTS

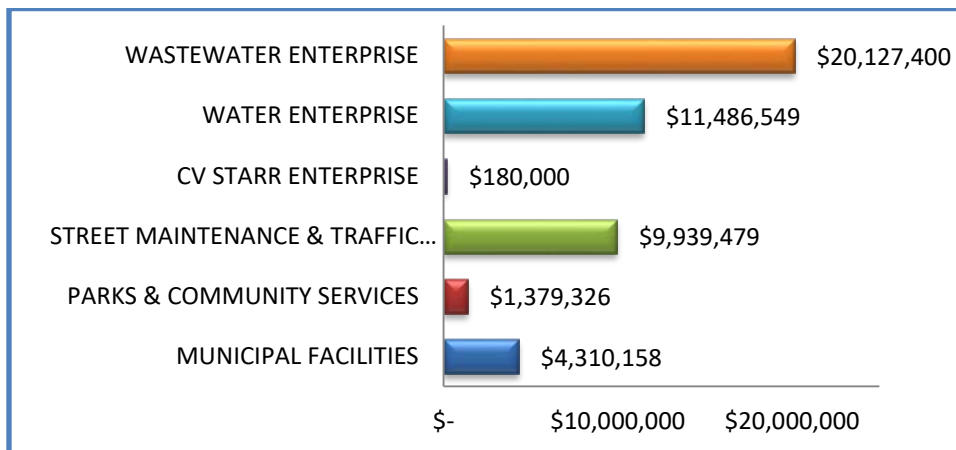
The following capital projects and appropriations are included in the Capital Projects Budget:

FY 2018/19- 22/23 CAPITAL IMPROVEMENT PROJECT FUNDING



FY 2018/19- 22/23 CAPITAL IMPROVEMENT PROJECT BY CATEGORY

CIP By Category	CIP Budget	% of CIP Budget
MUNICIPAL FACILITIES	\$ 4,310,158	9%
PARKS & COMMUNITY SERVICES	1,379,326	3%
STREET MAINTENANCE & TRAFFIC SAFETY	9,939,479	21%
CV STARR ENTERPRISE	180,000	0%
WATER ENTERPRISE	11,486,549	24%
WASTEWATER ENTERPRISE	20,127,400	42%
Total CIP Budget	\$ 47,422,912	



CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

FY 2019-2023 CAPITAL IMPROVEMENT PROGRAM BY CATEGORY										
Project Number	Project Category/Name	Prior FY(s)	FY 18/19 Budget	FY 19/20 Projected	FY 20/21 Projected	FY 21/22 Projected	FY 22/23 Projected	5 year CIP Total	Beyond CIP	Total Project Costs
MUNICIPAL FACILITIES										
PWP-00094	Guest House Rehabilitation	\$ 283,730	\$ -	\$ 80,000	\$ -	\$ -		\$ 363,730	\$ -	\$ 363,730
PWP-00095	City Hall - Painting, Roofing & Generator	93,233	-	73,500				166,733		166,733
PWP-00102	East City Hall, Roof	69,695	-					69,695		69,695
	Town Hall Exterior Painting		-			60,000		60,000		60,000
N/A	Main St Fire Station Rehab		-						1,950,000	1,950,000
N/A	Highway 20 Fire Station		-						500,000	500,000
N/A	Rule 20 Project (undergrounding utilities)		-						1,200,000	1,200,000
	Total Municipal Facilities	446,658	-	153,500	-	60,000		660,158	3,650,000	4,310,158
PARKS & COMMUNITY SERVICES										
CDD-00020	Glass Beach Staircase	33,856						33,856		33,856
CDD-00020	Coastal Trail - Phase II (central Segment)	1,190,000	30,000	-	-	-	-	1,220,000		1,220,000
PWP-00096	Bainbridge Park Improvements	125,470	-					125,470		125,470
	Total Parks & Community Services	1,349,326	30,000	-	-	-	-	1,379,326	-	1,379,326
STREET MAINTENANCE & TRAFFIC SAFETY										
PWP-00097	Alley Rehabilitation	1,050,000	-	750,000		750,000		2,550,000		2,550,000
PWP-00099	Downtown Crosswalk Rehabilitation	62,300	-					62,300	62,300	124,600
PWP-00100	Street Resurfacing, Alleys & Structural Repairs	1,084,879	2,000,000		2,000,000			5,084,879		5,084,879
PWP-00079	Chestnut Street Multi Use Trail	1,380,000	-					1,380,000		1,380,000
PWP-00101	South Main St Bike & Ped Improvements		-						800,000	800,000
	Total Street Maint. & Traffic Safety	3,577,179	2,000,000	750,000	2,000,000	750,000		9,077,179	862,300	9,939,479
CV STARR ENTERPRISE										
	Pool Basin Resurfacing		180,000					180,000		180,000
	Total CV Starr Enterprise	-	180,000	-	-	-	-	180,000	-	180,000
WATER ENTERPRISE										
PWP-00017	Summers Lane Reservoir Cover	450,000	-					450,000		450,000
	Water Tank Installation	1,762,549	-					1,762,549		1,762,549
	Madsen Hole Rainey - Design		175,000					175,000		175,000
PWP-00092	Water Treatment Plant Overhaul	50,000		800,000	500,000			1,350,000		1,350,000
	Putding Creek Water Main Relocation		205,000	1,495,000				1,700,000		1,700,000
	Raw Water Line Engineering, Phases II thru	400,000						400,000		400,000
	Raw Water Line Replacement: Phase II - Noyo River to Water Treatment Facility		682,000					682,000		682,000
	Raw Water Line Replacement: Phase III - Newman Reservoir to Noyo River			906,000				906,000		906,000
	Raw Water Line Replacement: Phase IV - Hare Creek to SR 20				420,000			420,000		420,000
	Raw Water Line Replacement: Phase V - Forest Road 450 to Hare Creek					241,000		241,000		241,000
	Raw Water Pond Rehabilitation		200,000					200,000		200,000
	Cedar Street Water Distribution Line Replacement				195,000			195,000		195,000
PWP-00078	Water Tank Replacement								1,600,000	1,600,000
WTR-00012	East FB Pressure Zone (EFBPZ), Phase 1								525,000	525,000
N/A	EFBPZ - Phase 2								320,000	320,000
N/A	EFBPZ - Phase 3								560,000	560,000
	Total Water Enterprise	2,662,549	1,262,000	3,201,000	1,115,000	241,000		8,481,549	3,005,000	11,486,549
WASTEWATER ENTERPRISE										
WWP-00010	WW Treatment Facility Upgrade- Activated Sludge	949,000	17,603,400					18,552,400		18,552,400
	Lift Station Rehab (3 Stations)		1,000,000					1,000,000		1,000,000
	Sewer Main Rehabilitation		120,000		120,000		120,000	360,000		360,000
WWP-00011	Sanderson Way Sewer Main Replacement - Oak to Cedar				215,000			215,000		215,000
	Total Wastewater Enterprise	949,000	18,723,400	-	335,000	-	-	20,127,400	-	20,127,400
Grand Total		\$ 8,984,712	\$ 22,195,400	\$ 4,104,500	\$ 3,450,000	\$ 1,051,000	\$ -	\$ 39,905,612	\$ 7,517,300	\$ 47,422,912

TOTAL CIP PROJECT COSTS: \$ 22,195,400

CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

CIP: FUNDING SOURCE FY2019-2023											
Project Number	Fund No.	Funding Source/ Project Name	Prior FY(s)	FY 18/19 Budget	FY 19/20 Projected	FY 20/21 Projected	FY 21/22 Projected	FY 22/23 Projected	Est. 5 year Total	Beyond CIP	Estimated Total Funding
GENERAL FUND											
CDD-00020	110	Glass Beach Staircase	\$ 33,856	\$ -	\$ -	\$ -	\$ -		\$ 33,856	\$ -	\$ 33,856
		Total General Fund	33,856	-	-	-	-	-	33,856	-	33,856
INTERNAL SERVICE FUNDS											
PWP-00094	530	Guest House Rehabilitation	283,730	-	80,000				363,730		363,730
PWP-00095	530	City Hall - Painting, Roofing & Generator	93,233	-	73,500				166,733		166,733
PWP-00102	530	East City Hall, Structural, Pool Bldg & Other	69,695	-	-				69,695		69,695
	N/A	Town Hall Exterior Painting	-	-	-		60,000		60,000		60,000
		Total ISF	446,658	-	153,500	-	60,000	-	660,158	-	660,158
GRANT FUNDED											
CDD-00020	320	Coastal Restoration & Trail Project Ph 2	1,190,000	30,000	-	-			1,220,000		1,220,000
	N/A	Rule 20 Project (undergrounding utilities)		-					-	1,200,000	1,200,000
PWP-00079		Chestnut Street Multi Use Trail	811,000	-					811,000		811,000
PWP-00096	315	Bainbridge Park Improvements	125,470	-	-				125,470		125,470
	331	Water Tank Installation	1,762,549	-	-				1,762,549		1,762,549
	329	Pudding Creek Water Main Relocation	-	205,000	1,495,000				1,700,000		1,700,000
	330	WW Treatment Facility Upgrade	-	3,388,000	-				3,388,000		3,388,000
WWP-00010	327	WW Treatment Facility Upgrade	-	6,000,000	-				6,000,000		6,000,000
		Total Grants	3,889,019	9,623,000	1,495,000	-	-	-	15,007,019	1,200,000	16,207,019
CV STARR ENTERPRISE											
		Pool Basin Resurfacing		180,000	-				180,000		180,000
		Total CV Starr Enterprise	-	180,000	-	-	-	-	180,000	-	180,000
WATER ENTERPRISE											
	615	Raw Water Line Engineering, Phases II through V	400,000	-	-				400,000		400,000
	615	Water Treatment Plant Overhaul	50,000	-	800,000				850,000		850,000
	615	Raw Water Line Replacement - Phase II	-	682,000	-				682,000		682,000
	615	Madsen Hole Rainey-Design		175,000	-				175,000		175,000
	615	Raw Water Pond Rehabilitation		200,000	-				200,000		200,000
PWP-00017	615	Summers Lane Reservoir Cover	450,000	-	-				450,000		450,000
		Total Water Enterprise	900,000	1,057,000	800,000	-	-	-	2,757,000	-	2,757,000
WASTEWATER ENTERPRISE											
WWP-00010	715	WW Treatment Facility Upgrade	949,000	3,215,400	-				4,164,400		4,164,400
	710	WW Treatment Facility Upgrade (Debt Funded)	-	5,000,000					5,000,000		5,000,000
	715	Lift Station Rehab (3 Stations)		1,000,000	-				1,000,000		1,000,000
	715	Sewer Main Rehabilitation	-	120,000	-	120,000		120,000	360,000		360,000
WWP-00011	715	Sanderson Way Sewer Main Replacement - Oak to Cedar		-	-	215,000			215,000		215,000
		Total Wastewater Enterprise Funds	949,000	9,335,400	-	335,000	-	-	10,739,400	-	10,739,400
STREET REPAIR SALES TAX											
PWP-00100	250	Street Resurfacing & Structural Repairs	1,084,879	2,000,000	-	2,000,000			5,084,879		5,084,879
PWP-00097	250	Alley Rehabilitation	1,050,000	-	750,000		750,000		2,550,000		2,550,000
	250	Chestnut Street Multi Use Trail	569,000						569,000		569,000
PWP-00099	250	Downtown Crosswalk Rehabilitation	62,300						62,300	62,300	124,600
		Total Street Repair Tax Funds	2,766,179	2,000,000	750,000	2,000,000	750,000	-	8,266,179	62,300	8,328,479
UNIDENTIFIED FUNDING											
		Cedar Street Water Distribution Line Replacement	-	-	-	195,000			195,000		195,000
PWP-00092		Water Treatment Plant Overhaul		-	-	500,000			500,000		500,000
		Raw Water Line Replacement - Phase III	-	-	906,000				906,000		906,000
		Raw Water Line Replacement - Phase IV	-	-	-	420,000			420,000		420,000
		Raw Water Line Replacement - Phase V	-	-	-	-	241,000		241,000		241,000
		Water Tank Replacement		-					-	1,600,000	1,600,000
WTR-00012		Water - East FB Pressure Zone - Phase 1 Improvements		-					-	525,000	525,000
	N/A	Water - EFBPZ - Phase 2		-					-	320,000	320,000
	N/A	Water - EFBPZ - Phase 3		-					-	560,000	560,000
	N/A	Main St Fire Station Rehab		-					-	1,950,000	1,950,000
	N/A	Hwy 20 Fire Station		-					-	500,000	500,000
PWP-00101		S. Main St Bike & Ped Improvements		-					-	800,000	800,000
		Total Unidentified Funding	-	-	906,000	1,115,000	241,000	-	2,262,000	6,255,000	8,517,000
TOTALS			\$ 8,984,712	\$ 22,195,400	\$4,104,500	\$3,450,000	\$1,051,000	\$ -	\$39,905,612	\$7,517,300	\$ 47,422,912

CAPITAL IMPROVEMENT PROGRAM DETAIL

MUNICIPAL FACILITIES

Project: GUEST HOUSE REHABILITATION

Category:	Municipal Facilities
Fund/Task Code:	416/PW 94
Department:	Public Works
Priority:	
Funding Source(s):	Internal Service Funds
Est. Projected Costs	\$ 363,730
Expected Completion Date:	FY 2018-19
Cumulative Prior Year Funding:	\$ 283,730
FY 18-19 Funding:	\$ -



Project Description

The Guest House was donated to the City of Fort Bragg in 1985 and only minimal improvements to the exterior of the structure have been undertaken since that time. The building needs a new roof, repairs to the shingles, and a fresh coat of paint. Rehabilitation of the existing brick foundation and chimneys is also needed.

The 2012 Guest House Master Plan recommends other upgrades as well, including: upgrade of windows for ultraviolet light protection, improved pedestrian facilities, and updated exterior signage and lighting. This project will be phased over two fiscal years and have a total cost of \$450,000.

Painting of the Guest House has been consolidated with a painting project for City Hall. The total project contract amount is \$72,150. Construction will commence late in FY 2016/17 and continue into FY 2017/18.

For Continuing Projects

Original Project Adopted Budget	\$ 363,730	Project Status : The Guest House received a new roof, repairs to the shingles, and a fresh coat of paint during FY 17/18. This portion of the project has been complete. The remaining work is expected to be completed in FY 19/20.
Approved Budget	-	
Total Approved Project Budget :	\$ 363,730	
Estimated Expenditures: June	(283,730)	
Remaining Budget Balance:	\$ 80,000	

Project Cost Details

Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	283,730	-	80,000					363,730
Equipment/Machinery								-
Other								-
Total Project Cost	\$ 283,730	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 363,730

Funding Source(s)

Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund: 530								-
Internal Service funds	283,730		80,000					363,730
Total Funding	\$ 283,730	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 363,730

Operating Impact of Project

Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Maintenance & Repair	-	-	-	45,000	-	-	50,000	95,000
Other								-
Total Operating Impact	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ 50,000	\$ 95,000

CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

Project: EAST CITY HALL, STRUCTURAL & POOL BLD.STABILIZATION									
Category:	Municipal Facilities								
Fund/Task Code:	418/PW 102								
Department:	Public Works								
Priority:									
Funding Source(s):	Internal Service Fund								
Est. Projected Costs	\$ 127,000								
Expected Completion Date:	FY 18-19								
Cumulative Prior Year Funding:	\$ 69,695								
FY 18-19 Funding:	\$ -								
Project Description									
<p>In 2010, Indigo Hammond + Playle Architects in association with Point 2 Structural Engineers produced the "Structural and Use Study of City Hall East." Various recommendations were made to repair parts of the gymnasium and the old indoor pool. The first priority was to save the structure if feasible. Substantial structural repairs are necessary to accomplish this. The loft/mezzanine structures should be removed. The gymnasium needs some structural work as well. Long-term mechanical and engineering improvements will also need to be considered. In FY 2016/17, the gymnasium roof was replaced at a cost of about \$67,700. Initial stabilization of the old pool building is proposed at estimated cost of \$160,000. This work will trigger the requirement to install a fire sprinkler system at an additional cost estimated to be \$40,000. This portion of the project has been postponed until direction from the City Council has been provided. Further rehabilitation work estimated to cost about \$24,500 and is planned for FY 2018/19. This work will include: new doors for the north parking lot exit, hallway carpeting, and LED gym lighting.</p>									
For Continuing Projects									
Original Project Adopted Budget	\$ 69,695	Project Status :							
Approved Budget	-	Replacement of the carpet, doors and installation of the LED lights are expected to be completed FY 18/19.							
Total Approved Project Budget :	\$ 69,695								
Estimated Expenditures: June	(69,695)								
Remaining Budget Balance:	\$ -								
Project Cost Details									
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Professional Services								-	
Construction	69,695	-	-					69,695	
Equipment/Machinery								-	
Other								-	
Total Project Cost	\$ 69,695	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,695	
Funding Source(s)									
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Fund: 530								-	
Internal Service funds	127,000							127,000	
Total Funding	\$ 127,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127,000	
Operating Impact of Project									
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Maintenance & Repair		300	300	300	300	300		1,500	
Other								-	
Total Operating Impact	\$ -	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ -	\$ 1,500	



CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

Project: EAST CITY HALL, STRUCTURAL & POOL BLD.STABILIZATION								
Category:	Municipal Facilities							
Fund/Task Code:	418/PW 102							
Department:	Public Works							
Priority:								
Funding Source(s):	Internal Service Fund							
Est. Projected Costs	\$ 127,000							
Expected Completion Date:	FY 18-19							
Cumulative Prior Year Funding:	\$ 69,695							
FY 18-19 Funding:	\$ -							
Project Description								
<p>In 2010, Indigo Hammond + Playle Architects in association with Point 2 Structural Engineers produced the "Structural and Use Study of City Hall East." Various recommendations were made to repair parts of the gymnasium and the old indoor pool. The first priority was to save the structure if feasible. Substantial structural repairs are necessary to accomplish this. The loft/mezzanine structures should be removed. The gymnasium needs some structural work as well. Long-term mechanical and engineering improvements will also need to be considered. In FY 2016/17, the gymnasium roof was replaced at a cost of about \$67,700. Initial stabilization of the old pool building is proposed at estimated cost of \$160,000. This work will trigger the requirement to install a fire sprinkler system at an additional cost estimated to be \$40,000. This portion of the project has been postponed until direction from the City Council has been provided. Further rehabilitation work estimated to cost about \$24,500 and is planned for FY 2018/19. This work will include: new doors for the north parking lot exit, hallway carpeting, and LED gym lighting.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$ 69,695	Project Status :						
Approved Budget	-	Replacement of the carpet, doors and installation of the LED lights are expected to be completed FY 18/19.						
Total Approved Project Budget :	\$ 69,695							
Estimated Expenditures: June	(69,695)							
Remaining Budget Balance:	\$ -							
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	69,695	-	-					69,695
Equipment/Machinery								-
Other								-
Total Project Cost	\$ 69,695	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,695
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund: 530								-
Internal Service funds	127,000							127,000
Total Funding	\$ 127,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Maintenance & Repair		300	300	300	300	300		1,500
Other								-
Total Operating Impact	\$ -	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ -	\$ 1,500



CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

Project: MAIN ST, FIRE STATION REHABILITATION								
Category:	Municipal Facilities							
Fund/Task Code:	N/a							
Department:	Public Works							
Priority:								
Funding Source(s):	No Construction Funding Secured							
Est. Projected Costs	\$ 1,950,000							
Expected Completion Date:	Beyond CIP							
Cumulative Prior Year Funding:	\$ -							
FY 18-19 Funding:	\$ -							
Project Description								
<p>In March 2007, the City completed a Public Facilities Master Plan. As a part of the master plan, a preliminary structural analysis of the Main Street Fire Station was completed, with findings and recommendations incorporated into the report. This analysis identified numerous deficiencies in the Fire Station and the risk of structural damage in the event of a major earthquake.</p> <p>The report estimated that making necessary seismic upgrades to the north wing would cost about \$175 per square foot; the south wing would cost about \$50 per square foot and the newer middle section costs would be about \$20 per square foot. As a follow up to the Facilities Master Plan, the City secured a Community Development Block Grant to complete a more extensive evaluation of the structure and foundation to more specifically identify structural fixes to bring the building to current standards. I.L. Welty & Associates completed the structural review and provided recommendations as well as estimates for repair.</p> <p>This work was completed in March 2009 and includes recommendations and estimates. Under a separate contract with I.L. Welty & Associates, the Fire JPA authorized preparation of plans and specifications for construction of Fire Station improvements as outlined within the master plan and follow up structural evaluation.</p> <p>This project is presently beyond the current five year CIP. A funding source is yet to be identified.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$ -	Project Status :						
Approved Budget	-	N/A						
Total Approved Project Budget :	\$ -							
Estimated Expenditures: June	-							
Remaining Budget Balance:	\$ -							
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	-	-	-					-
Equipment/Machinery								-
Other								-
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund: N/A								-
Unidentified Funding:	-							-
Total Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs								-
Supplies and Materials								-
Maintenance & Repair								-
Other								-
Total Operating Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

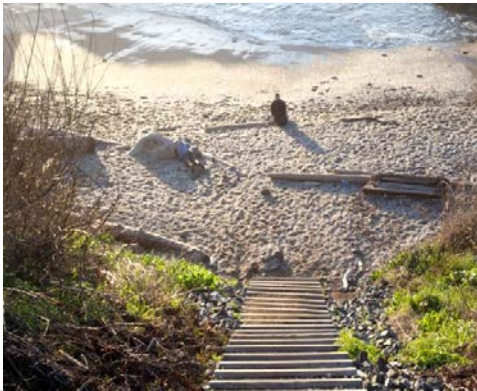
Project: HWY 20 FIRE STATION								
Category:	Municipal Facilities							
Fund/Task Code:	N/a							
Department:	Public Works							
Priority:								
Funding Source(s):	No Construction Funding Secured							
Est. Projected Costs	\$ 500,000							
Expected Completion Date:	Beyond CIP							
Cumulative Prior Year Funding:	\$ -							
FY 18-19 Funding:	\$ -							
No Picture available.								
Project Description								
<p>The City of Fort Bragg owns property at the northeast corner of State Hwy 20 and Babcock Lane that contains a 300,000 gallon water storage tank, and a large storage facility that houses fire equipment for the Fire Joint Powers Authority. Old structures have been replaced.</p> <p>The site has City water service. City sewer service from the Old Willits Road has not been extended to this location yet. The remaining goal is to construct an apartment and extend sewer service to the area.</p> <p>This project is presently beyond the current five year CIP. A funding source has not been identified at this time.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$ -	Project Status :						
Approved Budget	-	N/A						
Total Approved Project Budget :	\$ -							
Estimated Expenditures: June	-							
Remaining Budget Balance:	\$ -							
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	-	-	-				500,000	500,000
Equipment/Machinery								-
Other								-
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund: N/A								-
Unidentified Funding:	-						500,000	500,000
								-
Total Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs								-
Supplies and Materials								-
Maintenance & Repair								-
Other								-
Total Operating Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

Project: PUC RULE 20 PROJECT (UTILITY UNDERGROUND)								
Category:	Municipal Facilities							
Fund/Task Code:	N/a							
Department:	Public Works							
Priority:								
Funding Source(s):	No Construction Funding Secured							
Est. Projected Costs	\$ 1,100,000							
Expected Completion Date:	Beyond CIP							
Cumulative Prior Year Funding:	\$ -							
FY 18-19 Funding:	\$ -							
No Picture available.								
Project Description								
<p>The City of Fort Bragg owns property at the northeast corner of State Hwy 20 and Babcock Lane that contains a 300,000 gallon water storage tank, and a large storage facility that houses fire equipment for the Fire Joint Powers Authority. Old structures have been replaced.</p> <p>The site has City water service. City sewer service from the Old Willits Road has not been extended to this location yet. The remaining goal is to construct an apartment and extend sewer service to the area.</p> <p>This project is presently beyond the current five year CIP. A funding source has not been identified at this time.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$ -	Project Status :						
Approved Budget	-	N/A						
Total Approved Project Budget :	\$ -							
Estimated Expenditures: June	-							
Remaining Budget Balance:	\$ -							
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	-	-	-				1,100,000	1,100,000
Equipment/Machinery								-
Other								-
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 1,100,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund: N/A								-
Unidentified Funding:	-						1,100,000	1,100,000
Total Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ 1,100,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs								-
Supplies and Materials								-
Maintenance & Repair								-
Other								-
Total Operating Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-

PARKS & COMMUNITY SERVICES

Project: GLASS BEACH STAIRCASE	
Category:	Parks & Community Services
Fund/Task Code:	407/CDD 20
Department:	CDD/PW
Priority:	
Funding Source(s):	(i)General Fund (ii)Parkland Monitoring
Est. Projected Costs	\$ 194,807
Expected Completion Date:	
Cumulative Prior Year Funding:	\$ 33,856
FY 18-19 Funding:	\$ -



Project Description	
<p>The design of the replacement staircase has been completed and construction will occur during the summer of 2017. The original Coastal Trail staircase to Glass Beach was damaged by winter weather and accompanying heavy surf. A substantial concrete staircase with heavy fenders at the beach landing is being designed. Construction has been estimated at \$162,000. Funding is proposed to be split between the new Measure AA (Transient Occupancy Tax) funds for Coastal Trail maintenance and the General Fund.</p>	

For Continuing Projects		
Original Project Adopted Budget	\$ 33,856	Project Status :
Approved Budget	-	The design of the replacement staircase has been completed and construction will occur during the summer of 2018. Work on other capital projects was accelerated, (e.g. 1.5 million gallon water tank), and resources were re-directed to accommodate the changes. Project has been put on hold per City Council direction received at the FY 2018-19 Budget workshop.
Total Approved Project Budget :	33,856	
Estimated Expenditures: June	(33,856)	
Remaining Budget Balance:	\$ -	

Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	33,856	160,951	-					194,807
Equipment/Machinery								-
Other								-
Total Project Cost	\$ 33,856	\$ 160,951	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 194,807

Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								-
110 - Measure AA/AB	32,807	68,206					-	101,013
122 - Parkland Monitoring	93,794							93,794
								-
Total Funding	\$ 126,601	\$ 68,206	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 194,807

Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Maintenance & Repair		700	700	700	700	700	700	4,200
Other								-
Total Operating Impact	\$ -	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 4,200

CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

Project: COASTAL TRAIL-PHASE: II (Central Segment)								
Category:	Parks & Community Services							
Fund/Task Code:	415/CDD 20							
Department:	Public Works							
Priority:								
Funding Source(s):	Grants: (i)Active Transportation Program (ii)State Parks-Prop 84							
Est. Projected Costs	\$ 1,220,000							
Expected Completion Date:	FY 18/19							
Cumulative Prior Year Funding:	\$ 1,190,000							
FY 18-19 Funding:	\$ 30,000.00							
Project Description								
<p>This project will connect the northern and southern portions of the Coastal Trail within Noyo Headlands Park. An approximately 1.1 mile multi-use trail loop will be built around the mill pond area. Drainage will be upgraded to include bio-infiltration techniques. The design of the improvements will be completed FY 2016/17 and a construction contract let. Construction is anticipated to begin in FY 2017/18.</p> <p>It will be funded with a grant from Prop 84 and a grant from the Alternate Transportation Program (ATP). The budgeted amount will be applied to construction costs.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$ 1,220,000	Project Status :						
Approved Budget Increases/Decreases	-	Construction of Phase 2 was completed March 2018. The coastal trail now extends the entire length of the Noyo Headlands Park from Noyo Bay to Pudding Creek running a distance of 3-1/2 miles with over a mile of additional side trails. The trail extends to the south, (over the Noyo River bridge), to the Pomo Bluffs Park. To the north, it connects to the old Haul Road running the length of Mac Kerricher State Park. The funds committed for this years budget will be put toward the Alder Street trail connection and parking area.						
Total Approved Project Budget :	\$ 1,220,000							
Estimated Expenditures: June 30,2018	(1,220,000)							
Remaining Budget Balance:	\$ -							
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	1,190,000	30,000	-				-	1,220,000
Equipment/Machinery								-
Other								-
Total Project Cost	\$ 1,190,000	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,220,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								-
320- State Parks:Prop 84	440,000	10,000					-	450,000
323 - ATP:Cal Trans	750,000	20,000						770,000
Total Funding	\$ 1,190,000	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,220,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs		70,000	70,000	70,000	70,000	70,000	70,000	420,000
Maintenance & Repair		5,000	5,000	5,000	5,000	5,000		25,000
Other								-
Total Operating Impact	\$ -	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 70,000	\$ 445,000

CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

Project: BAINBRIDGE PARK IMPROVEMENTS								
Category:	Parks & Community Services							
Fund/Task Code:	419/PW 96							
Department:	PW/CDD/PD							
Priority:								
Funding Source(s):	Grant: CDBG							
Est. Projected Costs	\$	125,470						
Expected Completion Date:	FY17-18							
Cumulative Prior Year Funding:	\$	125,470						
FY 18-19 Funding:	\$	-						
Project Description								
<p>This is a collaborative project between Police, Community Development, and Public Works departments to restore the "family friendly" environment at Bainbridge Park. The project is funded with Community Development Block Grant (CDBG) program income in the amount of \$108,290. \$75,000 was committed in FY 2016/17. The remaining \$33,290 is to be expended in FY 2017/18.</p> <p>The following improvements will be made: metal perimeter fencing in the same style as found at Wiggly Giggly, removal and replacement of aging trees along the park's Harrison Street frontage, a new entrance sign, new/rehabilitated landscaping, Wiggly Giggly re-surfacing and play equipment repairs, resurfacing of the tennis court, and an expanded basketball court. If sufficient funds remain, petanque courts will be installed. In FY 2016/17, benches and tables were installed as well as various improvements to the tennis court being made. Additional master plan improvements will be undertaken in FY 2017/18.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$	125,470	Project Status :					
Approved Budget Increases/Decreases		-	The first portion of the Master Plan improvements was completed in late 2017. Improvements included: an expanded basketball court, re-surfaced tennis court, a new perimeter fence and landscaping upgrades.					
Total Approved Project Budget :	\$	125,470						
Estimated Expenditures: June 30,2018		(125,470)						
Remaining Budget Balance:	\$	-						
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	125,470	-	-				-	125,470
Equipment/Machinery								-
Other								-
Total Project Cost	\$ 125,470	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,470
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								-
315- CDBG 2014	117,203						-	117,203
315- CDBG 2014	8,267							8,267
								-
Total Funding	\$ 125,470	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,470
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs	2,000	4,000	4,000	4,000	4,000	4,000		22,000
Maintenance & Repair	400	400	400	400	400	400		2,400
Other								-
Total Operating Impact	\$ 2,400	\$ 4,400	\$ 4,400	\$ 4,400	\$ 4,400	\$ 4,400	\$ -	\$ 24,400



STREET MAINTENANCE & TRAFFIC SAFETY

Project: ANNUAL ALLEY REHAB PROJECT

Category:	Parks & Community Services
Fund/Task Code:	414/PW 97
Department:	Public Works
Priority:	
Funding Source(s):	Street Sales Tax
Est. Projected Costs	\$ 2,550,000
Expected Completion Date:	Ongoing
Cumulative Prior Year Funding:	\$ 1,050,000
FY 18-19 Funding:	\$ -



Project Description

Design and construction of the next round of alley rehabilitation improvements will take place during FY 2017/18. With the backlog of alleys needing attention, it is recommended that their rehabilitation be accelerated and expanded from \$300,000 per year to \$750,000 per year in future years. The fund balance of Street Sales Tax exceeds \$2 million and collects approximately \$900,000 each year. Expanded uses of these funds can better put these dollars to work.

Alley rehabilitation projects are planned to occur on a two-year cycle. The next projects are planned in FY 2019/20 and FY 2021/22. While these are intended to be on-going, the next two projects have been acknowledged for the upcoming CIP. These projects are funded by the Special Street Sales Tax.

For Continuing Projects

Original Project Adopted Budget	\$ 2,550,000	Project Status :
Approved Budget: Increases/ Decreases	-	Construction of this project was completed at the end of 2017. Four alleys were rehabilitated: a residential alley from Chestnut Street to Walnut Street lying between Whipple Street and Grove Street, the alley behind Portuguese Hall, The alley behind Sears, and the alley next to Starbucks. Three streets were also repaired: South Franklin Street from Oak Street to N.Harbor Street, Boatyard drive, and Sanderson Way north of Cedar St.
Total Approved Project Budget :	2,550,000	
Estimated Expenditures: June 30,2018	(1,050,000)	
Remaining Budget Balance:	\$ 1,500,000	

Project Cost Details

Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	1,050,000	-	750,000		750,000		-	2,550,000
Equipment/Machinery								-
Other								-
Total Project Cost	\$ 1,050,000	\$ -	\$ 750,000	\$ -	\$ 750,000	\$ -	\$ -	\$ 2,550,000

Funding Source(s)

Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								-
250 - Special Sales Tax	1,050,000	-	750,000	-	750,000	-	-	2,550,000
								-
Total Funding	\$ 1,050,000	\$ -	\$ 750,000	\$ -	\$ 750,000	\$ -	\$ -	\$ 2,550,000

Operating Impact of Project

Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs	1,000	1,000	2,000	2,000	3,000	3,000		12,000
Maintenance & Repair	100	100	200	200	300	300		1,200
Other								-
Total Operating Impact	\$ 1,100	\$ 1,100	\$ 2,200	\$ 2,200	\$ 3,300	\$ 3,300	\$ -	\$ 13,200

CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

Project: DOWNTOWN CROSSWALK REHAB									
Category:	Street Maintenance & Traffic								
Fund/Task Code:	420/PW 98								
Department:	Public Works								
Priority:									
Funding Source(s):	Street Sales Tax								
Est. Projected Costs	\$	62,300							
Expected Completion Date:	Ongoing								
Cumulative Prior Year Funding:	\$	62,300							
FY 18-19 Funding:	\$	-							
Project Description									
Rehabilitating the stamped asphalt crosswalks in downtown will ensure their long-term viability. Many of the cross walks were rehabilitated in 2012. They are showing signs of wear and are ready for another round of rehabilitation. This project is consistent with the City's priority of keeping the downtown looking fresh and clean to maximize its economic strength and to help ensure Fort Bragg's success as a visitor destination.									
For Continuing Projects									
Original Project Adopted Budget	\$	62,300	Project Status : This project is expected to be included with the street resurfacing project in 2019.						
Approved Budget:Increases/ Decreases		-							
Total Approved Project Budget :		62,300							
Estimated Expenditures: June 30,2018		(62,300)							
Remaining Budget Balance:	\$	-							
Project Cost Details									
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Professional Services								-	
Construction	62,300	-	-	-	-	-	62,300	124,600	
Equipment/Machinery								-	
Other								-	
Total Project Cost	\$ 62,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,300	\$ 124,600	
Funding Source(s)									
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Fund:								-	
250 - Special Sales Tax	62,300	-	-	-	-	-	62,300	124,600	
								-	
Total Funding	\$ 62,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,300	\$ 124,600	
Operating Impact of Project									
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Maintenance & Repair		650	650	650	650	650	-	3,250	
Other								-	
Total Operating Impact	\$ -	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ -	\$ 6,250	



CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

Project: STREET RESURFACING & STRUCTURAL REPAIRS

Category:	Street Maintenance & Traffic
Fund/Task Code:	405/PW 97
Department:	Public Works
Priority:	
Funding Source(s):	Street Sales Tax
Est. Projected Costs	\$ 5,084,879
Expected Completion Date:	Ongoing
Cumulative Prior Year Funding:	\$ 1,084,879
FY 18-19 Funding:	\$ 2,000,000



Project Description

Similar to alley rehabilitation projects, street repair projects will alternate with the alley projects. The next street rehabilitation projects are planned for FY 2018/19 and FY 2020/21. The projects have been acknowledged as part of the five-year CIP. These projects will be funded by the Street Sales Tax.

With the backlog of alleys and streets needing attention, it is recommended that their rehabilitation be accelerated and expanded. Funds for alley rehabilitation can be increased from \$300,000 per project to \$750,000 per project; streets can be increased from \$1.5 million to \$2 million.

The fund balance currently exceeds \$2 million and collects approximately \$900k each year.

