

FY 2020/21 & Beyond

Operating and Capital Budget Post COVID-19

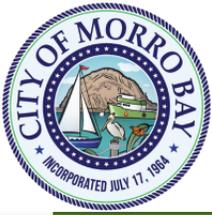
FINANCIAL AND ECONOMIC RECOVERY PROGRAM



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Budget Overview

The Proposed Operating Budget recognizes the City's Current Economic Reality and Long-Term Fiscal Picture

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Ten-Year Financial Forecast

- **February 25, 2020 – Special Council meeting to receive an update on the City’s ten-year financial forecast.**
 - The City was facing a projected deficit of \$428,000 for FY 2020/21
 - Growing to \$1.4 million by FY 2028/29
- **March 19, 2020 – Local Emergency ratified by the City Council due to COVID-19 pandemic**
 - Activated the City’s Short-Term Fiscal Emergency Plan

Unprecedented times – with unprecedented economic impacts associated with the local, national, and global mitigation of COVID-19



Ten-Year Financial Forecast

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- **April 28, 2020 – Special Council meeting to receive City’s “Rock Solid Together Economic and Financial Recovery Plan”**
 - Budget deficits projections ranging between \$4 to \$5 million (27%-34% loss of GF revenue)
 - Growing to \$2.5 million by FY 2028/29
- **Unprecedented economic impacts necessitated revisions to the City’s primary revenues and an additional update to the City’s Ten-Year Financial Forecast**



Ten-Year Financial Forecast

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	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
Revenues									
Property Tax - Pre-COVID Growth Projection	SLO County Estimate	3.93%	2.70%	2.10%	2.10%	0.50%	0.50%	2.10%	2.10%
Property Tax - Post-COVID Recession Scenario	-5.57%	-0.33%	-0.78%	-1.60%	-0.36%	0.98%	1.03%	1.02%	1.02%
Sales Tax									
Sales Tax- Pre-COVID Growth Projection	4.91%	4.84%	3.07%	3.08%	3.09%	0.00%	3.12%	2.92%	2.00%
Sales Tax - Post-COVID Recession Scenario	-21.80%	-12.66%	5.00%	2.17%	7.06%	2.50%	3.00%	1.50%	2.00%
TOT									
TOT - Pre-COVID Growth Projection	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
TOT - Post-COVID Recession Scenario	-48.06%	10.00%	15.00%	16.00%	18.00%	5.00%	3.00%	2.00%	1.00%
Expenditures									
Salary & Benefits: Pre-COVID Growth Projection	0.00%	1.00%	1.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Salary & Benefits: Post-COVID Growth Projection	-13.49%	2.42%	1.60%	1.63%	1.61%	1.01%	1.01%	0.96%	1.00%



Ten-Year Financial Forecast

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	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
Revenues									
Property Tax - Pre-COVID Growth Projection	\$ 4,630	\$ 4,913	\$ 5,105	\$ 5,265	\$ 5,249	\$ 5,483	\$ 5,539	\$ 5,595	\$ 5,651
Property Tax - Post-COVID Recession Scenario	\$ 4,224	\$ 4,210	\$ 4,177	\$ 4,110	\$ 4,125	\$ 4,165	\$ 4,208	\$ 4,251	\$ 4,294
	\$ (406)	\$ (703)	\$ (928)	\$ (1,155)	\$ (1,124)	\$ (1,318)	\$ (1,331)	\$ (1,344)	\$ (1,357)
Sales Tax									
Sales Tax- Pre-COVID Growth Projection	\$ 2,102	\$ 2,208	\$ 2,191	\$ 2,175	\$ 2,188	\$ 2,208	\$ 2,247	\$ 2,282	\$ 2,328
Sales Tax - Post-COVID Recession Scenario	\$ 1,729	\$ 1,515	\$ 1,591	\$ 1,637	\$ 1,758	\$ 1,798	\$ 1,855	\$ 1,883	\$ 1,921
	\$ (373)	\$ (693)	\$ (600)	\$ (538)	\$ (430)	\$ (410)	\$ (392)	\$ (399)	\$ (407)
TOT									
TOT - Pre-COVID Growth Projection	\$ 3,602	\$ 3,639	\$ 3,675	\$ 3,712	\$ 3,749	\$ 3,786	\$ 3,824	\$ 3,862	\$ 3,901
TOT - Post-COVID Recession Scenario	\$ 1,852	\$ 2,038	\$ 2,343	\$ 2,718	\$ 3,208	\$ 3,368	\$ 3,469	\$ 3,538	\$ 3,574
	\$ (1,750)	\$ (1,601)	\$ (1,332)	\$ (994)	\$ (541)	\$ (418)	\$ (355)	\$ (324)	\$ (327)
Total Impacts	\$ (2,529)	\$ (2,997)	\$ (2,860)	\$ (2,687)	\$ (2,095)	\$ (2,146)	\$ (2,078)	\$ (2,067)	\$ (2,091)

