



**CITY OF
FORT BRAGG**

Fiscal Year 2024 Adopted Budget



WASTEWATER ENTERPRISE

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 the 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 and maintain 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 2022/23 TOP ACCOMPLISHMENTS

- Prevented seasonal bulking conditions from filamentous bacteria.
- Tested the operation of the equalization basins.
- Survived a very difficult winter.
- Developed new operational strategies that might be utilized to help other AeroMod plants mitigate hydraulic overload conditions.
- Improved winter bio-solids handling.

FY 2023/24 TOP PRIORITIES

- Installation of an onsite sodium hypochlorite system.
- Installation and startup of bio-solids drying unit.
- Search for solutions to resolve collection system Fats Oils and Grease program issues.
- Improve suppression tactics of microthrix filamentous bacteria for the next bulking season.
- Complete full condition assessment of the collection system to identify inflow and infiltrations locations.

PERFORMANCE/WORKLOAD MEASURES

WASTEWATER DEPARTMENT				
INDICATORS	FY20	FY21	FY22	FY23
Customer Service calls, wastewater	33	36	52	41
New customer sewer lines installed	0	2	1	8
Sewer mains cleaned/flushed in miles	16	18	15	12.8
Sewer mains and laterals repaired in number of jobs	9	8	11	26
Sewer manholes inspected	374	374	363	150
Sewer spill responses	1	2	5	3

BUDGET OVERVIEW

The Wastewater Budget for FY 2024 is \$2.7 million, an increase of 5% from the prior year. Salaries/Benefits increase of 7% are aligned with merit increases, COLA increases, and rising benefit costs. Additionally, the Operations Manager compensation increase of 5% has been built into the Budget as a result of the Compensation Study.

For Non-personnel Budget, property insurance is expected to increase by 25% and utilities by 13% to \$300K. The general supplies budget is proposed to increase by 84% to \$19K due to the increase in the cost of supplies. The biosolids removal cost of \$300K has not changed from the prior fiscal due to the need to cover the costs of increases in truckloads of biosolids removal. All other expenditure categories have insignificant changes year-over-year.

Charges for Services Revenues are estimated to increase by 1%. At this same time last year, the City was preparing to declare a water emergency in response to the lack of adequate rainfall during the previous winter and drought-like conditions with water levels at historic lows. In the prior year, due to the water restrictions and conservation efforts, consumption declined year over year, causing a decline in the fund's revenue. The City has been fortunate to receive enough rainfall in the Winter of 2022, one of our wettest winters. The revenue projections are an average of revenues before and after the water restrictions.

Moreover, the septic dumping station is projected to generate \$95K in additional revenue, an increase of \$40K from FY 2022.

Infrastructure rehabilitation, replacement, and upgrade requirements are necessary to maintain an aging water distribution system. The Water and Sewer Budget includes costs to undertake a Rate Study in FY 2024. The rate study results will be brought forward to the City Council in January 2024.

**Municipal Improvement District #1; Wastewater Enterprise
Fund 710**

**Department: 4710, 4711, 4712, 4713,
Appropriations & Revenue**

Description	FY 2022/23		22/23 FYE Projected	FY 2023/24	
	FY 2021/22 Audited	Amended Budget		Adopted Budget	% + /-
Salaries & Benefits	\$ 766,944	\$ 796,316	\$ 764,037	\$ 818,525	7%
Salary/Benefit Allocation	(129,172)	(231,775)	(231,775)	(129,172)	-44%
Other Operating Allocations	1,318,096	790,778	801,889	801,889	0%
Non-Personnel Services	1,928,827	1,285,243	1,275,817	1,297,494	2%
Total Appropriations	3,884,695	2,640,562	2,609,968	2,788,736	7%
Charges for Services	3,484,719	3,137,050	3,387,640	3,416,756	1%
Other Revenue	131,547	124,000	127,500	115,000	-10%
Total Operating Revenue	3,616,266	3,261,050	3,515,140	3,531,756	0%
NET EXCESS/(DEFICIENCY) OF REVENUES					
OVER/(UNDER) EXPENSES	(268,429)	620,488	905,172	743,021	-18%
Transfers In	3,300,799	(20,058,642)	(11,316,381)	(1,638,662)	-86%
Transfers Out	(2,561,000)	(1,804,008)	(964,850)	(1,690,719)	75%
NET CHANGE IN FUND BALANCE	\$ 471,370	\$ (21,242,162)	\$ (11,376,059)	\$ (2,586,360)	-77%

