

PRESENT:	Jamie Irons Robert Davis John Heading Matt Makowetski Marlys McPherson	Mayor Council Member Council Member Council Member Council Member
ABSENT:	Scott Collins	City Manager
STAFF:	Jennifer Callaway Christopher Neumeyer Dana Swanson Eric Endersby	Finance Director/Acting City Manager Assistant City Attorney City Clerk Harbor Director

#### ESTABLISH QUORUM AND CALL TO ORDER

Mayor Irons called the meeting to order at 4:30 p.m. with all members present.

#### PUBLIC COMMENT FOR ITEMS ON THE AGENDA

<https://youtu.be/VcUBtQryvRo?t=35>

Mayor Irons opened public comment for items on the agenda.

Joan Solu, Morro Bay, suggested the proposed Tourism Business Improvement District (TBID) reserve of 20-25% was too conservative and recommended it be capped at no more than 10%. She provided copies of Morro Bay Municipal Code Section 3.60.030 which directs authorized TBID expenditures and stated infrastructure improvements would not be an appropriate use of those funds.

The public comment period was closed.

#### SPECIAL MEETING AGENDA ITEMS:

#### **I. ADOPTION OF RESOLUTION NO. 78-18 RESCINDING RESOLUTION NO. 33-15 IN ITS ENTIRETY AND ADOPTING THE GENERAL FUND EMERGENCY RESERVE AND INTERNAL SERVICE FUNDS RESERVE AND PROVIDE FEEDBACK REGARDING THE HARBOR ACCUMULATION FUND RESERVE POLICY AND MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT RESERVE POLICY**

<https://youtu.be/VcUBtQryvRo?t=317>

Finance Director Callaway presented the staff report and noted a correction was needed on page 17 of the agenda packet regarding Enterprise Equipment Replacement funds. The minimum level and target level funding should refer to the *respective enterprise* fund fleet, not *general* fund fleet.

#### General Fund Emergency Reserve Policy

Council Member McPherson recommended language on the bottom of page 11 of the agenda packet be edited to clarify staff will bring forward recommendations for Council direction regarding use of excess funds. The Council agreed with the proposed change.

The Council expressed some concern about the proposed minimum and target levels for the Compensated Absences Reserve and asked staff to reconsider the recommendation for further discussion.

It was agreed staff would modify the General Fund Emergency Reserve and Internal Service Funds Reserve policies, as directed, for adoption at a future meeting.

Staff presented the draft Harbor Enterprise and TBID Reserve Policies and noted those would be presented to each of the advisory boards for comment followed by Council approval at the second meeting in October.

**II. RECEIVE REPORT AND PROVIDE FEEDBACK ON THE FISCAL EMERGENCY PLAN  
ECONOMIC TRIGGERS**

<https://youtu.be/VcUBtQryvRo?t=4054>

Ms. Callaway presented the report and responded to Council inquiries. The Council appreciated the information laid out and requested staff provide examples for each of the economic triggers.

No formal action was taken by the City Council.

ADJOURN

The meeting adjourned at 5:47 p.m.

Recorded by:

Dana Swanson,  
City Clerk