COVID-19 Impacts: Ten-Year Financial Forecast

City of Morro Bay Budget Forecast (\$ in 000)

General Fund	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Property Tax	\$4,419	\$4,352	\$4,224	\$4,210	\$4,177	\$4,110	\$4,125	\$4,165	\$4,208	\$4,251	\$4,294
Sales Tax	1,945	1,881	1,729	1,515	1,591	1,637	1,758	1,798	1,855	1,883	1,921
TOT	3,576	2,559	1,852	2,038	2,343	2,718	3,208	3,368	3,469	3,538	3,574
Other Revenue	3,411	2,856	2,440	3,063	3,144	3,293	3,180	3,192	3,245	3,286	3,328
Transfers	1,329	3,214	2,581	1,280	1,318	1,358	1,399	1,441	1,484	1,528	1,574
Total Revenue	14,681	14,862	12,826	12,106	12,574	13,116	13,670	13,964	14,261	14,487	14,691
Personnel	10,075	11,219	9,705	9,940	10,099	10,263	10,428	10,533	10,639	10,742	10,849
Other O&M	3,166	3,237	2,766	2,771	2,816	2,871	2,938	3,019	3,118	3,216	3,267
Transfers/Svc Adds	709	406	355	605	614	624	659	669	680	665	665
Future Budget Cuts	0	0	0	0	0	0	0	0	0	0	0
Total Expenditures	13,951	14,862	12,826	13,315	13,529	13,758	14,025	14,222	14,437	14,624	14,782
Net Annual	730	0	0	(1,210)	(955)	(642)	(356)	(258)	(176)	(136)	(91)
Beginning Balance	38	768	(0)	(0)	(1,210)	(2,165)	(2,807)	(3,163)	(3,421)	(3,596)	(3,733)
Cash Adjustments	0	(768)	0	0	0	0	0	0	0	0	0
Ending Balance	768	(0)	(0)	(1,210)	(2,165)	(2,807)	(3,163)	(3,421)	(3,596)	(3,733)	(3,823)
Emergency Reserve	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$339	\$321	\$56	\$80	\$80	\$25	\$25	\$25	\$25	\$25	\$25
Transfers Out	225	1,852	1,304	0	0	0	0	0	0	0	0
Net Annual	114	(1,531)	(1,248)	80	80	25	25	25	25	25	25
Cash Adjustments	0	0	0	0	0	0	0	0	0	0	0
Beginning Balance	2,926	3,808	2,277	1,029	1,109	1,189	1,214	1,238	1,263	1,288	1,314
Ending Balance	3,040	2,277	1,029	1,109	1,189	1,214	1,238	1,263	1,288	1,314	1,339
Total GF+ER Balance	3,808	2,277	1,029	(101)	(976)	(1,593)	(1,924)	(2,157)	(2,308)	(2,419)	(2,484)
% of GF Exp	27.3%	15.3%	8.0%	-0.8%	-7.2%	-11.6%	-13.7%	-15.2%	-16.0%	-16.5%	-16.8%