* To arrive at audited change in net position on the full accrual basis subtract depreciation expense.
\$471,370 less \$829,815 (depreciation) equals \$(358,445) (as published in the FY 2021/22 ACFR)

BUDGET EXPENDITURE DETAIL:
Municipal Improvement District #1; Wastewater Enterprise
Fund #710
Department: 4710,4711,4712, 4713

Object	Description	FY 2022/23			FY 2023/24	% +/-
		FY 2021/22 Audited	Amended Budget	22/23 FYE Projected	Adopted Budget	
0101	Salaries & Wages	446,800	494,942	498,394	502,683	1%
0200	Employee Benefits	320,145	301,375	265,643	315,841	19%
	Salaries & Benefits	766,944	796,316	764,037	818,525	7%
3499	Salary Benefit Recovery	(132,940)	(227,594)	(227,594)	(132,940)	
0801	Salary/Benefits Allocation	3,769	(4,181)	(4,181)	3,769	-190%
	Salary/Benefits Allocation	(129,172)	(231,775)	(231,775)	(129,172)	-44%
	Personnel Services	637,773	564,541	532,262	689,353	30%
0312	Auditing & Accounting	11,701	10,000	10,091	11,701	16%
0313	Laboratory	25,491	45,000	22,015	45,000	104%
0319	Professional Services	323,087	410,495	397,495	360,000	-9%
0320	Dues & Memberships	150	1,000	394	1,000	154%
0342	Laboratory Supplies	146	-	-	-	-
0343	Chemicals	72,634	171,209	171,000	130,000	-24%
0351	Equipment Repair & Maint	112,866	79,000	77,000	80,000	4%
0353	Building Repair & Maint	4,950	9,000	5,000	9,000	80%
0354	Laundry/Cleaning/Janitorial	746	700	700	750	7%
0360	Property Premium	49,798	64,240	56,506	70,633	25%
0362	Telephone & Communication	966	1,000	1,000	1,000	0%
0366	Training/Travel Reimbursement	3,869	9,500	6,500	9,500	46%
0372	Postage	12,583	9,000	12,000	12,000	0%
0375	General Supplies	32,935	16,500	10,617	19,500	84%
0376	Medical/Safety Supplies	6,069	6,500	6,000	7,000	17%
0377	Boot Expense	1,168	2,250	2,000	2,400	20%
0381	Small Tools & Equipment	8,876	11,000	6,000	11,000	83%
0383	Utilities	222,967	220,000	266,650	300,000	13%
0387	CALPERS UAL Payment	50,000	25,000	25,000	25,000	0%
0499	Depreciation Expense	829,815	-	-	-	
0619	Miscellaneous	38,639	-	-	-	-
	Materials & Services	1,831,177	1,108,393	1,092,967	1,112,484	2%
0606	Bad Debt Sent to Collection	-	(8,000)	(2,000)	-	
	Bad Debt	-	(8,000)	(2,000)	-	
0911	Principal	2,000	91,000	91,000	93,000	2%
0912	Interest	95,650	93,850	93,850	92,010	-2%
	Debt Service	97,650	184,850	184,850	185,010	0%
	Non-Personnel Services	1,928,827	1,285,243	1,275,817	1,297,494	2%
0322	Fleet Services	119,196	116,994	116,994	116,994	0%
0396	Allocation to IT Int Serv Fund	48,141	37,030	48,141	48,141	0%
0399	Admin Costs Allocation	1,150,759	636,754	636,754	636,754	0%
	Other Operating Allocations	1,318,096	790,778	801,889	801,889	0%
		3,884,695	2,640,562	2,609,968	2,788,736	7%
0799	Transfer to Other Funds	2,561,000	1,804,008	964,850	1,690,719	
	Total Wastewater Enterprise	\$ 6,445,695	\$ 4,444,570	\$ 3,574,818	\$ 4,479,454	25%