For Continuing Projects

Original Project Adopted Budget	\$ 3,084,879	Project Status : The City anticipates issuing a RFP for design services in the coming fiscal year for needed repair of our streets. Construction will follow soon thereafter.
Approved Budget Increases/Decreases	-	
Total Approved Project Budget :	3,084,879	
Estimated Expenditures: June 30,2018	(3,084,879)	
Remaining Budget Balance:	\$ -	

Project Cost Details

Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	1,084,879	2,000,000	-	2,000,000	-	-	-	5,084,879
Equipment/Machinery								-
Other								-
Total Project Cost	\$ 1,084,879	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 5,084,879

Funding Source(s)

Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								-
250 - Special Sales Tax	1,084,879	2,000,000		2,000,000		-		5,084,879
								-
								-
Total Funding	\$ 1,084,879	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 5,084,879

Operating Impact of Project

Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs			2,800	2,800	2,800	2,800		11,200
Supplies and Materials			500	500	500	500		2,000
Maintenance & Repair			200	200	200	200		800
Other								-
Total Operating Impact	\$ -	\$ -	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ -	\$ 14,000

CAPITAL IMPROVEMENT PROGRAM PROJECT DETAILS

Project: SOUTH MAIN ST. BIKE & PED IMPROVEMENTS									
Category:	Street Maintenance & Traffic								
Fund/Task Code:	N/A								
Department:	PW								
Priority:									
Funding Source(s):	No Construction funding secured yet								
Est. Projected Costs	\$ 800,000								
Expected Completion Date:	Beyond CIP								
Cumulative Prior Year Funding:	Nil								
FY 18-19 Funding:	\$ -								
Project Description									
<p>Install modified curb returns, pedestrian ramps, and median island(s) for pedestrian crossing on the west side of the intersection of N. Noyo Point Rd and State Route 1. Install new curb gutter and sidewalk along the westerly side of State Route 1 from N. Noyo Point Road to existing facilities in the vicinity of Oak St. This would include fencing, signage and striping as necessary.</p> <p>At this time, this project is in the "beyond CIP" category as funding is unidentified. The recently passed transportation funding bill, SB-1, intends to restore previously lost transportation funding. Funds for this project may be returned to the Regional Transportation Program (RTP) as early as 2021.</p> <p>Once funding is clearly identified, timing of this project will be re-evaluated.</p>									
For Continuing Projects									
Original Project Adopted Budget	\$ -	Project Status :							
Approved Budget Increases/Decreases	-	N/A							
Total Approved Project Budget :	-								
Estimated Expenditures: June 30,2018	-								
Remaining Budget Balance:	\$ -								
Project Cost Details									
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Professional Services								-	
Construction	-	-	-	-	-	-	800,000	800,000	
Equipment/Machinery								-	
Other								-	
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,000	\$ 800,000	
Funding Source(s)									
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Fund:								-	
Unidentified Funding	-	-	-	-	-	-	800,000	800,000	
								-	
Total Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,000	\$ 800,000	
Operating Impact of Project									
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Personnel Costs								-	
Supplies and Materials								-	
Maintenance & Repair								-	
Other								-	
Total Operating Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	



CV STARR ENTERPRISE


Project: POOL BASIN RESURFACING									
Category:	CV Starr Enterprise CIP								
Fund/Task Code:	810/ CV								
Department:	Public Works/CV Starr								
Priority:	High								
Funding Source(s):	CV Starr Enterprise								
Est. Projected Costs	\$	180,000							
Expected Completion Date:	FY 18/19								
Cumulative Prior Year Funding:	\$	-							
FY 18-19 Funding:	\$	180,000							
Project Description									
<p>The pools were originally constructed in 2009. Staff have been patching holes in the plaster pool surface in order to continue offering aquatic programs. The surfaces are rapidly deteriorating. The pools will be re-lined in accordance to specifications of a Bid Document that shall include providing all materials, labor equipment and services necessary to furnish and install Pool interior. Surface preparation shall be dictated by prevailing substrate conditions of each pool. Expansion joints encountered shall be restored and re-sealed. The intention of the specifications is to require work, which will result in a fully renewed interior surface of the pools, in essentially like-new condition. The interior lining, and all related work should be expected to perform without failure for well beyond a decade.</p>									
For Continuing Projects									
Original Project Adopted Budget	\$	180,000	Project Status :						
Approved Budget		-	N/A						
Total Approved Project Budget :		180,000							
Estimated Expenditures: June -19		(180,000)							
Remaining Budget Balance: (06/30/19)	\$	-							
Project Cost Details									
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Professional Services								-	
Construction		180,000						180,000	
Other			-		-		-	-	
Total Project Cost	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,000	
Funding Source(s)									
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Fund:									
810 - Enterprise Funds	-	180,000						180,000	
								-	
								-	
Total Funding	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,000	
Operating Impact of Project									
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total	
Personnel Costs								-	
Supplies and Materials								-	
Maintenance & Repair		-						-	
Other								-	
Total Operating Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	



WATER ENTERPRISE


Project: SUMMERS LANE RESERVOIR COVER								
Category:	Water Enterprise							
Fund/Task Code:	651/PW 97							
Department:	Public Works							
Priority:	High							
Funding Source(s):	Water Enterprise							
Est. Projected Costs	\$ 450,000							
Expected Completion Date:	FY 18-19							
Cumulative Prior Year Funding:	\$ 450,000							
FY 18-19 Funding:	\$ -							
Project Description								
<p>This project is necessary to maintain the high quality of the City's raw water supply. The reservoir is in a large forest opening outside of the fog belt and provides good habitat for algae. Algae growth creates several water treatment problems. The organic matter clogs the filters. Respiration, (carbon dioxide use oxygen production) of the organisms creates large daily swings in the pH. This makes application of treatment chemicals in correct amounts very difficult. The heavy amount of organic material creates unwanted disinfection byproducts when the raw water is chlorinated. Given the reservoir's five- to six-acre surface, a cover is also needed to minimize water loss due to evaporation. Lastly, the cover will help with management of invasive amphibians (bullfrogs). The cost estimate is based on manufacturer quotes to cover up to 6-1/2 acres (280,000 square feet) of surface area when the reservoir is full. A ball-shaped float, approximately one foot in diameter easily adapts the cover to the size and shape of the reservoir surface as its elevation varies over time. Other options have been evaluated. Ultraviolet lights have been experimented with and gave unsatisfactory results. Aeration fountains are effective for controlling anaerobic bacteria, but do not reduce the growth of algae. A full surface cover (similar to a swimming pool cover) would cost approximately \$1,500,000. Chemical treatment of the reservoir water is possible. However, a metal based treatment using something like copper sulfate is most effective. Once applied, both the remaining copper and sulfur compounds need to be removed. Adding, removing, and disposing of such chemicals can cost as much \$50,000 per year or more. In comparison, the annualized cost of the cover over a typical 20-year lifespan is about \$25,000. The cover is the most economical and effective solution.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$	700,000	Project Status :					
Approved Budget Increases/Decreases		(250,000)						
Total Approved Project Budget :		450,000						
Estimated Expenditures: June 30,2018		(450,000)						
Remaining Budget Balance:	\$	-						
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	450,000	-	-	-	-	-	-	450,000
Equipment/Machinery								-
Other								-
Total Project Cost	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								-
Water Enterprise	450,000	-	-	-	-	-	-	450,000
Total Funding	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Maintenance & Supplies	7,540	7,540	7,540	7,540	7,540	7,540		45,240
Other								-
Total Operating Impact	\$ 7,540	\$ 7,540	\$ 7,540	\$ 7,540	\$ 7,540	\$ 7,540	\$ -	\$ 45,240



Project: MADSEN HOLE RAINEY -DESIGN								
Category:	Water Enterprise							
Fund/Task Code:	651/WTR 0015							
Department:	Public Works							
Priority:								
Funding Source(s):	Water Enterprise Funds							
Est. Projected Costs	\$ 175,000							
Expected Completion Date:								
Cumulative Prior Year Funding:	\$ -							
FY 18-19 Funding:	\$ 175,000							
Project Description								
<p>The City's raw water source at Madsen Hole in the Noyo River currently used a Ranney Collector to provide some preliminary treatment at the source prior to pumping the water to the treatment plant. This is especially important during rain events to allow some filtration when turbidity has increased. This type of system is placed below ground to extract water from an aquifer with direct connection to a surface water source. This system has failed and is in need of replacement. This portion of the project includes design services only.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$ 175,000	Project Status :						
Approved Budget Increases/Decreases	-	A RFP is expected to be issued for professional design and engineering services this fiscal year.						
Total Approved Project Budget :	175,000							
Estimated Expenditures: June 30,2018	(175,000)							
Remaining Budget Balance:	\$ -							
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services		175,000						175,000
Construction			-	-	-	-	-	-
Other								-
Total Project Cost	\$ -	\$ 175,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								
615- Water Enterprise	-	175,000	-	-	-	-	-	175,000
Total Funding	\$ -	\$ 175,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Maintenance & Repair		-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-
Total Operating Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Project: WATER TREATMENT PLANT OVERHAUL								
Category:	Water Enterprise							
Fund/Task Code:	651/0092							
Department:	Public Works							
Priority:								
Funding Source(s):	Water Enterprise Funds							
Est. Projected Costs	\$ 1,350,000							
Expected Completion Date:	FY 19-20							
Cumulative Prior Year Funding:	\$ 50,000							
FY 18-19 Funding:	\$ -							
Project Description								
<p>For the past 30 years, two Microfloc Trident 420c units have clarified and filtered the City's water. In 1998, the filter media was replaced and in 2006 clarifier media was added. The units are worn and in need of replacement. Over the years, Microfloc has made several improvements to the design, to make the units more efficient and capable of achieving better filtration, as well as to conserve water. Items included in this overhaul are: increase the filter to waste pipe size (this will allow filters to stay in compliance during operational problems), replace filter media, replace-upgrade filter underdrain, filter wash system, replace clarifier media, replace air manifold, water inlet headers, and sandblast and paint the units.</p> <p>Design will begin in FY 2017/18 and a \$50,000 allocation is recommended. Only one treatment unit can be taken offline at a time. Consequently, construction will take up to two years (\$800,000 in FY 2018/19 and \$750,000 in FY 2019/20).</p> <p>The first year's work will include upgrades to electric and other components that will benefit both units. This requires a slightly larger budget allocation for the first year of construction.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$ 1,350,000	Project Status :						
Approved Budget Increases/Decreases	-	Design to begin into late 2018 and begin work the summer of 2019.						
Total Approved Project Budget :	1,350,000							
Estimated Expenditures: June 30,2018	(50,000)							
Remaining Budget Balance:	\$ 1,300,000							
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services	50,000							50,000
Construction	-	-	800,000	500,000	-	-	-	1,300,000
Equipment/Machinery								-
Other								-
Total Project Cost	\$ 50,000	\$ -	\$ 800,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 1,350,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								
651- Water Enterprise	50,000	-	800,000		-	-	-	850,000
Unidentified Funding:	-	-	-	500,000	-	-	-	500,000
								-
Total Funding	\$ 50,000	\$ -	\$ 800,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 1,350,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs		-	3,000	4,000	3,000	4,000	-	14,000
Supplies and Materials		-	750	750	750	750	-	3,000
Maintenance & Repair		-	500	500	500	500	-	2,000
Other								-
Total Operating Impact	\$ -	\$ -	\$ 4,250	\$ 5,250	\$ 4,250	\$ 5,250	\$ -	\$ 19,000

CIP PROJECT DETAILS: WASTEWATER ENTERPRISE

Project: RAW WATER LINE REPLACEMENT								
Category:	Water Enterprise							
Fund/Task Code:	651/WTR 0016							
Department:	Public Works							
Priority:								
Funding Source(s):	Water Enterprise Funds							
Est. Projected Costs	\$	2,649,000						
Expected Completion Date:	FY 22/23							
Cumulative Prior Year Funding:	\$	400,000						
FY 18-19 Funding:	\$	682,000						
Project Description								
<p>Past CIPs identified a series of raw water line replacement projects. These are now consolidated into one project with five phases. Phase I of the raw water replacement project was completed with the Summers Lane Reservoir project. The City of Fort Bragg receives water from three sources: Waterfall Gulch, Newman Gulch, and the Noyo River. The raw water from Waterfall Gulch and Newman Gulch gravity flows through a transmission system of PVC, asbestos cement, ductile iron and steel pipe. Much of this water transmission line has been in place for decades and failures are more and more common. It is essential that all of the City's transmission lines remain operational. Replacement of the entire length will be undertaken in five phases.</p> <p><u>Raw Water Line Engineering - \$400,000:</u> The most efficient design process is to do the entire length of all four remaining phases under one contract. Engineering and design costs used construction costs as an estimating guide. Steep and unstable canyon sides for much of the pipe alignment will require in depth geotechnical analysis. Surveying will be more difficult with heavy timber and brush along the pipe alignment. Timber harvest and the expected Timber Harvest Plan costs have been incorporated into the construction costs for each phase.</p> <p><u>Phase II, Noyo River to Water Treatment Facility - \$682,000:</u> This raw water transmission line is approximately 3,000 feet long and runs between the Noyo River crossing and the Water Treatment ponds just north of Sherwood Road. It lies within the Noyo River canyon which is geologically unstable. The alignment is heavily timbered and will require a timber harvest plan. Shifting, shallow soil regularly creates leaks in this section of the raw water main. It is the highest priority because it is the last portion of raw water main closest to the treatment plant and carries water from Waterfall Gulch, Newman Reservoir.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$ 2,649,000	Project Status :						
Approved Budget Increases/Decreases	-	Portions of the raw water transmission main from the City's water sources to the water treatment plant have been replaced over the years. Approximately 15,000 feet of pipe is ready for replacement. The stretch of pipe from Forest Road 450 (downstream of Waterfall Gulch) to Sherwood Road has been broken						
Total Approved Project Budget :	2,649,000	into five phases. Phase I from Highway 20 to the Summers Lane Reservoir has already been completed. For efficient work, design of the remaining four phases will be done under one contract. Construction of each phase will follow as funding and time permit.						
Estimated Expenditures: June 30,2018	(1,082,000)							
Remaining Budget Balance:	\$ 1,567,000							
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services	400,000							400,000
Construction		682,000	-	-	-	-	-	682,000
Other			906,000	420,000	241,000			1,567,000
Total Project Cost	\$ 400,000	\$ 682,000	\$ 906,000	\$ 420,000	\$ 241,000	\$ -	\$ -	\$ 2,649,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								
651 - Water Enterprise	400,000	682,000	-	-	-	-	-	1,082,000
Unidentified Funding			906,000	420,000	241,000	-	-	1,567,000
Total Funding	\$ 400,000	\$ 682,000	\$ 906,000	\$ 420,000	\$ 241,000	\$ -	\$ -	\$ 2,649,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs		1,000	1,000	1,200	1,200	1,200		5,600
Maintenance & Repair			250	500	500	500		1,750
Total Operating Impact	\$ -	\$ 1,000	\$ 1,250	\$ 1,700	\$ 1,700	\$ 1,700	\$ -	\$ 7,350

Project: RAW WATER POND REHABILITATION								
Category:	Water Enterprise							
Fund/Task Code:	N/A							
Department:	Public Works							
Priority:								
Funding Source(s):	Water Enterprise Funds							
Est. Projected Costs	\$ 200,000							
Expected Completion Date:	FY 19-20							
Cumulative Prior Year Funding:	\$ -							
FY 18-19 Funding:	\$ 200,000							
Project Description								
<p>Raw water from the different sources is temporarily stored in two raw water ponds to supply the water treatment plant. This temporary storage helps smooth out the difference between the quantity of incoming raw water and the treatment plant operational needs. These raw water ponds are unlined. Water seepage out from the water ponds is too high in a time when extended droughts have become a regular occurrence. Temporary plugs can be used in the interim. However, a comprehensive lining of ponds is the only way to ensure all of the potential source leaks have been addressed. The ponds will be lined and rehabilitated to eliminate this significant loss of raw water.</p> <p>Costs for this work are based on the lining costs for the Summers Lane Reservoir.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$ 200,000	Project Status : Complete design and specifications in the fall of 2018 and complete installation of liner in the summer of 2019.						
Approved Budget Increases/Decreases	-							
Total Approved Project Budget :	200,000							
Estimated Expenditures: June 30,2018	(200,000)							
Remaining Budget Balance:	\$ -							
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	-	200,000	-	-	-	-	-	200,000
Equipment/Machinery								-
Other								-
Total Project Cost	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								
651- Water Enterprise	-	200,000	-	-	-	-	-	200,000
								-
								-
Total Funding	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs			-	-	-	-		-
Supplies and Materials			-	-	-	-		-
Maintenance & Repair			-	-	-	-		-
Other			-	-	-	-		-
Total Operating Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Project: CEDAR STREET WATER DISTRIBUTION LINE PROJECT

Category:	Water Enterprise
Fund/Task Code:	N/A
Department:	Public Works
Priority:	
Funding Source(s):	No Construction Funding secured yet
Est. Projected Costs	\$ 195,000
Expected Completion Date:	FY 21/22
Cumulative Prior Year Funding:	\$ -
FY 18-19 Funding:	\$ -

Project Description

The City of Fort Bragg has two water transmission lines from the Water Treatment storage tanks that provide water for the entire City. A 20-inch water line runs south from the tanks to Sherwood Road, then west along Sherwood Road/Oak Street to feed the City. The second line runs off of the transmission line to Sherwood Road/Oak Street on the City Water treatment facility site then northeast across private property to Cedar Street. City mapping indicates that the 8 inch transmission line feeding the City from Cedar Street runs directly from the tanks to Cedar Street, Public Works personnel located the line as part of the Water Treatment Plant improvements and traced it across private property. Staff has been unable to locate any easement for the pipe's current location; The City plans to move the line, as the current location impacts any future development of the site. Staff will be conducting additional investigations to determine the options available.

This project could consist of relocation of the distribution line onto City property and then into public right of way; securing an easement for leaving the line in the current location or securing an easement and relocating the line when the private property develops.

The cost of this project will depend on the final option developed and the amount of materials required and the distance traveled. Funding for this project has yet to be identified, but will be directed through the Water Enterprise fund.