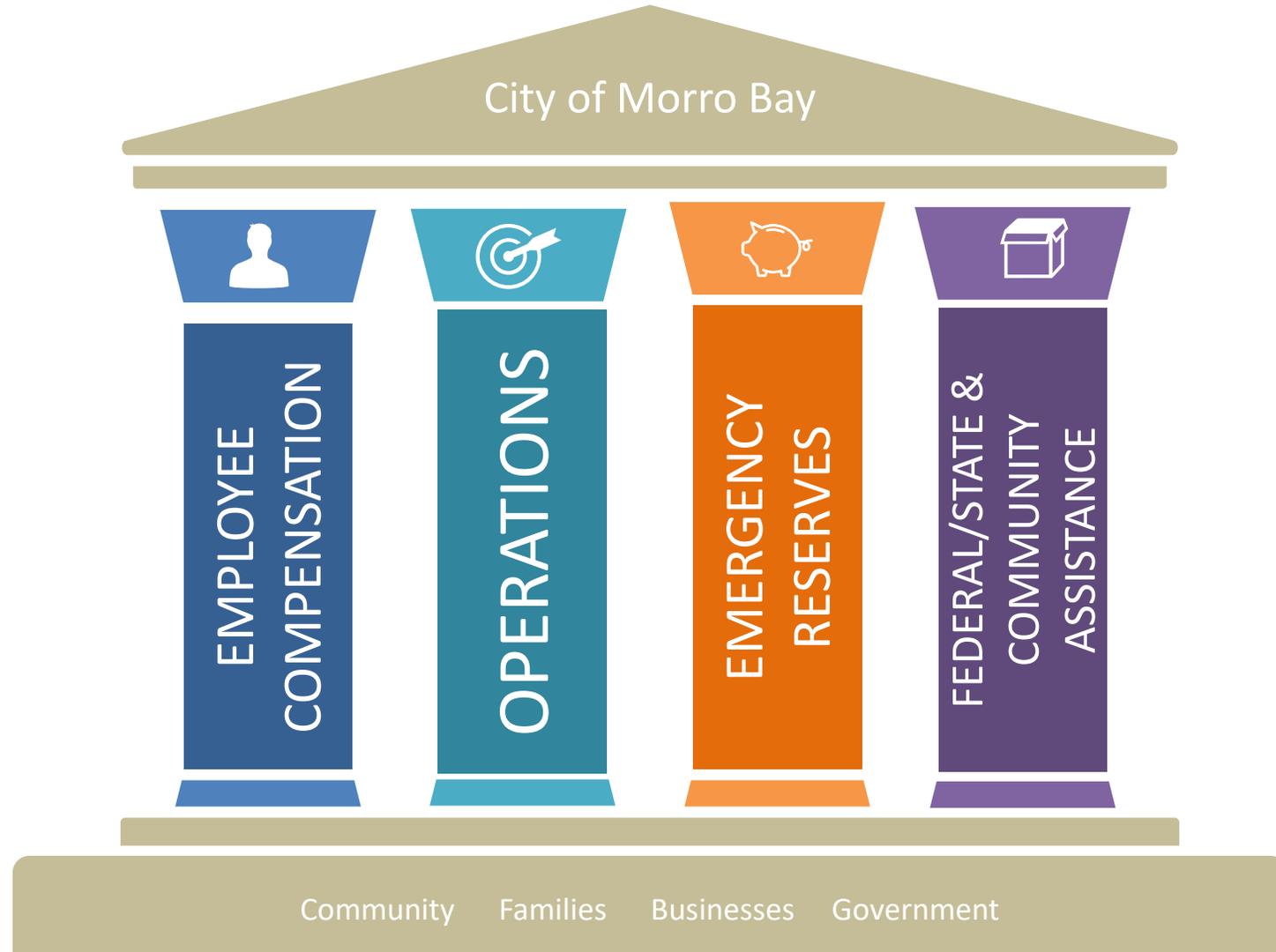
Budget at a Glance

BUDGET CATEGORIES	PURPOSE	FUNDING SOURCE
GF Operating Budget - \$12.8M	<u>Provide Core Services</u> <ul style="list-style-type: none"> • Police • Public Works • Community Development • Fire • Administrative Services • Recreation 	<ul style="list-style-type: none"> • Sales/Property Tax • Licenses & Permit Fees • Franchise Fees • Business License • Transient Occupancy Tax
Special Revenue Funds (Measure Q and TBID)-\$1.3 M	<ul style="list-style-type: none"> • Augment Police, Fire, Streets and Storm Drains • Promote Tourism 	<ul style="list-style-type: none"> • Sales Tax revenue (Measure Q) • Tourism Business Assessments
Internal Service Funds - \$3.4 M	<ul style="list-style-type: none"> • Risk Management • Information Technology • Project/Capital Accumulation • Vehicle/Facility Replacement/Maintenance 	<ul style="list-style-type: none"> • Interfund transfers