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

Fund #710		Account	Category	FY 2022/23
Department: 4710		Detail	Detail	Adopted Budget
Materials & Services				
710-4710-0312	Auditing & Accounting		\$ 11,701	
710-4710-0319	Professional Services		30,000	
710-4710-0360	Property Premium		70,633	
710-4710-0362	Telephone & Communication		1,000	
710-4710-0372	Postage		<u>4,000</u>	
Total Material & Services				\$ 117,334
Allocations				
710-4710-0396	IT Internal Service Fund		48,141	
710-4710-0399	Admin Costs		<u>636,754</u>	
Total Allocations				684,895
Total - Wastewater Enterprise Administrative Division				\$ 802,229

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

Fund #710		Account	Category	FY 2022/23
Department: 4711		Detail	Detail	Adopted Budget
Materials & Services				
710-4711-0319	Professional Services		\$ 5,000	
710-4711-0366	Training & Travel		3,500	
710-4711-0375	General Supplies		15,000	
710-4711-0381	Small Tools & Equipment		<u>4,000</u>	
Total Material & Services				\$ 27,500
Total - Wastewater Enterprise Maintenance Division				\$ 27,500

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

Fund #710		Account	Category	FY 2022/23
Department: 4712		Detail	Detail	Adopted Budget
Personnel Costs				
		Salaries & Wages		\$ 502,683
		Employee Benefits		315,841
710-4712-0801		Salary/Benefits Allocation from General Fund		3,769
710-0000-3499		Salary/Benefits Allocation		<u>(132,940)</u>
Total Personnel Costs				\$ 689,353
Materials & Services				
710-4712-0313		Laboratory		45,000
710-4712-0319		Professional Services		325,000
		Biosolids (3yr contract)	\$ 320,000	
		Backflow testing	1,500	
		Fire extinguisher maintenance	1,000	
		Flow meter calibrations	<u>2,500</u>	
710-4712-0320		Dues & Memberships		1,000
710-4712-0343		Chemicals		130,000
710-4712-0351		Equipment Repair & Maintenance		80,000
		Lift station fittings	6,000	
		Pump repair	15,000	
		Electrical hardware & maintenanc	30,000	
		Small projects and improvement	15,000	
		Stainless steel/PVC hardware	4,000	
		Chemical Feed Parts	<u>10,000</u>	
710-4712-0353		Building Repair & Maintenance		9,000
710-4712-0354		Laundry/Cleaning/Janitorial		750
710-4712-0366		Training/Travel Reimbursement		6,000
710-4712-0372		Postage		8,000

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

Fund #710		Account	Category	FY 2022/23
Department: 4712		Detail	Detail	Proposed Budget
Materials & Services, Continued				
710-4712-0373	Licenses & Permits		17,000	
	Annual fees	10,000		
	Air Quality Management Dist. (AC	3,500		
	State Water Resouce Cntrl Boar	3,500		
710-4712-0375	General Supplies		4,500	
710-4712-0376	Medical/Safety Supplies		7,000	
710-4712-0377	Boot Expense		2,400	
710-4712-0381	Small Tools & Equipment		7,000	
710-4712-0383	Utilities		300,000	
710-4712-0387	Section 115 Trust- UAL Contribution		25,000	
	Total Material & Services			927,650
Allocations				
710-4712-0322	Fleet Services		116,994	
	Total Allocations			116,994
Debt Service				
717-4712-0911	Principal		93,000	
717-4712-0912	Interest		92,010	
	Total Debt Service			185,010
Total - Wastewater Enterprise Treatment Division				\$ 1,919,007

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

Fund # 714		Account	Category	FY 2022/23
Department: 4713		Detail	Detail	Proposed Budget
Materials & Services				
714-4713-0751	Buildings		25,000	
714-4713-0741	Machinery & Equipment		28,000	
	Total Material & Services			53,000
Total - Wastewater Enterprise Non-Routine Maintenance				\$ 53,000