For Continuing Projects

Original Project Adopted Budget	\$ 195,000	Project Status :
Approved Budget Increases/Decreases	-	
Total Approved Project Budget :	195,000	
Estimated Expenditures: June 30,2018	-	
Remaining Budget Balance:	\$ 195,000	

Project Cost Details

Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	-	-		195,000	-	-	-	195,000
Other								-
Total Project Cost	\$ -	\$ -	\$ -	\$ 195,000	\$ -	\$ -	\$ -	\$ 195,000

Funding Source(s)

Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								
Unidentified Funding:	-	-	-	195,000	-	-	-	195,000
Total Funding	\$ -	\$ -	\$ -	\$ 195,000	\$ -	\$ -	\$ -	\$ 195,000

Operating Impact of Project

Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs								-
Supplies and Materials								-
Maintenance & Repair								-
Other								-
Total Operating Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EAST FORT BRAGG PRESSURE ZONE (EFPZ) PHASE:1-3								
Category:	Water Enterprise							
Fund/Task Code:	N/A							
Department:	Public Works							
Priority:								
Funding Source(s):	Water Enterprise Funds							
Est. Projected Costs	\$	1,405,000						
Expected Completion Date:	Beyond CIP							
Cumulative Prior Year Funding:	\$	-						
FY 18-19 Funding:	\$	-						
Project Description								
Phase 1 - \$525,000 Phase 2 - \$320,000 Phase 3 - \$560,000 The three phases of this capital project are intended to increase the service levels within the water pressure zone serving a portion of east Fort Bragg. The most significant beneficiary of this service enhancement is Fort Bragg High School. The Fort Bragg Unified School District (FBUSD) originally intended to share in the cost of this project. Since the original proposal was made, FBUSD has reprioritized its expenditures and this project is not a high priority. This project has been moved to the "Beyond CIP" category.								
For Continuing Projects								
Original Project Adopted Budget	\$	-	Project Status :					
Approved Budget Increases/Decreases		-	N/A					
Total Approved Project Budget :		-						
Estimated Expenditures: June 30,2018		-						
Remaining Budget Balance:	\$	-						
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	-	-			-	-	1,405,000	1,405,000
Other								-
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,405,000	\$ 1,405,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								
Unidentified Funding:	-	-	-	-	-	-	1,405,000	1,405,000
Total Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,405,000	\$ 1,405,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs								-
Supplies and Materials								-
Maintenance & Repair								-
Other								-
Total Operating Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Project: PUDDING CREEK MAIN RELOCATION								
Category:	Water Enterprise							
Fund/Task Code:	651/							
Department:	Public Works							
Priority:								
Funding Source(s):	California Office of Emergency Services Grant							
Est. Projected Costs	\$ 1,700,000							
Expected Completion Date:	Beyond CIP							
Cumulative Prior Year Funding:	\$ -							
FY 18-19 Funding:	\$ 205,000							
Project Description								
<p>During a high water event in Pudding Creek on December 16, 2016, the Georgia Pacific (GP) dam across Pudding Creek was overtopped and damaged. This in turn put the City's 10-inch water on top of the dam at risk. Repairs to GP's dam to restore adequate, long-term support of the water main appear unlikely.</p> <p>To maintain safe, reliable water and fire protection service to City water customers north of Pudding Creek the water main needs to be relocated. The most cost-effective location is on the nearby bridge over Pudding Creek that carries Main Street (State Route 1). The relocation is being coordinated with an upcoming widening of the bridge by Caltrans. The widening is scheduled to be built in 2018. Because, the water main relocation is the consequence of a flood event, disaster assistance funding from the Governor's Office of Emergency Services is available. Staff is in the process of securing this funding.</p> <p>Preliminary work, before construction, will take place in FY 2017/18. This work will include: permitting, environmental review, and design. Construction is anticipated to occur in FY 2018/19 in coordination with Caltrans' widening of the Pudding Creek Bridge.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$ 1,700,000	Project Status :						
Approved Budget	-	The City has received approximately \$6,000 from the California Governor's Office Emergency Service (Cal-OES) for immediate disaster response during the winter of 2016/17 when a dam across Pudding Creek owned by Georgia Pacific was overtopped during high creek flows and reduced maintenance by the owner. A 10-inch water main lies on the top. To eliminate any risk to the water main, it is proposed to be relocated to a nearby State Highway across the creek. The City is working with Cal-OES to secure the necessary funding for this work. Until the funding is finalized, specific project scheduling is not being made.						
Increases/Decreases								
Total Approved Project Budget :	1,700,000							
Estimated Expenditures: June 30,2018	-							
Remaining Budget Balance:	\$ 1,700,000							
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction	-	205,000	1,495,000		-	-	-	1,700,000
Total Project Cost	\$ -	\$ 205,000	\$ 1,495,000	\$ -	\$ -	\$ -	\$ -	\$ 1,700,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								
329 - COES	-	205,000	1,495,000	-	-	-	-	1,700,000
Total Funding	\$ -	\$ 205,000	\$ 1,495,000	\$ -	\$ -	\$ -	\$ -	\$ 1,700,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs		3,000	5,000	5,000	5,000	5,000		23,000
Supplies and Materials			200	200	200	200		800
Other								-
Total Operating Impact	\$ -	\$ 3,000	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ -	\$ 23,800



CIP PROJECT DETAILS: WASTEWATER ENTERPRISE

Project: WW TREATMENT FACILITY UPGRADE-ACTIVITY SLUDGE	
Category:	Wastewater Enterprise
Fund/Task Code:	716/
Department:	Public Works
Priority:	
Funding Source(s):	(i) USDA (ii) SWRCB (iii) Debt (iv) WW
Est. Projected Costs	\$ 18,492,400
Expected Completion Date:	FY 20-21
Cumulative Prior Year Funding:	\$ 949,000
FY 18-19 Funding:	\$ 17,543,400



Project Description

The Wastewater Treatment Plant (WWTP) Upgrade Project will provide a major updating of Fort Bragg's 40 year old wastewater treatment facility. While repairs and upgrades have been performed over the years, much of the WWTP's equipment is reaching the end of a normal 25-30 year service life. Key parts of the project include:

- (1) Replacing the existing trickling filters with an activated sludge system,
- (2) Re-purposing the clarifiers into emergency/surge storage,
- (3) Increased system redundancy,
- (4) On-site treatment of storm water.

In addition to the conversion of waste water treatment to an activated sludge system, the design will include: high levels of energy efficiency, alternate energy sources to power the treatment train, and alternate use of treated effluents as well as sludge. Design is complete. Funding for the project has been secured. A \$6 million grant has been provided by the State Revolving Fund administered by the State Water Quality Control Board (SWRCB). The United States Department of Agriculture (USDA) Rural Assistance Program has contributed \$3.3 million in grant funds and provided a \$5 million low interest loan. The remaining \$2.48 million will come from the Waste Water Enterprise Fund.

For Continuing Projects		
Original Project Adopted Budget	\$ 18,492,400	Project Status :
Approved Budget Increases/Decreases	-	Design to upgrade the WWTF was completed in FY 2016/17. Primary improvements will be the replacement of the open air aerobic digesters with an up-to-date, enclosed digesters. Other parts of the 40 year old treatment will be replaced and/or upgraded as necessary. Staff successfully secured grants for construction, construction management, and engineering support during the past fiscal year. Bids were opened on April 17, 2018. Once bids have been reviewed by the funding sources, construction is scheduled to begin in late 2018. Construction is expected to take two years with the new upgrades coming online during the summer of 2020. is seeking grants and other low cost financing for construction.
Total Approved Project Budget :	18,492,400	
Estimated Expenditures: June 30, 2018	(18,492,400)	
Remaining Budget Balance:	\$ -	

Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services	949,000							949,000
Construction		17,543,400	-		-	-	-	17,543,400
Total Project Cost	\$ 949,000	\$ 17,543,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,492,400

Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								
329- USDA	-	3,388,000						3,388,000
330- State Park(Prop 84)		6,000,000						6,000,000
710- Debt Funded	-	5,000,000						5,000,000
715- WW Enterprise	949,000	3,215,400						4,164,400
Total Funding	\$ 949,000	\$ 17,603,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,552,400

Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs								-
Maintenance & Repair			60,000	60,000	60,000	60,000		240,000
Total Operating Impact	\$ -	\$ -	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ -	\$ 240,000

Project: SEWER MAIN REHABILITATION								
Category:	Wastewater Enterprise							
Fund/Task Code:	716/WWP 0016							
Department:	Public Works							
Priority:								
Funding Source(s):	Wastewater Enterprise Funds							
Est. Projected Costs	\$	360,000						
Expected Completion Date:	FY 21-22							
Cumulative Prior Year Funding:	\$	-						
FY 18-19 Funding:	\$	120,000						
Project Description								
<p>The City has an on-going program to rehabilitate or repair sewer mains that are failing when leak repairs have become chronic or a significant source of infiltration and inflow (I & I) has been identified. These projects involve the replacement of major portions of failing infrastructure and are considered capital projects rather than ordinary repair or maintenance activities. These projects are performed every other year at an estimated cost of \$120,000 annually.</p>								
For Continuing Projects								
Original Project Adopted Budget	\$	360,000	Project Status :					
Approved Budget Increases/Decreases		-						
Total Approved Project Budget :		360,000						
Estimated Expenditures: June 30,2018		(120,000)						
Remaining Budget Balance:	\$	240,000						
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction		120,000		120,000		120,000		360,000
Other			-		-		-	-
Total Project Cost	\$ -	\$ 120,000	\$ -	\$ 120,000	\$ -	\$ 120,000	\$ -	\$ 360,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								
715- WW Enterprise	-	120,000	-	120,000	-	120,000		360,000
Total Funding	\$ -	\$ 120,000	\$ -	\$ 120,000	\$ -	\$ 120,000	\$ -	\$ 360,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs			25,000	25,000	25,000	25,000		100,000
Supplies and Materials		1,000	1,000	1,000	1,000	1,000		5,000
Maintenance & Repair		-	-	-	-	-		-
Other								-
Total Operating Impact	\$ -	\$ 1,000	\$ 26,000	\$ 26,000	\$ 26,000	\$ 26,000	\$ -	\$ 105,000

CIP PROJECT DETAILS: WASTEWATER ENTERPRISE

Project:SANDERSON WAY SEWER MAIN REPLACEMENT, Oak to Cedar.										
Category:	Wastewater Enterprise									
Fund/Task Code:	716/WWP 0016									
Department:	Public Works									
Priority:										
Funding Source(s):	Unidentified Funding									
Est. Projected Costs	\$	215,000								
Expected Completion Date:	FY 21-22									
Cumulative Prior Year Funding:	\$	-								
FY 18-19 Funding:	\$	120,000								
Project Description										
<p>The main sewer line running north/south on North Sanderson Way between Oak and Cedar Streets is in need of replacement. Not only does the line have high inflow and infiltration (I&I), but it has areas of high grease build up and it is undersized for the area being serviced. When the line was originally installed, there was limited development east of Sanderson Way, but since that additional development has tied into the existing main line.</p> <p>The line currently runs at full capacity much of the time and continues to be a maintenance issue for Public Works personnel. This project will consist of designing a new main line sewer utilizing either a 10" or 12" main line to replace the existing 6" running between the manhole at Oak Street on the south to the manhole in Cedar Street to the north, and connecting and replacing all laterals within the right of way. This will address both the I&I issues as well as capacity issues.</p>										
For Continuing Projects										
Original Project Adopted Budget	\$	-	Project Status :							
Approved Budget Increases/Decreases		-								
Total Approved Project Budget :		-								
Estimated Expenditures: June 30,2018		-								
Remaining Budget Balance:	\$	-								
Project Cost Details										
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total		
Professional Services								-		
Construction				215,000				215,000		
Other			-		-		-	-		
Total Project Cost	\$	-	\$	-	\$	215,000	\$	-	\$	215,000
Funding Source(s)										
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total		
Fund:										
U/I	-		-	215,000	-	-		215,000		
								-		
								-		
Total Funding	\$	-	\$	-	\$	215,000	\$	-	\$	215,000
Operating Impact of Project										
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total		
Personnel Costs								-		
Supplies and Materials										
Maintenance & Repair										
Other								-		
Total Operating Impact	\$	-	\$	-	\$	-	\$	-	\$	-

Project: LIFT STATION REHAB (3 Stations)								
Category:	CV Starr Enterprise CIP							
Fund/Task Code:	715							
Department:	Public Works							
Priority:	High							
Funding Source(s):	Wastewater Enterprise							
Est. Projected Costs	\$ 1,000,000							
Expected Completion Date:								
Cumulative Prior Year Funding:	\$ -							
FY 18-19 Funding:	\$ 1,000,000							
Project Description								
The City of Fort Bragg relies on several pumping stations (lift stations) to convey waste water to its Waste Water Treatment Facility. Three of these lift stations are at the end of their useful lives and are ready for a full rehabilitation. The three stations are located at: Pudding Creek, North Noyo Harbor, and South Noyo Harbor.								
For Continuing Projects								
Original Project Adopted Budget	\$ 1,000,000	Project Status :						
Approved Budget Increases/Decreases	-							
Total Approved Project Budget :	1,000,000							
Estimated Expenditures: June -19	(1,000,000)							
Remaining Budget Balance: (06/30/19)	\$ -							
Project Cost Details								
Activity	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Professional Services								-
Construction		1,000,000						1,000,000
Other			-		-		-	-
Total Project Cost	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Funding Source(s)								
Source(s)	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Fund:								
710 - WW Enterprise Funds	-	1,000,000						1,000,000
								-
								-
Total Funding	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Operating Impact of Project								
Expenditure Line Item	Prior Year	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Future	Total
Personnel Costs								-
Supplies and Materials								-
Maintenance & Repair								-
Other								-
Total Operating Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

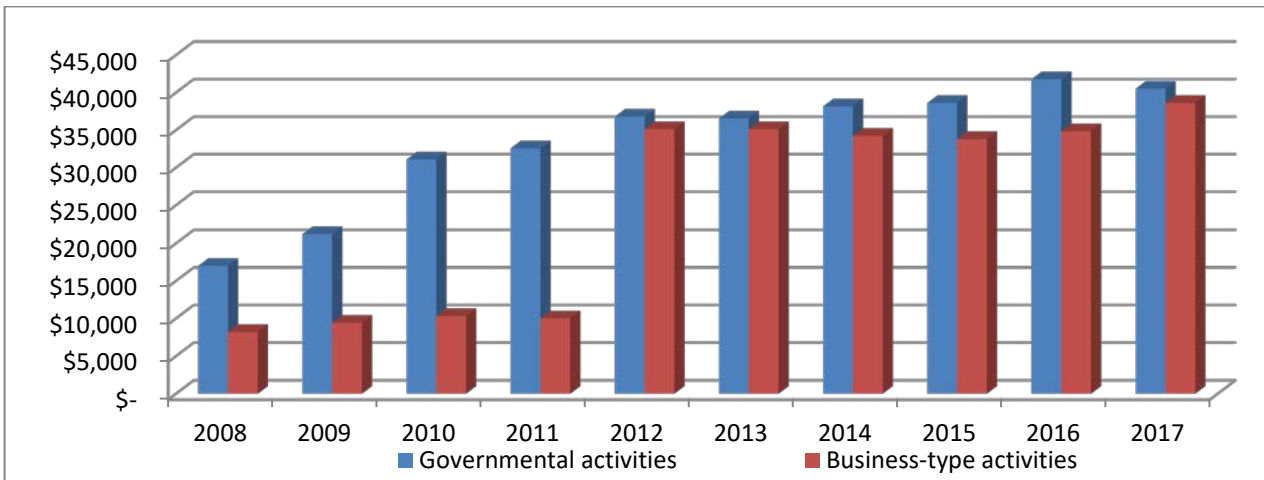
TABLE OF CONTENTS

Financial Trends	242
Revenue Capacity	248
Debt Capacity.....	255
Demographic and Economic Information	259
Operating Information	261

City of Fort Bragg, California
Net Position by Component
Last Ten Fiscal Years

(Accrual basis of accounting)
(In Thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Net investment in capital assets	\$ 8,522	\$ 13,862	\$ 24,795	\$ 25,801	\$ 30,664	\$ 30,444	\$ 31,944	\$ 35,914	\$ 38,647	\$ 39,523
Restricted	2,912	3,822	4,450	4,825	4,776	5,671	5,987	2,289	3,536	2,513
Unrestricted	5,572	3,552	1,843	1,953	1,356	428	232	(203)	(399)	(1,518)
Total governmental activities net position	\$ 17,006	\$ 21,236	\$ 31,088	\$ 32,579	\$ 36,796	\$ 36,543	\$ 38,163	\$ 38,625	\$ 41,784	\$ 40,518
Business-type activities										
Net investment in capital assets	\$ 6,030	\$ 7,170	7,255	\$ 7,121	\$ 31,319	\$ 30,764	\$ 30,531	\$ 30,047	\$ 30,503	\$ 31,597
Restricted	35	35	64	108	108	72	101	108	108	108
Unrestricted	2,122	2,223	2,997	2,775	3,709	4,294	3,603	3,649	4,232	6,912
Total business-type activities net position	\$ 8,187	\$ 9,428	\$ 10,316	\$ 10,004	\$ 35,136	\$ 35,130	\$ 34,235	\$ 33,804	\$ 34,843	\$ 38,617
Primary government										
Net investment in capital assets	\$ 14,552	\$ 21,032	\$ 32,050	\$ 32,922	\$ 61,983	\$ 61,208	\$ 62,475	\$ 65,961	\$ 69,150	\$ 71,119
Restricted	2,947	3,857	4,514	4,933	4,884	5,743	6,088	3,022	3,644	2,621
Unrestricted	7,694	5,775	4,840	4,728	5,065	4,722	3,835	3,466	3,833	5,395
Total primary government net position	\$ 25,193	\$ 30,664	\$ 41,404	\$ 42,583	\$ 71,932	\$ 71,673	\$ 72,398	\$ 72,429	\$ 76,627	\$ 79,135



City of Fort Bragg
Changes in Net Position
Last Ten Fiscal Years
 (Accrual basis of accounting)
 (In Thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities:										
General government	\$ 1,621	\$ 2,013	\$ 2,518	\$ 2,591	\$ 2,540	\$ 2,708	\$ 1,500	\$ 2,593	\$ 2,877	\$ 2,221
Public safety	3,332	3,387	4,011	3,596	3,493	3,399	3,851	3,663	4,187	4,388
Public works	970	1,846	2,286	1,532	1,532	1,874	2,176	2,435	2,108	2,750
Community development	867	2,922	2,489	3,361	1,877	1,529	3,485	840	1,700	1,018
Parks and recreation										38
Interest and fiscal charges	325	323	311	296	177	49	42	30	26	21
Total governmental activities expenses	<u>7,115</u>	<u>10,491</u>	<u>11,615</u>	<u>11,376</u>	<u>9,619</u>	<u>9,559</u>	<u>11,054</u>	<u>9,561</u>	<u>10,898</u>	<u>10,434</u>
Business-type activities:										
Water	1,899	2,050	2,401	2,179	2,107	2,138	2,539	2,286	2,264	2,158
Sewer	1,865	2,233	2,465	2,425	2,983	3,063	3,095	2,801	2,897	2,847
C.V. Starr Center	-	-	-	-	183	2,236	2,262	2,382	2,292	2,320
Total business-type activities expenses	<u>3,764</u>	<u>4,283</u>	<u>4,866</u>	<u>4,604</u>	<u>5,273</u>	<u>7,437</u>	<u>7,896</u>	<u>7,469</u>	<u>7,453</u>	<u>7,325</u>
Total primary government expenses	<u>10,879</u>	<u>14,774</u>	<u>16,481</u>	<u>15,980</u>	<u>14,892</u>	<u>16,996</u>	<u>18,950</u>	<u>17,030</u>	<u>18,351</u>	<u>17,760</u>
Program revenues										
Governmental activities:										
Charges for services:										
General government	724	2,306	3,193	3,087	2,718	2,701	2,851	2,809	2,818	1,967
Public safety	210	133	30	30	29	40	72	50	289	299
Public works	101	50	13	5	4	5	34	102	344	558
Community development	246	188	5	9	349	100	58	-	30	232
Operating grants and contributions	695	1,101	10,622	2,138	684	1,572	1,567	4,702	725	1,251
Capital grants and contributions	2,279	3,673	2,108	602	1,096	303	1,818	2,383	3,762	922
Total governmental activities program revenues	<u>4,255</u>	<u>7,451</u>	<u>15,971</u>	<u>5,871</u>	<u>4,880</u>	<u>4,721</u>	<u>6,400</u>	<u>10,046</u>	<u>7,968</u>	<u>5,227</u>
Business-type activities:										
Charges for services:										
Water	1,925	2,042	2,017	2,108	2,194	2,404	2,229	2,496	2,624	2,683
Sewer	1,505	1,930	2,216	2,773	2,945	3,197	3,004	3,194	3,332	3,305
C.V. Starr Center	-	-	-	-	-	591	635	706	722	696
Operating grants and contributions	-	288	-	-	-	-	-	-	-	-
Capital grants and contributions	-	1,239	85	-	25,132	-	-	-	-	-
Total business-type activities program revenues	<u>3,430</u>	<u>5,499</u>	<u>4,318</u>	<u>4,881</u>	<u>30,271</u>	<u>6,192</u>	<u>5,868</u>	<u>6,396</u>	<u>6,678</u>	<u>6,683</u>
Total primary government program revenues	<u>7,685</u>	<u>12,950</u>	<u>20,289</u>	<u>10,752</u>	<u>35,151</u>	<u>10,913</u>	<u>12,268</u>	<u>16,442</u>	<u>14,646</u>	<u>11,911</u>
Net (Expense)/Revenue										
Governmental activities	(2,860)	(3,040)	4,356	(5,505)	(4,739)	(4,838)	(4,654)	485	(2,930)	(5,207)
Business-type activities	(334)	1,216	(548)	277	24,998	(1,245)	(2,028)	(1,073)	(775)	(642)
Total primary government net expense	<u>(3,194)</u>	<u>(1,824)</u>	<u>3,808</u>	<u>(5,228)</u>	<u>20,259</u>	<u>(6,083)</u>	<u>(6,682)</u>	<u>(588)</u>	<u>(3,705)</u>	<u>(5,849)</u>