Budget at a Glance

BUDGET CATEGORIES	PURPOSE	FUNDING SOURCE
Other Funds - \$1.6M	<ul style="list-style-type: none"> Account for revenues with restricted use 	<ul style="list-style-type: none"> Assessments Local Transportation Funds Grants Impact and In-Lieu Fees Donations
Enterprise Funds- \$24.8 M	<ul style="list-style-type: none"> Water Sewer Wastewater Treatment Harbor Services 	<ul style="list-style-type: none"> User Rates Rents
Capital Projects - \$52.3 M	<ul style="list-style-type: none"> Maintain Public Facilities Infrastructure Improvements WRF 	<ul style="list-style-type: none"> General Fund Gas Tax User Rates WIFIA and SRF Loans In-Lieu Fees Measure Q Sales Tax PEG Fees Transit Funds

ROCK SOLID TOGETHER: CITY GOVERNMENT



FY 2020/21 Budget Balancing

- **Salary & Benefit Reductions - \$1.4 M (GF only)**
 - 8% to 5% Salary Concessions from CM, Department Directors, Management employees, Unrepresented Confidential Employees, members of SEIU and Police Association – through December 31, 2020
 - Reallocated and reduced positions: prioritized projects funded with non-general, restricted funds that staff could appropriately allocate time to and reallocated positions in GF to utilities fund – resulted in cost savings to both funds.
 - Defunded vacant positions:
 - Police Officer
 - Assistant Planner
 - Consolidated Maintenance III
 - P/T Code Enforcement Officer
 - Workforce Reductions through Layoffs
 - Assistant Engineer
 - Public Works Superintendent
 - Administrative Technician
 - Recreation Supervisor
 - P/T Office Assistant
 - 70+ part-time Recreation employees
- **Operating Expenditure Reductions - \$600K**

FY 2020/21 Budget Balancing

- **Operating Expenditure Reductions - \$600K (GF only)**
 - No GF contribution to Tourism
 - No allocation for Council bequests
 - No travel outside San Luis Obispo County unless safety mandated
 - Limited training budget – only safety mandated training (i.e. OSHA requirements or Police/Fire mandated trainings)
 - Bare minimum supplies budget
 - Significantly reduced supplies and contract services for items such as sidewalk repair/grinding, street patch materials (asphalt), street tree maintenance and removal
 - No funding for equipment/vehicle replacement schedules

FY 2020/21 Budget Balancing

- Use of over \$1 million in Emergency Reserves
- These reductions will leave reserves at a dangerously low level (when FY 2019/20 use is also considered).
- Reductions will have service impacts – slower response times, processing times and ability to address all service requests
- Reductions should be considered short-term, mitigation measures until stabilization efforts can be achieved to restore service levels

ROCK SOLID TOGETHER:

PILLAR ONE - EMPLOYEE COMPENSATION

- ✓ City Council and Mayor Stipend Waiver through 6/30/2020 (April 4th)
- ✓ CM & Director's up to 8% Salary Concessions (April 4th)
- ✓ Unrepresented Management & Confidential 5% Salary Concession (May 2nd) Reso. No. 37-20
- ✓ Police Officer's Association 5% Salary Concession (May 2nd) Reso. No. 38-20
- ✓ SEIU 5% Salary Concession (May 2nd) Reso. No. 39-20
- Continue Conversations with Fire Association

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ROCK SOLID TOGETHER:

PILLAR TWO – PRIORITIZATION OF OPS

- ✓ Hiring Chill
- ✓ No travel
- ✓ Part-time and Temporary Employee Layoffs (70+)
- ✓ CM & Director's up to 8% Salary Concessions (April 4th)
- ✓ Review of Non-Salary Expenses
 - ✓ Mental Marketing Contract Modification
 - ✓ Chamber Contract – Visitor's Center
 - ✓ City Attorney volunteered cost reductions/savings
 - ✓ WRF Program manager hourly rate reduction
 - ✓ Other consultant hourly rate reductions
 - ✓ Expenditure Freezes

➤ Review and Prioritization of Services



ROCK SOLID TOGETHER:

PILLAR THREE – EMERGENCY RESERVES

GFER Balance	
As of 6/30/2019	\$ 3,808,577
Lump Sum Payments to Employees	\$ (199,116)
Calpers Tier 2 and 3 UAL Payoff	\$ (443,854)
MBOSA Reimbursement	\$ 265,000
Total	\$ 3,430,607