(continued)

**City of Fort Bragg
Changes in Net Position
Last Ten Fiscal Years
(Fiscal year ended June 30)
Accrual basis of Accounting
(In thousands)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities:										
Taxes:										
Property taxes	2,328	2,249	1,988	2,075	1,413	924	943	909	1,007	1,084
Sales and use tax	2,545	2,657	2,154	2,147	2,271	2,390	2,490	2,523	2,458	2,414
Transient lodging tax	1,553	1,492	1,379	1,341	1,411	1,536	1,667	1,858	1,948	2,149
Franchise taxes	278	495	457	469	470	482	496	493	491	-
Other taxes	315	274	26	-	225	203	411	435	403	674
Use of money and property	106	41	58	51	91	103	45	87	113	(23)
Other general revenues	-	-	424	71	399	81	222	67	120	151
Special Items										(507)
Transfer in (out)	(319)	49	(2)	(55)	(2)	(17)	(1)	(89)	(451)	(2,003)
Extraordinary item: Redevelopment dissolution	-	-	-	-	3,070	-	-	-	-	-
Total governmental activities	<u>6,806</u>	<u>7,257</u>	<u>6,484</u>	<u>6,099</u>	<u>9,348</u>	<u>5,702</u>	<u>6,273</u>	<u>6,283</u>	<u>6,089</u>	<u>3,940</u>
Business-type activities:										
Property taxes	68	3			19	231	216	234	220	234
Sales and use tax						772	811	807	846	881
Use of money and property	132	72	21	21	16	8	33	42	27	56
Other revenues	-	-	322	407	97	98	72	161	271	1,242
Transfer in (out)	319	(49)	2	55	2	17	1	89	451	2,003
Total business-type activities	<u>519</u>	<u>26</u>	<u>345</u>	<u>483</u>	<u>134</u>	<u>1,126</u>	<u>1,133</u>	<u>1,333</u>	<u>1,815</u>	<u>4,416</u>
Total primary government	<u>7,325</u>	<u>7,283</u>	<u>6,829</u>	<u>6,582</u>	<u>9,482</u>	<u>6,828</u>	<u>7,406</u>	<u>7,616</u>	<u>7,904</u>	<u>8,356</u>
Changes in Net Position										
Governmental activities	3,946	4,217	10,840	594	4,609	864	1,619	6,768	3,159	(1,267)
Business-type activities	185	1,242	(203)	760	25,132	(119)	(895)	260	1,040	3,774
Total primary government	<u>\$ 4,131</u>	<u>\$ 5,459</u>	<u>\$ 10,637</u>	<u>\$ 1,354</u>	<u>\$ 29,741</u>	<u>\$ 745</u>	<u>\$ 724</u>	<u>\$ 7,028</u>	<u>\$ 4,199</u>	<u>\$ 2,507</u>

Note: The City implemented Governmental Accounting Standards Board Statement No. 68 and No. 71 (GASB 54 and GASB 71) for fiscal year ended June 30, 2016. The implementation resulted in a prior period adjustment of \$6,305,808 for Governmental activities and \$690,158 for Business-type activities.

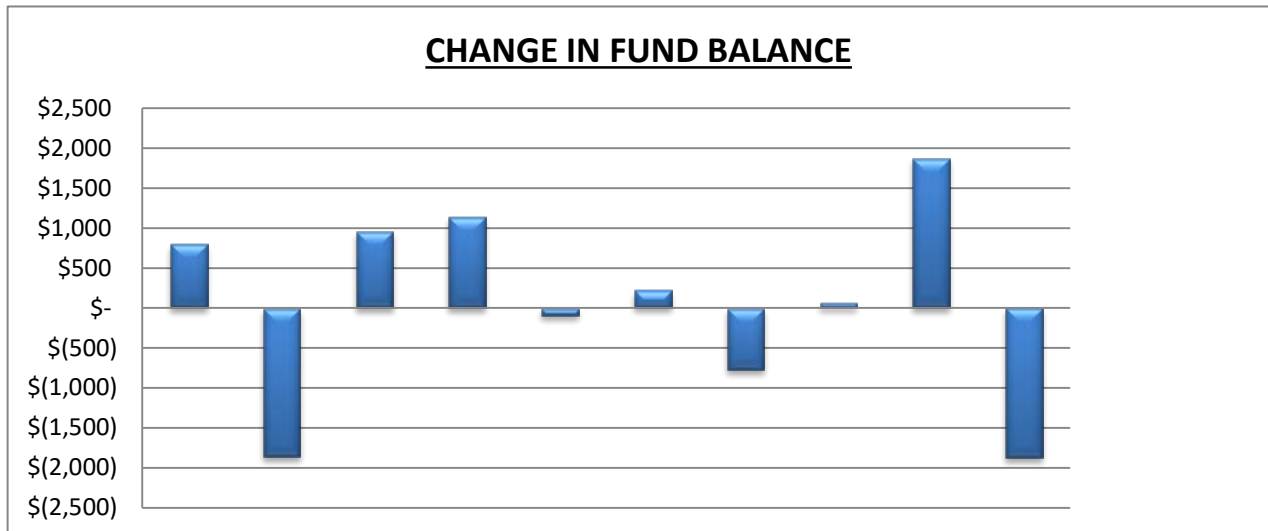
Source: City Finance Department

(concluded)

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
 (Modified accrual basis of accounting)
 (In Thousands)

(In Thousands)

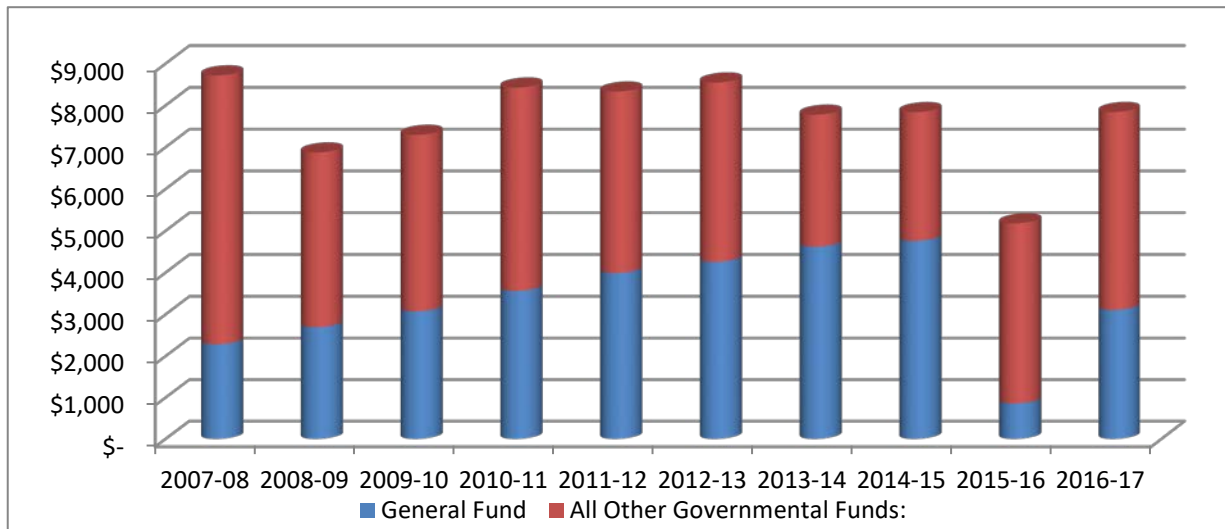
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues:										
Taxes and assessments	\$ 6,813	\$ 6,939	\$ 6,052	\$ 6,032	\$ 5,790	\$ 5,579	\$ 5,810	\$ 4,949	\$ 5,067	\$ 6,486
Intergovernmental	2,963	4,162	7,760	2,692	1,773	1,897	2,946	7,463	5,219	1,847
Charges for services	279	2,170	2,726	2,463	2,854	2,564	2,907	457	242	203
Fines, forfeitures and penalties	186	109	14	17	13	23	28	178	162	211
Licenses and permits	260	272	307	252	241	260	234	254	273	97
Use of money and property	338	158	52	51	84	103	84	120	174	55
Reimbursements								2,930	3,413	2,345
Other	541	209	377	118	410	80	240	59	127	210
Total revenues	11,380	14,019	17,288	11,625	11,165	10,506	12,249	16,410	14,677	11,454
Expenditures:										
Current:-										
General government	1,592	2,100	1,742	1,178	1,252	2,179	1,549	2,875	2,685	2,548
Public safety	3,174	3,217	3,535	3,237	3,351	3,410	3,829	3,581	4,100	4,233
Public works	788	1,540	1,519	1,332	1,386	1,472	1,594	3,469	1,874	1,864
Community development	865	2,893	2,434	3,009	1,975	2,191	3,460	834	1,693	1,011
Parks and recreation										38
Capital outlay	3,408	5,648	6,513	1,286	1,983	874	2,431	5,058	1,725	1,992
Debt Service:-										
Principal Retirement	210	224	308	107	113	107	112	116	120	127
Interest and fiscal charges	310	304	297	282	161	40	36	31	26	21
Total expenditures	10,347	15,926	16,348	10,431	10,221	10,273	13,011	15,964	12,223	11,833
Reconciliation of Governmental Revenues										
Less Expenditures to Fund Equity:										
Revenues over (under) expenditures	\$ 1,033	\$ (1,907)	\$ 940	\$ 1,194	\$ 944	\$ 233	\$ (762)	\$ 446	\$ 2,454	\$ (380)
Other financing sources (uses):										
Proceeds from capital lease	84									
Proceeds from issuance of debt										
Extraordinary loss on dissolution of redevelopment	-	-	-	-	(1,039)	-	-	-	-	-
Transfers in	4,812	1,623	2,287	1,122	1,910	1,950	1,091	5,683	2,714	3,775.00
Transfers out	(5,131)	(1,574)	(2,266)	(1,183)	(1,912)	(1,966)	(1,099)	(6,069)	(3,292)	(5,266)
Total other financing sources (uses)	(235)	49	21	(61)	(1,041)	(16)	(8)	(386)	(578)	(1,491)
Net change in fund balances	\$ 798	\$ (1,858)	\$ 961	\$ 1,133	\$ (97)	\$ 217	\$ (770)	\$ 60	\$ 1,876	\$ (1,870)
Debt service as a percentage of noncapital expenditures	7.49%	5.14%	6.15%	4.25%	3.33%	1.56%	1.40%	1.35%	1.39%	1.50%



**Fund Balances of Governmental Funds
Last Ten Fiscal Years**
(Modified accrual basis of accounting)
(In Thousands)

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
General Fund										
Reserved	\$ 46	\$ 80	\$ 707							
Unreserved	2,238	2,613	2,364							
Total general fund	\$ 2,284	\$ 2,693	\$ 3,071							
All Other Governmental Funds:										
Reserved	\$ 2,159	\$ 2,020	\$ 3,789							
Unreserved (deficit) reported in:										
Special revenue funds	1,934	2,671	1,088							
Capital projects funds	2,340	(513)	(654)							
Total all other governmental funds	6,433	4,178	4,223							
Total all governmental funds	\$ 8,717	\$ 6,871	\$ 7,294							
General Fund:										
Nonspendable				\$ 1	\$ 211	\$ 248	\$ 185	\$ 205	\$ 66	\$ 4
Restricted									-	-
Committed									-	2,135
Assigned									-	-
Unassigned				3,560	3,775	4,007	4,434	4,553	790	968
Total general fund				3,561	3,986	4,255	4,619	4,758	856	3,107
All Other Governmental Funds:										
Restricted				4,865	4,530	4,590	4,598	2,914	3,536	2,530
Assigned				-	-	-	-	1,322	1,116	1,472
Unassigned (deficit)				-	(187)	(299)	(1,441)	(1,157)	(331)	731
Total all other governmental funds				4,865	4,343	4,291	3,157	3,079	4,321	4,733
Total all governmental funds				\$ 8,426	\$ 8,329	\$ 8,546	\$ 7,776	\$ 7,837	\$ 5,177	\$ 7,839

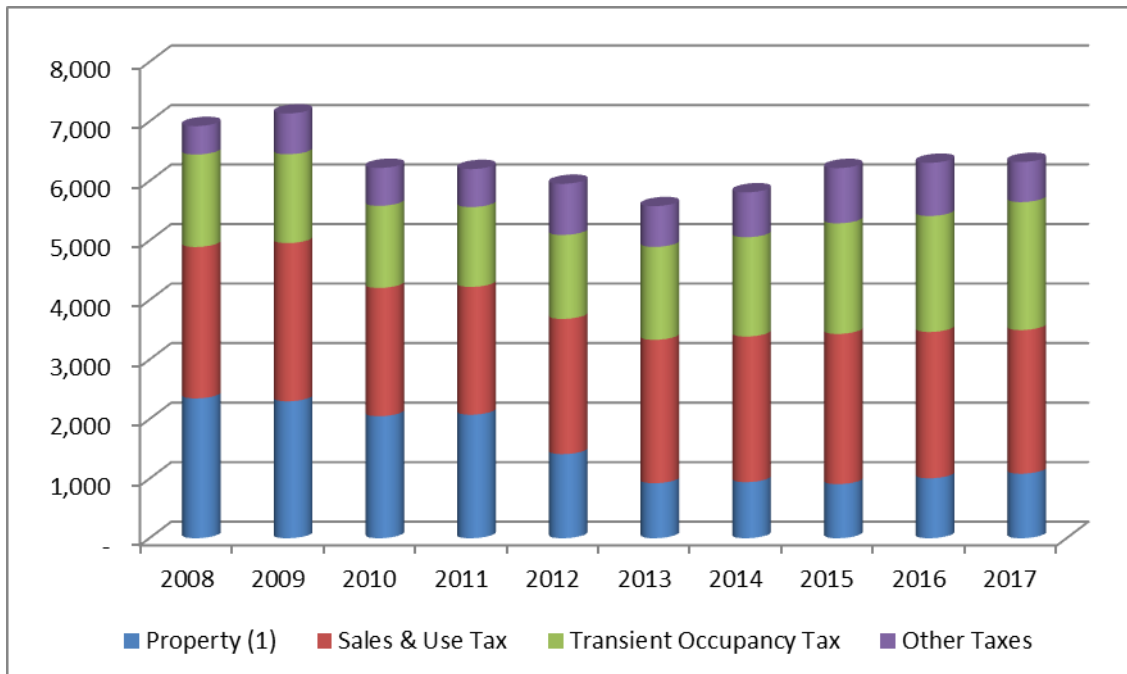
Note: The City implemented Governmental Accounting Standards Board Statement No. 54 (GASB 54) for fiscal year ended June 30, 2011, therefore balance distribution information prior to the implementation of GASB 54 is unavailable.



Governmental Fund Tax Revenue By Source
Last Ten Fiscal Years
 (Modified accrual basis of accounting)
 (In Thousands)

Fiscal Year Ended June 30,	Property (1)	Sales & Use Tax	Transient Occupancy Tax	Other Taxes	Total
2008	2,349	2,544	1,553	478	6,924
2009	2,301	2,657	1,492	686	7,136
2010	2,050	2,155	1,379	637	6,221
2011	2,075	2,147	1,341	639	6,202
2012	1,413	2,271	1,411	859	5,954
2013	924	2,409	1,561	685	5,579
2014	943	2,445	1,668	754	5,810
2015	909	2,523	1,858	928	6,218
2016	1,007	2,458	1,948	894	6,307
2017	1,084	2,414	2,149	674	6,321

(1) Decrease in property taxes beginning in fiscal year 2012 relates to the dissolution of the Redevelopment Agency. Upon the dissolution of the Redevelopment Agency on February 1, 2012, property taxes received by the Redevelopment Successor Agency are reported in a private-purpose trust fund and therefore are excluded from the activities of the primary government.



City of Fort Bragg

Principal Sales Tax Producers

Last Fiscal Year and Nine Years Ago

2016-17		2007-08	
Taxpayer	Business Type	Taxpayer	Business Type
ARCO AM/PM Mini Marts	Service Stations	Amerigas Propane	Energy Sales
Boatyard Tobacco	Miscellaneous Retail	Baxman Gravel	Bldg.Matls-Whsle
Chevron Service Stations	Service Stations	Canlini TV & Appliance	Furniture/Appliance
Coast To Coast Hardware	Bldg.Matls-Retail	Chevron Service Stations	Service Stations
CVS/Pharmacy	Drug Stores	Coast To Coast Hardware	Bldg.Matls-Retail
Denny's Restaurant	Restaurants	CVS/Pharmacy	Drug Stores
Dollar Tree Stores	Department Stores	Denny's Restaurant	Restaurants
Eel River Fuels	Energy Sales	Fred Holmes Lumber	Bldg.Matls-Whsle
Geo Aggregates	Bldg.Matls-Whsle	Harvest Market	Food Markets
Harvest Market	Food Markets	Kemppe Liquid Gas	Energy Sales
Kemppe Liquid Gas	Energy Sales	Mendo Mill & Lumber Company	Bldg.Matls-Retail
McDonald's Restaurants	Restaurants	Mendocino Coast Petroleum	Energy Sales
Mendo Mill & Lumber Company	Bldg.Matls-Retail	Mendocino County Hydrogarden	Florist/Nursery
Mendocino County Hydrogarden	Florist/Nursery	Natural Woods	Furniture/Appliance
New Trend Wireless	Miscellaneous Retail	North Coast Brewing Company	Restaurants
North Coast Brewing Company	Restaurants	Quality Suites	Restaurants
O'Reilly Auto Parts	Auto Parts/Repair	Rinehart Distributing	Service Stations
Rite Aid Drug Stores	Drug Stores	Rite Aid Drug Stores	Drug Stores
Rossi's Building Materials	Bldg.Matls-Retail	Rossi's Building Materials	Bldg.Matls-Retail
Safeway Stores	Food Markets	Safeway Stores	Food Markets
Sears Hometown Stores	Furniture/Appliance	Sears Roebuck & Company	Department Stores
Speedex Service Station	Service Stations	Speedex Service Station	Service Stations
Sport Chrysler Jeep Dodge	Auto Sales - New	Sport Chrysler Jeep Dodge	Auto Sales - New
Taco Bell	Restaurants	Two Short Sales	Bldg.Matls-Whsle
Union 76 Service Stations	Service Stations	Walsh Oil Company	Energy Sales

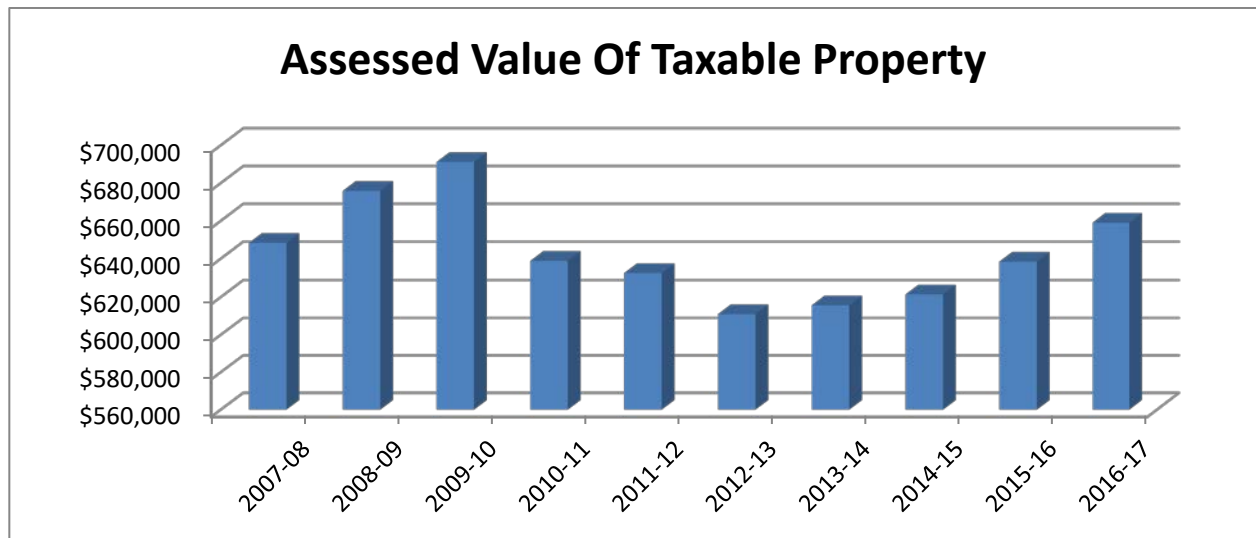
Source: MuniServices, LLC

Top Sales Tax Producers listed in alphabetical order.

City of Fort Bragg

Assessed Value and Estimated Actual Value of Taxable Property, City Wide
Last Nine Fiscal Years (In Thousands)

Fiscal Year End	Secured Property*		Taxable			Total	Estimated Actual	Factor of Taxable
	Secured Property*	Unsecured Property	Assessed Value	%	Change	Direct Tax Rate (1)	Taxable Value (2)	Assessed Value (2)
2007-08	\$ 619,707	\$ 28,618	\$ 648,325	-		1.070000	-	-
2008-09	\$ 645,784	\$ 30,044	\$ 675,828	4.2%		1.088000	-	-
2009-10	\$ 660,917	\$ 30,217	\$ 691,134	2.3%		1.082000	-	-
2010-11	\$ 609,153	\$ 29,654	\$ 638,807	-7.6%		1.102000	-	-
2011-12	\$ 603,272	\$ 29,066	\$ 632,338	-1.0%		1.123000	710,404	1.123456
2012-13	\$ 579,450	\$ 31,513	\$ 610,963	-3.4%		1.113100	611,333	1.000606
2013-14	\$ 585,992	\$ 29,641	\$ 615,633	0.8%		1.125000	624,469	1.014352
2014-15	\$ 590,079	\$ 31,347	\$ 621,426	0.9%		1.127000	689,061	1.108838
2015-16	\$ 607,137	\$ 31,275	\$ 638,412	2.7%		1.132000	702,975	1.101131
2016-17	\$ 626,121	\$ 32,889	\$ 659,009	3.2%		1.133000	852,603	1.293765



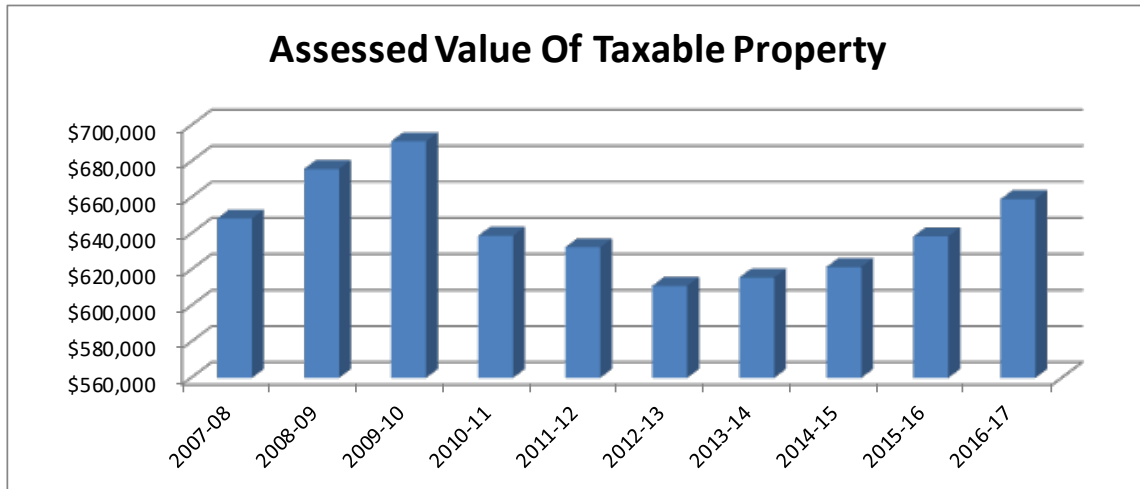
Source: Mendocino County Assessor data, MuniServices, LLC
 Source: 2010-11 and prior: previously published CAFR Report
 *Secured Property is net of exemptions and includes Unitary value.

1.) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a multiplier value was extrapolated and applied to current assessed values.

City of Fort Bragg

Assessed Value and Estimated Actual Value of Taxable Property, City Wide Last Nine Fiscal Years (In Thousands)

Fiscal Year End	Secured Property*	Unsecured Property	Taxable			Total	Estimated Actual Taxable Value (2)	Factor of Taxable
			Assessed Value	% Change	Direct Tax Rate (1)	Assessed Value (2)		
2007-08	\$ 619,707	\$ 28,618	\$ 648,325	-	1.070000	-	-	
2008-09	\$ 645,784	\$ 30,044	\$ 675,828	4.2%	1.088000	-	-	
2009-10	\$ 660,917	\$ 30,217	\$ 691,134	2.3%	1.082000	-	-	
2010-11	\$ 609,153	\$ 29,654	\$ 638,807	-7.6%	1.102000	-	-	
2011-12	\$ 603,272	\$ 29,066	\$ 632,338	-1.0%	1.123000	710,404	1.123456	
2012-13	\$ 579,450	\$ 31,513	\$ 610,963	-3.4%	1.113100	611,333	1.000606	
2013-14	\$ 585,992	\$ 29,641	\$ 615,633	0.8%	1.125000	624,469	1.014352	
2014-15	\$ 590,079	\$ 31,347	\$ 621,426	0.9%	1.127000	689,061	1.108838	
2015-16	\$ 607,137	\$ 31,275	\$ 638,412	2.7%	1.132000	702,975	1.101131	
2016-17	\$ 626,121	\$ 32,889	\$ 659,009	3.2%	1.133000	852,603	1.293765	



Source: Mendocino County Assessor data, MuniServices, LLC

Source: 2010-11 and prior: previously published CAFR Report

*Secured Property is net of exemptions and includes Unitary value.

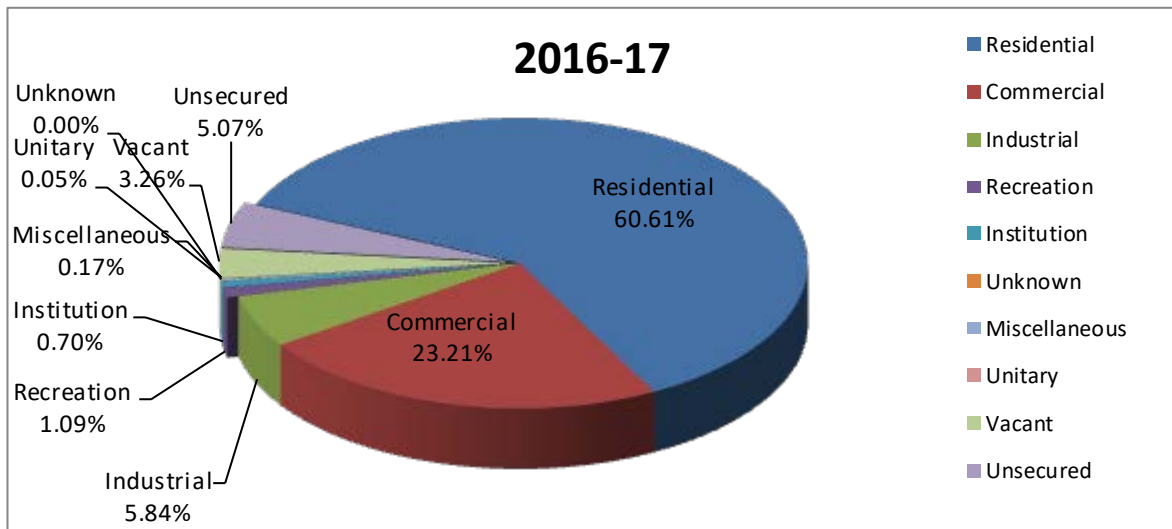
1.) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a multiplier value was extrapolated and applied to current assessed values.

City of Fort Bragg

Assessed Value of Property by Use Code, City Wide Last Six Fiscal Years

(In Thousands)

Category	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Agriculture	0	34	33	34	34	34
Residential	361,278	347,694	351,259	357,224	369,852	393,470
Commercial	161,784	164,165	165,103	163,032	167,141	150,666
Industrial	43,763	30,593	36,342	36,807	37,595	37,908
Recreation	8,962	9,119	7,905	7,593	6,391	7,101
Institution	3,826	3,931	4,024	4,285	4,513	4,515
Unknown	1,044	1,130	1,149	1,178	1,192	0
Miscellaneous	477	689	698	701	735	1,120
Unitary	670	543	542	543	543	340
Vacant	21,468	21,552	18,931	18,682	18,963	21,162
Professional	0	0	0	0	179	9,804
Net Secured Value	603,272	579,416	585,953	590,079	607,137	626,121
Unsecured	29,066	31,513	29,641	31,347	31,275	32,889
Net Taxable Value	632,338	610,929	615,594	621,426	638,412	659,009



Source: Mendocino County Assessor data, MuniServices, LLC
Use code categories are based on Mendocino County Assessor's data

City of Fort Bragg

Direct and Overlapping Property Tax Rates Last Ten Fiscal Years

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
COUNTY GENERAL FUND	0.000000	0.000000	0.000000	0.000000	0.745000	0.745000	0.745000	0.745000	0.745000	0.745000
CITY OF FORT BRAGG	0.000000	0.000000	0.000000	0.000000	0.255000	0.255000	0.255000	0.255000	0.255000	0.255000
TOTAL	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments										
LOCAL-SPECIAL DISTRICTS	0.023000	0.011000	0.010000	0.013000	0.012000	0.012000	0.011000	0.026000	0.025000	0.018000
SCHOOLS	0.047000	0.077000	0.072000	0.089000	0.111000	0.119000	0.114000	0.101000	0.107000	0.115000
TOTAL	0.070000	0.088000	0.082000	0.102000	0.123000	0.131000	0.125000	0.127000	0.132000	0.133000
TOTAL TAX RATE	1.070000	1.088000	1.082000	1.102000	1.123000	1.131000	1.125000	1.127000	1.132000	1.133000

Source: Mendocino County Auditor/Controller data, MuniServices, LLC
 Source: 2010-11 and prior; previously published CAFR Report
 TRA 001-001 is represented for this report
 Rates are not adjusted for ERAF

City of Fort Bragg

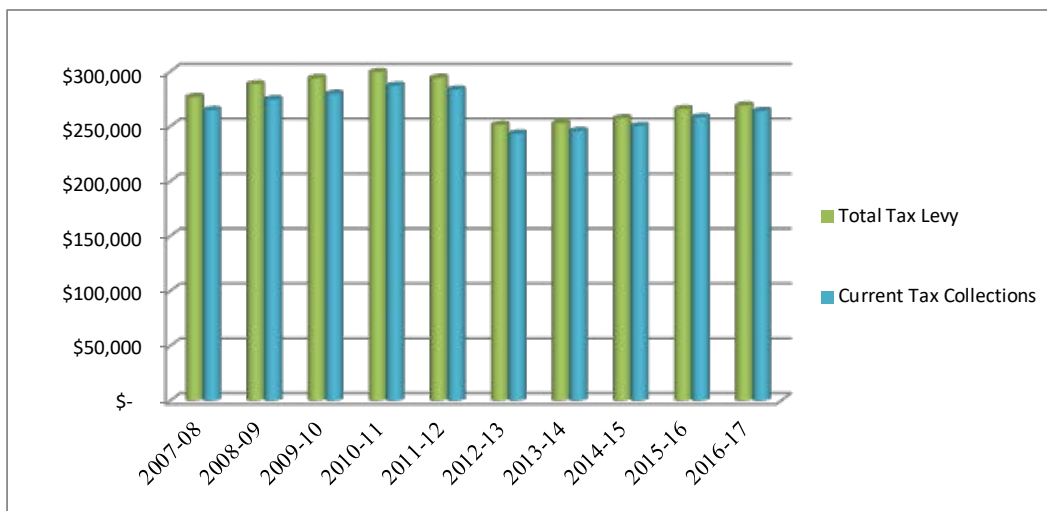
Principal Property Tax Payers Last Fiscal Year and Nine Years Ago

Taxpayer	2016-17		2007-08	
	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Taxable Value (\$)	Percent of Total City Taxable Value (%)
Georgia Pacific Corp	31,516,276	4.78%	75,393,215	11.75%
Rap Investors LP	10,905,804	1.65%	5,196,061	0.81%
Boatyard Assoc Phase Ii	9,854,606	1.50%	8,707,469	1.36%
North Coast Brewery	8,248,377	1.25%		
Safeway Inc.	6,955,640	1.06%	7,214,289	1.12%
Fort Bragg Hotel Llc	5,926,367	0.90%		
Colombi Jeanette Succttee	5,170,604	0.78%		
Hurst Jason S	4,625,409	0.70%		
Tanti Family Ii Llc	4,536,758	0.69%		
Kao Kuami	4,361,331	0.66%	3,849,850	0.60%
Ansari Ghulam Murtaza Tenzila	4,192,080	0.64%		
Kashi Keshav Investments Llc	4,173,550	0.63%		
Anderson Logging Inc.	4,172,844	0.63%		
Grosvenor Van Ness Assoc	4,037,664	0.61%	3,567,600	0.56%
Longs Drug Stores California L	3,922,202	0.60%	3,763,607	0.59%
Moura Senior Housing	3,719,864	0.56%	3,114,403	0.49%
Ray Ronald R Ttee	3,717,384	0.56%		
Keaton Richard J Julie	3,128,861	0.47%	2,749,481	0.43%
Noyo Vista Inc.	3,077,825	0.47%	2,721,897	0.42%
Kemppe Liquid Gas Corp	3,003,848	0.46%	3,762,470	0.59%
Rbj Assoc Llc	2,553,793	0.39%	2,327,941	0.36%
Comcast	2,494,983	0.38%		
Taubold Timothy E Ttee	2,488,695	0.38%		
Miller Helen Centeno	2,482,025	0.38%		
Emerald Dolphin Inn Inc.	2,464,485	0.37%		
Tradewinds Lodge			12,246,126	1.91%
Hunt Robert A			5,724,738	0.89%
Colombi Robert Ttee			5,259,045	0.82%
Hurst James C & Barbara J Ttee			4,149,240	0.65%
Affinito Dominic J & Juliette			4,139,614	0.64%
Bell Charles H & Ila Lynn Ttee			4,067,835	0.63%
Baxman Charles E Ttee 90%			4,045,140	0.63%
Anderson Logging Inc.			3,730,915	0.58%
North Otown Industrial Center			3,284,641	0.51%
Reddy Govind & Sarojini			2,919,690	0.45%
Adelphia Communications			2,323,646	0.36%
Fort Bragg Coastal Properties			2,280,715	0.36%
Mariah Country Inns & Suites			2,212,499	0.34%
Total Top 25 Taxpayers	141,731,275	21.51%	178,752,127	27.85%
Total Taxable Value	659,009,307	100.00%	641,901,504	100.00%

Source: Mendocino County Assessor data, MuniServices, LLC

**City of Fort Bragg, California
Property Tax Levies and Collections
For the last ten fiscal years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy	
		Amount	Percentage of Levy
2007-08	\$ 276,668	\$ 264,845	95.7%
2008-09	288,495	274,649	95.2%
2009-10	293,999	279,753	95.2%
2010-11	299,429	287,121	95.9%
2011-12	294,235	283,594	96.4%
2012-13	251,307	243,397	96.9%
2013-14	253,017	245,915	97.2%
2014-15	257,387	250,358	97.3%
2015-16	265,826	258,276	97.2%
2016-17	268,987	264,012	98.2%



Note: Mendocino County does not track collections of delinquent taxes by year in subsequent years.