- A PIECE OF THE ECONOMIC RECOVERY PICTURE – NOT THE WHOLE SOLUTION
- WILL LIKELY RUN OUT OF RESERVES BY THE 20/21 IF NO OTHER ADDITIONAL REVENUES ARE IDENTIFIED
- CALPERS IMPACTS NOT TAKEN INTO ACCOUNT IN ESTIMATES

Estimated GFER Balance	Optimistic	Moderate	Worst
Estimated as of 6/30/2020	\$ 2,380,196	\$ 1,964,661.43	\$ 1,626,272.12
Estimates as of 6/30/21	\$ 749,408	\$ (240,436.91)	\$ (1,398,136.22)

ROCK SOLID TOGETHER: PILLAR FOUR – STATE/FEDERAL & COMMUNITY SUPPORT

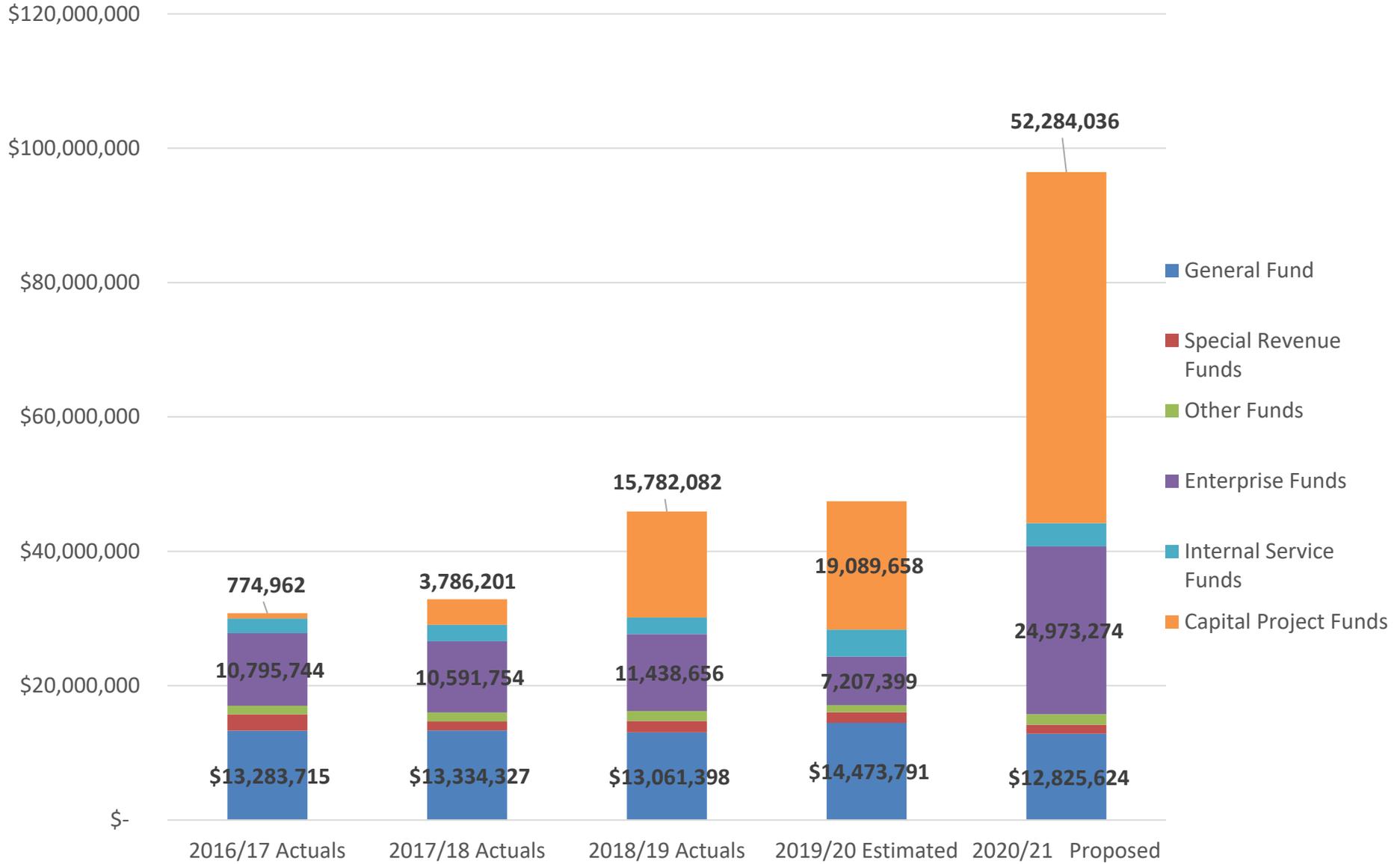
- **CARES ACT – does not apply to MB at this time**
- **Continue to work with Congressional representatives for direct assistance to smaller cities**
- **Consider and provide direction on additional local revenues**