Source: Mendocino County Auditor-Controller's Office

City of Fort Bragg, California
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

(In Thousands, Except Per Capita Amount)

Fiscal Year Ended June 30,	Governmental Activities					Business-type Activities					Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	Certificates of Participation	Capital Leases	Total Governmental Activities	Certificates of Participation	Notes Payable	Capital Leases	Total Business-type Activities	Notes Payable	Percentage of Personal Income ⁽¹⁾				
2008	6,021	-	6,021	4,870	2,267	-	7,137	13,158	8.8%	1,918			
2009	5,864	160	6,024	4,590	2,151	982	7,723	13,747	9.8%	2,007			
2010	5,702	98	5,800	4,360	1,874	878	7,112	12,912	8.9%	1,884			
2011	5,533	32	5,565	4,130	1,767	769	6,666	12,231	N/A	1,779			
2012 ⁽²⁾	943	-	943	3,237	1,481	626	5,344	6,287	4.4%	867			
2013	842	-	842	3,013	1,375	457	4,845	5,687	3.9%	778			
2014	777	-	777	3,217	1,314	367	4,898	5,675	3.7%	772			
2015	660	-	660	2,896	1,207	240	4,343	5,003	3.2%	681			
2016	539	-	539	2,578	1,102	123	3,803	4,342	2.7%	566			
2017	412	-	412	2,252	975	-	3,227	3,639	2.1%	474			

N/A indicates information is not available

(1) See Schedule of Demographic and Economic Statistics for personal and per capita data.

(2) RDA bonds included from 2006 to 2011 are not included in 2012 and after due to the dissolution of the Redevelopment Agency.

Source: City Finance Department

City of Fort Bragg, California
Legal Debt Margin Information
Last Ten Fiscal Years
 (Fiscal year ended June 30)
 (Dollars in thousands)

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Assessed Value	\$ 619,707	\$ 645,784	\$ 660,917	\$ 609,153	\$ 603,272	\$ 579,450	\$ 585,992	\$ 590,079	\$ 607,137	\$ 626,121
Conversion Percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted Assessed Value	154,927	161,446	165,229	152,288	150,818	144,863	146,498	147,520	151,784	156,530
Debt Limit Percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt limit	23,239	24,217	24,784	22,843	22,623	21,729	21,975	22,128	22,768	23,480
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 23,239	\$ 24,217	\$ 24,784	\$ 22,843	\$ 22,623	\$ 21,729	\$ 21,975	\$ 22,128	\$ 22,768	\$ 23,480

Total net debt applicable to the limit as a percentage of debt limit

0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
----	----	----	----	----	----	----	----	----	----	----

Notes: The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed secured tax valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of the assessed value for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California. The City does not have any outstanding general obligation debt subject to the limit.

Direct and Overlapping Debt

2016-17 Assessed Valuation: \$659,010,610

	Total Debt 6/30/17	% Applicable (1)	City's Share of Debt 6/30/17
<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Redwoods Joint Community College District	\$29,775,000	3.789%	\$ 1,128,175
Fort Bragg Unified School District	32,521,854	38.090	12,387,574
Mendocino Coast Hospital District	4,632,742	20.775	962,452
City of Fort Bragg	0	100.	0
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			\$14,478,201
 <u>OVERLAPPING GENERAL FUND DEBT:</u>			
Mendocino County Certificates of Participation	\$19,395,000	6.024%	\$1,168,355
Mendocino County Pension Obligation Bonds	59,765,000	6.024	<u>3,600,244</u>
TOTAL OVERLAPPING GENERAL FUND DEBT			\$4,768,599
 <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>			
	\$3,800,000	100. %	\$3,800,000
DIRECT DEBT			\$0
TOTAL OVERLAPPING DEBT			\$23,046,800
 COMBINED TOTAL DEBT			 \$23,046,800 (2)

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2016-17 Assessed Valuation:

Direct Debt0.00%
 Total Direct and Overlapping Tax and Assessment Debt.....2.20%
 Combined Total Debt3.50%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$199,543,581):

Total Overlapping Tax Increment Debt.....1.90%

AB:(\$500)

Source: MuniServices, LLC

City of Fort Bragg, California
Statistical Section
For the year ended June 30, 2017

City of Fort Bragg, California
Pledged Revenue Coverage
For the Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year Ended June 30,	Business-type Activities Water Fund Debt						Business-type Activities Sewer Fund Debt					
	Revenues & Transfers	Less: Operating Expenses ¹	Net Available Revenue	Debt Service Principal	Debt Service Interest	Total Debt Service Coverage Ratio	Revenues & Transfers	Less: Operating Expenses ¹	Net Available Revenue	Debt Service Principal	Debt Service Interest	Total Debt Service Coverage Ratio
2008	2,054	1,341	713	402	273	1.1	1,959	1,523	436	85	35	3.6
2009	2,113	2,078	35	387	265	0.1	2,160	1,908	252	53	32	3.0
2010	2,058	1,792	266	322	293	0.4	2,517	2,116	401	35	12	8.5
2011	2,159	1,632	527	365	245	0.9	3,152	2,078	1,074	40	21	17.6
2012	2,044	1,585	459	360	158	0.9	2,943	2,637	306	40	19	5.2
2013	2,420	1,623	797	327	151	1.7	3,263	2,733	530	40	17	9.3
2014	2,172	1,953	219	369	171	0.4	2,985	2,633	352	45	17	5.7
2015	2,595	1,806	789	493	147	1.2	3,184	2,470	714	45	16	11.7
2016	3,085	1,834	1,251	490	132	2.0	3,322	2,568	754	50	12	12.2
2017	3,534	1,378	2,156	505	75	3.7	4,457	2,189	2,268	50	9	38.4

¹ Operating expenses exclude depreciation

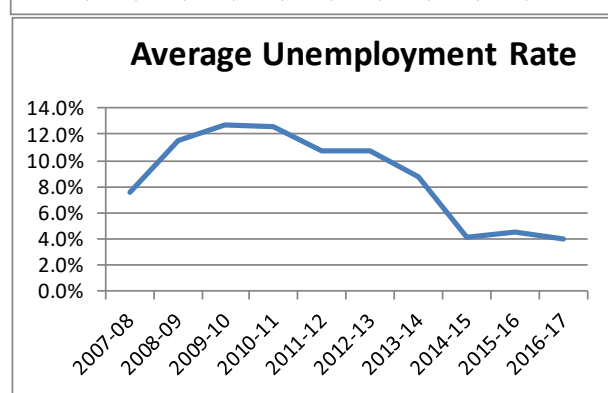
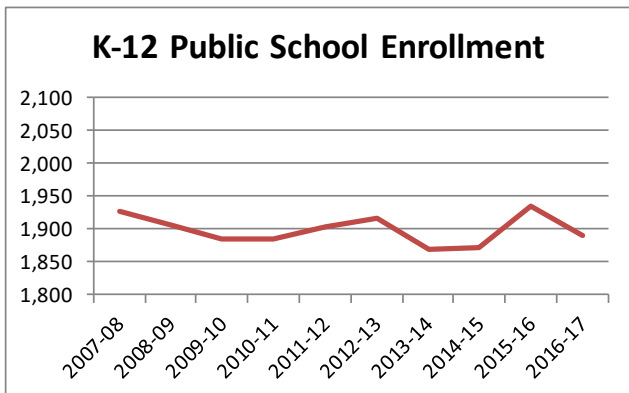
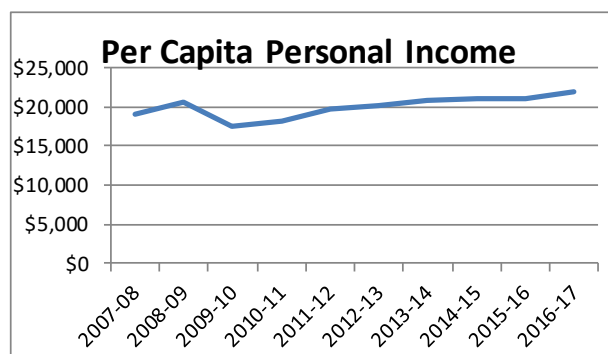
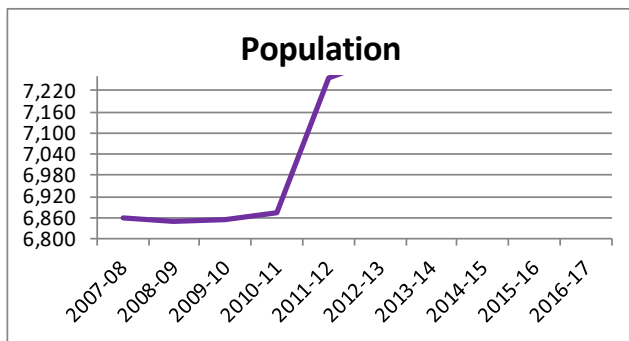
Source: City Finance Department

City of Fort Bragg, California
Statistical Section
For the year ended June 30, 2017

City of Fort Bragg

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (in thousands)	Per Capita Personal Income (2)	Median Age	Public School Enrollment	City Unemployment Rate (%) (3)
2007-08	6,859	149,379	18,977	-	1,926	7.6%
2008-09	6,848	140,416	20,685	38.3	1,907	11.5%
2009-10	6,855	144,629	17,513	38.4	1,886	12.7%
2010-11	6,875	-	18,247	40.9	1,885	12.6%
2011-12	7,255	143,775	19,817	40.5	1,904	10.8%
2012-13	7,311	146,997	20,106	37.4	1,917	10.8%
2013-14	7,350	153,410	20,872	36.8	1,870	8.7%
2014-15	7,343	154,002	20,973	38.2	1,873	4.2%
2015-16	7,672	160,798	20,959	38.5	1,934	4.5%
2016-17	7,772	170,733	21,968	36.6	1,891	4.0%



Source: MuniServices, LLC

2010-11 and prior, previously published CAFR Report

Source: The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark

(-) Indicates data unavailable

1.) Population Projections are provided by the California Department of Finance Projections.

2.) Income Data is provided by the U.S. Census Bureau, 2010 American Community Survey.

3.) Unemployment Data are provided by the EDD's Bureau of Labor Statistics Department.

City of Fort Bragg, California
Statistical Section
For the year ended June 30, 2017

City of Fort Bragg

Principal Employers
Last Fiscal Year and Six Years Ago

Business Name	2016-17		2010-11	
	Number of Employees	Percent of Total Employment (%)	Number of Employees	Percent of Total Employment (%)
Mendocino Coast District Hosp	317	8.93%	350	
Fort Bragg Unified School District*	275	7.75%		
Safeway	171	4.82%		
Parents & Friends Inc	160	4.51%		
North Coast Brewing CO Inc (1)	135	3.80%	85	
Mendocino Coast Clinics Inc	111	3.13%	114	
Mendocino County**	91	2.56%		
Sherwood Oaks Health Ctr	86	2.42%	92	
Silvers At the Wharf (Anchor Lodge)	75	2.11%	55	
City of Fort Bragg (2)	61	1.72%	53	
Caito Fisheries			90	
Ocean Fresh Seafood Products			90	
Anderson Logging			87	
Skunk Train			44	
Total Top Employers	1,482	41.75%	1,060	
Total City Employment (3)	3,550			

Source: MuniServices, LLC

Results based on direct correspondence with city's local businesses.

(1) Includes summer and seasonal employees

(2) Includes FTE's only

(3) Total City Labor Force provided by EDD Labor Force Data

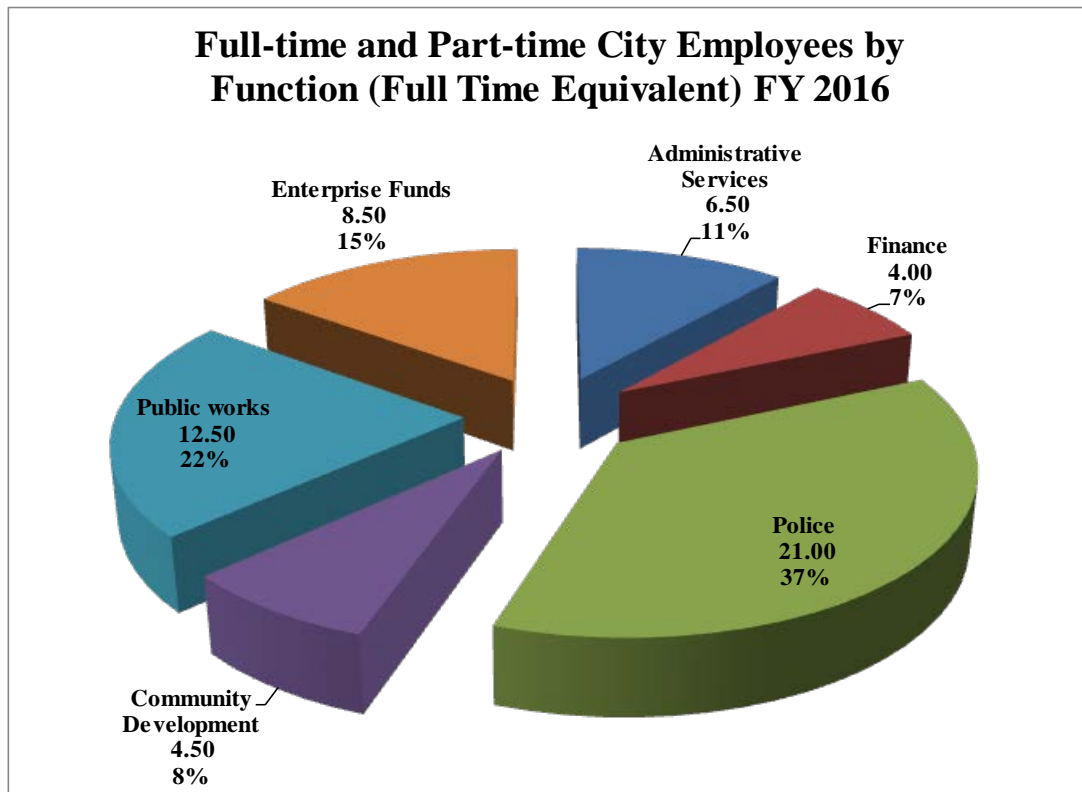
*Excludes non bargaining on call subs or sports coaches

**Includes satellite offices of county departments

City of Fort Bragg, California
Statistical Section
For the year ended June 30, 2017

Full-time and Part-time City Employees by Function (Full-Time Equivalent)
Last Ten Fiscal Years
(Fiscal year ended June 30)

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Administrative Services	5.00	5.00	5.00	4.80	4.80	6.00	6.00	6.00	6.50	6.50
Finance	5.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Public Safety										
Police	24.00	23.00	23.00	21.00	21.00	21.00	22.00	22.00	22.00	21.00
Community Services										
Community Development	5.75	5.75	4.75	3.80	3.80	3.80	4.30	4.00	4.30	4.50
Public works	13.00	13.00	14.50	12.60	12.60	12.60	13.60	12.60	12.80	12.50
Enterprise Funds	9.00	9.00	8.00	7.00	8.00	8.00	8.00	8.00	8.00	8.50
Total	61.75	60.75	60.25	53.20	54.20	55.40	57.90	56.60	57.60	57.00



Source: City Finance Department

City of Fort Bragg, California
Statistical Section
For the year ended June 30, 2017

City of Fort Bragg, California
Operating Indicators by Function
Last Ten Fiscal Years
(Fiscal year ended June 30)

Function/Program	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Building Permits Issued		174	204	204	210	125	272	192	141	122
New Construction	4	5	5	6	3	27	2	7	6	4
Single Family Residential	3	1	2	3	2	0	0	0	2	0
Second Unit	1	3	2	1	1	1	1	1	3	4
Mixed Use, Commercial & Residential	0	0	1	0	0	0	0	2	1	0
Multi-Family Residential					0	0	1	0	0	0
Low Income Residential		1		2	0	26	0	4	0	0
City Clerk										
Council/Agency Resolutions Passed	110	148	112	93	108	93	87	127	98	122
Number of Ordinances Passed	4	13	3	9	9	2	4	3	5	6
Number of Contracts Approved	11	11	9	13	32	29	31	30	69	74
Public Safety										
Traffic Accidents	100	111	116	112	139	163	174	172	221	160
Traffic Violations - DUI	78	53	42	37	33	62	45	26	28	45
Bookings	845	521	501	621	608	744	689	737	668	619
Moving Cites	1,075	852	550	514	841	1,001	1,614	949	498	344
Parking Cites				405	374	355	833	484	835	842
Field Interviews and Information Cases						1,450	2,211	1,301	1,217	1,403
Crime Reports	1,323	1,288	1,150	1,274	1,454	1,610	1,576	1,317	1,501	1,496
Fire ¹										
Total Number of Calls	577	640	504	601	632	500	525	617	579	665
Structure Fires	63	38	35	30	27	29	29	21	29	38
Vehicle Fires	12	6	7	9	9	9	17	9	3	16
Vegetation Fires	43	55	33	15	29	25	41	40	31	33
Misc Fires (Chimney, Debris, Electronically, etc.)						17	24	17	36	18
Medical Aid	143	110	102	186	209	110	142	163	150	199
Rescue	132	135	114	112	129	11	13	10	22	16
Hazardous Condition/Materials Calls	54	62	53	37	46	73	48	41	70	75
Mutual Aid/Agency Assist						6	3	9	12	18
Traffic Accidents						88	89	98	133	98
Services Call	105	120	100	161	115	128	117	96	91	80
Other Calls & Incidents	25	114	60	81	68	4	2	113	2	74
Water										
Number of customer accounts billed	16,541	33,965	33,771	33,521	32,523	33,924	32,300	33,716	33,671	33,873
Water annual demand in thousand gallons	2,626	2,401	2,233	2,176	2,312	2,255	2,245	2,044	1,895	1,976
Available supply of water in thousand gallons	2,917	2,688	2,524	2,442	3,066	2,574	2,490	2,398	20,800	21,300
total Customer service calls	1,592	1,451	1,421	1,531	1,448	1,439	1,254	1,177	1,253	1,253
Meter installs/removals/change outs	280	38	36	49	40	2	11	14	16	14
Meter repairs	7	4	1	3	2	44	1	8	1	34
Leak investigations	57	24	15	15	16	21	3	6	11	34
Service profiles	159	180	98	131	81	93	52	57	65	31
Turn on/off	1,028	1,120	1,244	1,255	1,267	1,248	139	508	669	878
Manual Reads	484	522	556	555	565	527	513	453	416	444
Misc.	52	78	26	27	36	33	49	60	75	53
Wastewater										
Customer service calls, wastewater			38	39	37	52	71	41	52	43
New customer sewer lines installed			2	2	0	2	2	3	1	4
Sewer mains cleaned/flushed in miles			15	19	19	18	14	15.5	15	17.38
Sewer mains and laterals repaired in number of jobs			38	39	34	0	8	16	11	12
Sewer manholes inspected			370	371	373	371	362	363	363	374
Sewer manholes installed			1	3	1	0	0	0	0	0
Sewer spill responses			3	4	1	3	7	7	5	1

¹ The governing agency offer the Fort Bragg Volunteer Fire Department is the Fort Bragg Fire Protection Authority Joint Powers Agreement (JPA). The JPA is a board of directors formed in the 1989-90 fiscal year. It consists of two members from the Fort Bragg City Council appointed by the City's mayor, two members from the Fort Bragg Rural Fire District Board appointed by their chairman, and an "At Large" member appointed by the other four members. The City of Fort Bragg is responsible for 50% of the Fire Department budget.

² In some categories historical information is not available

Source: Operating indicators were provided by the various operating departments.

City of Fort Bragg, California
Statistical Section
For the year ended June 30, 2017

Capital Asset Statistics by Function
Last Ten Fiscal Years
(Fiscal year ended June 30)

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Police :										
Stations	1	1	1	1	1	1	1	1	1	1
Public works										
Streets (miles)	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4
Alleys (miles)	19	19	19	19	19	19	19	19	19	19
Storm drains (miles)	10	10	10	10	10	10	10	10	10	10
Streetlights	725	725	725	725	725	725	725	725	725	725
Sidewalks	40	40	40	40	40	40	40	40	40	40
Water										
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Water mains (miles)	30	30	30	30	30	30	30	30	30	30
Raw water transmission line (miles)	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
Wastewater										
Wastewater treatment plant	1	1	1	1	1	1	1	1	1	1
Sanitary sewers (miles)	27	27	27	27	27	27	27	27	27	27
Parks and Facilities										
Parks	3	3	3	3	3	3	3	4	4	4
Recreational/Guest Facilities	2	2	2	2	3	3	3	3	3	3
Government Facilities	2	2	2	2	2	2	2	2	2	2

Source: City Finance, Public Works and Planning Departments



GLOSSARY OF FINANCIAL TERMS

Accrual Basis - A basis of accounting in which revenues and expenditures are recorded at the time they occur as opposed to when cash is actually received or spent.

Adjusted Budget - The adopted budget plus any modifications (increases, decreases and transfers) approved by the City Council during the fiscal year.

Allocation of Funds - A legal authorization granted by the City Council to make expenditures of resources and to incur obligations for a specific purpose.

Appropriation - Setting aside funds for a specific purpose or program. An allocation of funds makes them available for expenditure.

Appropriation Without Regard To Fiscal Year - An appropriation for a specific amount that is available from year to year until fully expended. Example: capital projects and grants appropriated for the total amount of the project or grant often span more than one fiscal year eliminating the need to re-appropriate them each year.

Arbitrage - The difference between the interest paid on the tax-exempt securities and the interest earned by investing the security proceeds in higher-yielding taxable securities. IRS regulations govern arbitrage on the proceeds from issuance of municipal securities.

Assessed Valuation - The valuation set upon real estate and certain personal property by the County Assessor as a basis for levying property taxes.

Assessed Valuation (Secured) - That part of the assessment roll property the taxes on which are a lien on real property sufficient to secure payment of taxes.

Assessed Valuation (Unsecured) - The remainder of the assessment roll that is not on the secured roll. The taxes on the unsecured roll are a personal liability of the assessed owner.

Attrition - A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.

Audit - An examination performed by an independent certified public accountant to determine the accuracy and validity of records and reports or the conformity of procedures with established policies.

Authorized Positions - Employee positions authorized in the adopted budget which will be filled during the year.

Balloon Maturity - A later maturity within an issue of bonds which contains a disproportionately large percentage of the principal amount of the original issue.

Balanced Budget - A balanced budget in governmental funds requires operating revenues to fully cover operating expenditures. A balanced budget in the enterprise funds requires that there are enough revenues to pay operating expenses exclusive of depreciation and debt service.

Betterment - An addition made to, or changes made in, a fixed asset that will either increase the useful life of the asset or increase its efficiency.

Bond - A long-term promise to repay a specified amount (the face amount of the bond) on a particular date (the maturity date). The most common types of bonds are general obligation and revenue bonds. Bonds are primarily used to finance capital projects.

Bond Refinancing - The complete or partial payoff of one bond issue and re-issuance of another bond, to obtain better interest rates and/or bond conditions.

Budget - A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period and matching those projected revenues and planned expenditures to municipal services, goals, and objectives.

Budget Adjustment - A financial planning tool that allows the City to amend or supplement the budget at any time after it is adopted as circumstances may change throughout the fiscal year. It may be used to create a budget for a new account established after the beginning of a new fiscal year, and it may also be used to transfer funds between general fund accounts belonging to the same chart of accounts

Budget Calendar - A schedule of key dates a government follows in the preparation and adoption of the budget.

Budget Document - The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

Budget Surplus - The difference between operating revenues and operating expenditures. The Budget Surplus may be used for ongoing expenses (as opposed to year-end balance, which may be used only for one-time expenses).

California Environmental Quality Act (CEQA) – A state statute enacted in 1970 that requires state and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those impacts, if feasible (ceres.ca.gov/ceqa).

California Transportation Commission (CTC) – the agency responsible for programming and allocating funds for the construction of highway, passenger rail and transit improvements throughout California (www.catc.ca.gov)

Callable - A portion of a bond due to be repaid before the specified due date in the bond contract.

Capital Assets - Assets of significant value and having a useful life of several years. Capital assets are also referred to as fixed assets.

Capital Grants - External grants that are restricted by the grantor for the acquisition and/or construction of fixed assets.

Capital Equipment - Equipment (fixed assets) with an initial individual cost of \$5,000 or more and an expected useful life greater than two years, such as automobiles, microcomputers and furniture.

Capital Improvement - Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvement Program (CIP) - A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

Capitalized Interest - A portion of the proceeds of an issue which is set aside to pay interest on the securities for a specific period of time. Interest is commonly capitalized for the construction period of the project.

Capital Expenditure/Outlay – Expenditure for tangible property with an initial cost of \$5,000 or more and have a useful economic lifetime of more than one year.

Capital Project - Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life, also called capital improvements.

Capital Projects Fund - A fund created to account for all resources and expenditures used for the acquisition of fixed assets except those financed by enterprise funds.

Call Provisions - The terms of the bond contract giving the issuer the right to redeem all or a portion of an outstanding issue of bonds prior to their stated dates of maturity at a specific price, usually at or above par.

Capital Reserve - An account used to segregate a portion of the City's equity to be used for future capital replacement purposes.

Certificates Bullet Maturity - A maturity for which there are no sinking fund payments prior to the stated maturity date.

Certificates of Participation (COP) - A bond from an issue, which is secured by lease payments made by the party leasing the facilities, financed by the issue. Typically COPs are used to finance construction of facilities (e.g., infrastructure or buildings) used by a municipal agency, which leases the facilities from a financing authority. Often the agency is legally obligated to appropriate moneys from its general tax revenues to make lease payments.

City Council - Comprised of the Mayor and four City Councilmembers who are elected at large by registered voters of the City. Councilmembers each serve a four-year term and the mayor serves a two-year term. The City Council adopts legislation, sets policy, adjudicates issues and establishes the budget of the City.

Community Development Block Grant - CDBG – provides eligible cities and urban counties with annual direct grants to revitalize neighborhoods; expand affordable housing and economic opportunities; and/or improve community facilities and services, principally to benefit low- and moderate-income persons.

Comprehensive Annual Financial Report - CAFR – the summarization of the City's financial activity for the previous fiscal year which also includes a summarization of significant milestones that were accomplished during the year by department, fiscal policies, and statistical information. The CAFR is prepared by December of each year.

Competitive Sale - A sale of securities by an issuer in which underwriters or syndicates of underwriters submit sealed bids to purchase the securities in contrast to a negotiated sale.

Consumer Price Index (CPI) - A statistical description of price levels provided by the US Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Continuing Disclosure - The principle that accurate and complete information material to the transaction which potential investors would be likely to consider material in making investment decisions with respect to the securities be made available on an ongoing basis.

Contingency Reserve - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services - Services rendered to a government by private firms, individuals, or other governmental agencies.

Contributed Capital - An equity account recording resources externally restricted for the acquisition or construction of capital assets, including Capital Grants, contributions from developers and customers, and tax levies restricted to capital purposes. The account also records current resources furnished to an internal service fund for working capital.

Cost Allocation - A method used to charge General Fund costs budgeted in one department to another department or another fund.

Credit Enhancement - Credit support purchased by the issuer to raise the credit rating of the issue. The most common credit enhancements consist of bond insurance, direct or standby letters of credit, and lines of credit

Cost-of-living Adjustment (COLA) - An adjustment in salaries to offset the adverse effect of inflation on compensation.

Council/Manager - Form of Government where the City Manager is an employee of the Council who is the administrator of the city.

Debt Service - Payment of interest and principal on borrowed money according to a predetermined payment schedule.

Debt Service Reserve Fund - The fund in which moneys are placed which may be used to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements.

Dedicated Tax - A tax levied to support a specific government program or purpose.

Department - The basic unit of service responsibility, encompassing a broad mandate of related service responsibilities.

Depreciation - The process of estimating and recording the expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

Disbursement - The expenditure of monies by cash from an account.

Discretionary Funding Opportunities - Pertains to funds, grants or other resources that are not restricted as to use.

Discount Bonds - Bonds which are priced for sale at a discount from their face or par value.

Division - Can be a subunit of a department which encompasses a substantial portion of the duties assigned to a department

Encumbrance - An amount of money committed for the payment of goods and services not yet received or paid for.

Enterprise Fund - A proprietary accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedule for these services is established to ensure that revenues are adequate to meet all necessary expenditures.

Environmental Impact Report - EIR – a public document used by governmental agencies to analyze the significant environmental effects of a proposed project, to identify alternatives and disclose possible ways to reduce or avoid potential environmental damage. The California Environmental Quality Act requires an EIR whenever the initial study or other evidence in the record has produced substantial evidence that the proposed project might produce significant environmental effects.

Escrow - A fund established to hold moneys pledged and to be used to pay debt service on an outstanding issue.

Expenditure - The actual payment for goods and services.

Expense - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Face Value - The amount of principal that must be paid at maturity for a bond issue.

Fees - A general term used for any charge levied by government for providing a service or permitting an activity.

Fiscal Year - A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Fort Bragg's budget year begins on July 1 and ends on June 30.

Fixed Assets - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

Full Faith and Credit - A pledge of a government's taxing power to repay debt obligations.

Full-time Equivalent Position (FTE) - A full-time or part-time position converted to the decimal equivalent of a full-time position based on 2,088 hours per year. For example, a part-time person working 20 hours per week would be the equivalent of 0.5 of a full-time position.

Fund - A self-balancing set of accounts to record revenues and expenditures associated with a specific purpose.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Gas Tax - State tax received from gasoline sales utilized solely for street related purposes, such as new construction, rehabilitation or maintenance.

General Fund - The principal operating fund of the City used for general governmental operations (as opposed to all other City funds, which are designated as "Special Funds").. Taxes and fees that generally have no restriction on their use support it.

General Obligation (G.O.) Bonds - This type of bond is backed by the full faith, credit and taxing power of the government issuing it.

General Plan - A comprehensive, long-range, policy document required by state law. The document establishes the City's overall spatial and temporal development pattern.

Geographical Information System (GIS) – A computer system capable of assembling, storing, manipulating and displaying geographically referenced information.

Government Finance Officers Association (GFOA) - Professional association of state/provincial and local finance officers in the United States and Canada (www.gfoa.org).

Government Accounting Standards Board (GASB) – Organized in 1984 by the Financial Accounting Foundation to establish standards of financial accounting and reporting for state and local governmental entities (www.gasb.org).

Grants - A contribution by a government or other organization to be used or spent for a specified purpose, activity, or facility.

HOME Program - Federal housing assistance program that provides funds to low- and very low-income families for both rental units and privately owned dwellings.

Improvement - This refers to permanent items that are purchased or constructed and are attached to land or annexations to land which are intended to remain attached or annexed.

Indirect Cost - A cost necessary for the functioning of the organization as a whole, but which cannot be identified with a specific product, function or activity.

Infrastructure - The physical assets of a government (e.g. streets, water, sewer, public buildings, and parks).

Interfund Transfers - The movement of monies between funds of the same governmental entity.

Intergovernmental Revenues - Funds received from federal, state and other local government sources in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

Internal Service Charges - The charges to user departments for internal services provided by another government agency, or department of the same agency.

Internal Service Fund - A fund used to account for the financing of goods or services provided to other funds, departments or governments on a cost reimbursement basis.

Lease-Purchase - A financing lease which may be sold publicly to finance capital equipment, real property acquisition or construction. The lease may be resold as certificates of participation or lease revenue bonds.

Letters Of Credit - A bank credit facility wherein the bank agrees to lend a specified amount of funds for a limited term.

Level of Services - Generally used to define the existing or current services, programs and facilities provided by government.

Levy - To impose taxes, special assessments or services for the support of governmental activities.

Local Agency Formation Commission (LAFCO) – Reviews proposals for the formation of new local governmental agencies and changes of organization in existing agencies.

Local Agency Investment Fund (LAIF) – A voluntary program created by statute in 1977 in which participating agencies (local governments and special districts) invest public funds.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

Major Fund - A fund that comprises more than 10% of total citywide budgeted revenues and transfers-in and/or 10% of total budgeted appropriations and transfers-out.

Mandates - A legal obligation.

Management Fee - The fixed percentage of the gross spread which is paid to the managing underwriter for the structuring phase of a transaction.

Memorandum of Understanding (MOU) – An agreement outlining the terms of employment entered into between the City and employees of various bargaining units.

Mission Statement – A broad statement of the intended accomplishment or basic purpose of a program.

Modified Accrual Accounting - A basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, or measurable, except for un-matured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.. Since this type of accounting basis is a conservative financial approach, it is recommended as the standard for most governmental funds.

Negotiated Sale - A method of sale in which the issuer chooses one underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

Obligations - Amounts that a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget - The portion of the budget that pertains to daily operations that provide basic governmental services.

Operating Expenses - The cost for administration, personnel, maintenance, material, depreciation, and equipment required for a department to function. The day-to-day costs of delivering City services.

Operating Revenue - Funds that the City receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenue. They are used to pay for day-to-day services.

Ordinance - A formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, such as a State statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

Original Issue Discount - The amount by which the original par amount of an issue exceeds its public offering price at the time it is originally offered to an investor.

Overlapping Debt - That portion of the debt of other governmental units for which residents of a particular municipality are responsible.

Pay-As-You-Go - An issuer elects to finance a project with existing cash flow as opposed to issuing debt obligations.

Pavement Management System (PMS) – A computer-assisted decision-making process designed to help cities and counties prevent pavement problems through maintenance and repair in a timely, cost-effective manner.

Pavement Quality Index (PQI) – A scale from 1 to 10 that measures the structure, surface condition and riding comfort of the roadway.

Performance Budget - A budget wherein expenditures are tied to the measurable performance of activities and work programs.

Performance Measurements - Statistical measures that are collected to show the impact of dollars spent on City services.

Personnel Expenses - Salaries and fringe benefits, such as pensions and insurance, for full-time and part-time employees of the City.

Present Value - The current value of a future cash flow.

Prior-Year Encumbrances - Obligations from previous fiscal years, in the form of purchase orders or contracts, which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Program - Represents major areas or support functions that can be defined as a service provided to citizens, other departments or other agencies. A program may be an entire department; or if a department encompasses significantly diverse responsibilities or large work forces, a single department may be divided into two or more programs.

Program Budget - A budget wherein expenditures are displayed primarily on programs of work and secondarily by the character and object class of the expenditure.

Property Tax - An ad valorem (value-based) tax imposed on real property and tangible personal property within the City's jurisdiction. It includes two major elements: secured or real property (e.g., house and land on which the house was built), and unsecured or personal property (e.g., machinery).

Proposition 13 - On June 6, 1978, the California electorate approved Proposition 13, the "People's Initiative to Limit Property Taxation," which limited the tax rate for real estate as follows: the maximum amount of any tax on real property shall not exceed 1% of the full cash value of such property.

Proposition 218 - On November 5, 1996, the California electorate approved Proposition 218, the self-titled "Right to Vote on Taxes Act." Proposition 218 added articles XIII C and XIII D to the California Constitution and made numerous changes to local government finance law. Public officials are required to conduct the public's business in compliance with Proposition 218.

Public Employees' Retirement System (PERS) – Provides retirement and health benefit services to members from the state, school districts and local public agencies (www.calpers.ca.gov).

Ralph M. Brown Act - The Brown Act is a California law that insures the public can attend and participate in meetings of local government.

Rebate - A requirement imposed by Tax Reform Act of 1986 whereby the issuer of the bonds must pay the IRS an amount equal to its profit earned from investment of bond proceeds at a yield above the bond yield calculated pursuant to the IRS code together with all income earned on the accumulated profit pending payment.

Redevelopment Agency (RDA) – Formerly charged with the oversight for the redevelopment process for the City of Fort Bragg. In June 2011, the Redevelopment Dissolution Act, AB1x26, was signed by the Governor and later upheld by the California Supreme Court. As a result, all redevelopment agencies in California were dissolved effective February 1, 2012.

Regional Surface Transportation Program (RSTP) – a federal and State funded grant program used for projects located on highway systems (classified higher than local roads or rural minor collectors), bridges on any public highway, and transit systems.

Reserve - An account used to either set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution - A special or temporary order of a legislative body--an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources-Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue - Sources of income financing the operations of government.

Revenue Bonds - A type of bond that is backed by the revenues from a specific enterprise or project, such as a water utility.

Sales & Use Tax - An excise tax which applies to all retail sales of merchandise. Retailers are liable for reporting and payment of the tax.

Special Assessments - Fees imposed against properties, which have received a special benefit by the construction of public improvements such as water, sewer and irrigation.

Special Revenue Fund - A governmental accounting fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes.

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those who pay, for example, sewer service charges.

Transfers In/Out - A transfer of resources between different City funds (see glossary definition of "Fund"). A transfer of cash from the City's General Fund to a City Special Fund, for example, would be designated as a transfer-out in the General Fund, and then a transfer-in in the receiving Special Fund.

Transient Occupancy Tax (TOT) - A tax applied to the cost of hotel or other lodging stays of less than 30 days. Also known as Hotel or Bed Tax.

Transportation Subventions - Funds from outside sources used to construct transportation improvements that must be used for specific projects.

Trust and Agency Fund - A fiduciary accounting fund used to account for cash and other assets received and held by the City acting in the capacity of trustee or custodian.

Underwriter - A dealer that purchases new issues of municipal securities from the Issuer and resells them to investors.

Underwriter's Discount - The difference between the price at which bonds are bought by the Underwriter from the Issuer and the price at which they are reoffered to investors.

Unencumbered Appropriation - That portion of an allocation not yet expended or committed to a specific purpose.

Unexpended Appropriation - That portion of an allocation not yet actually paid.

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges - The payment of a fee for direct receipt of a public service by the party who benefits from the service.

Utility Fund - See Enterprise Fund.

Variable Rate Debt - An interest rate on a security, which changes at intervals according to an index or a formula or other standard of measurement, as stated in the bond contract.

Year-End Surplus - Funds remaining at the end of a fiscal year that are available for allocation or for one-time purchases (not for on-going programs or services).