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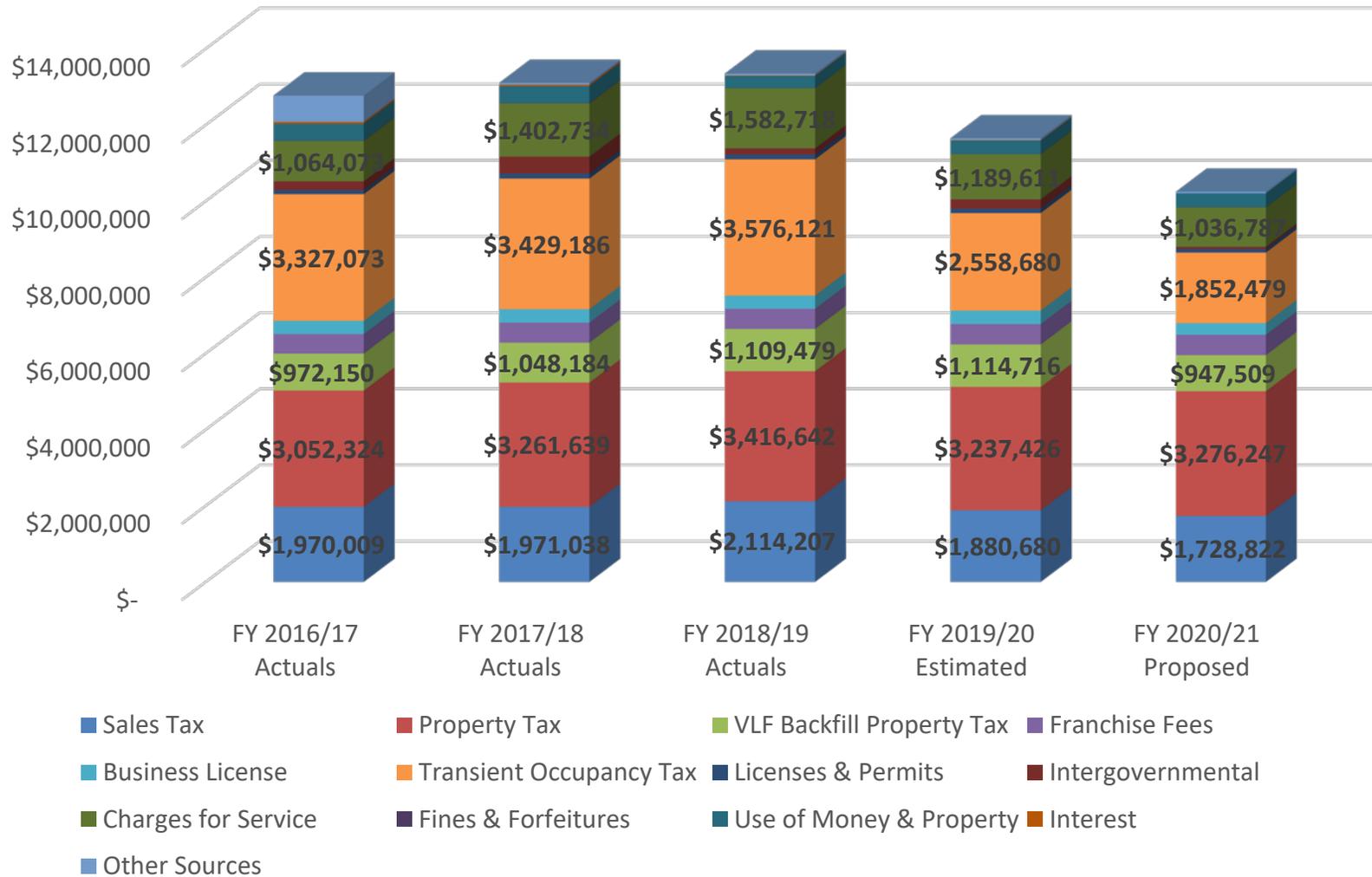


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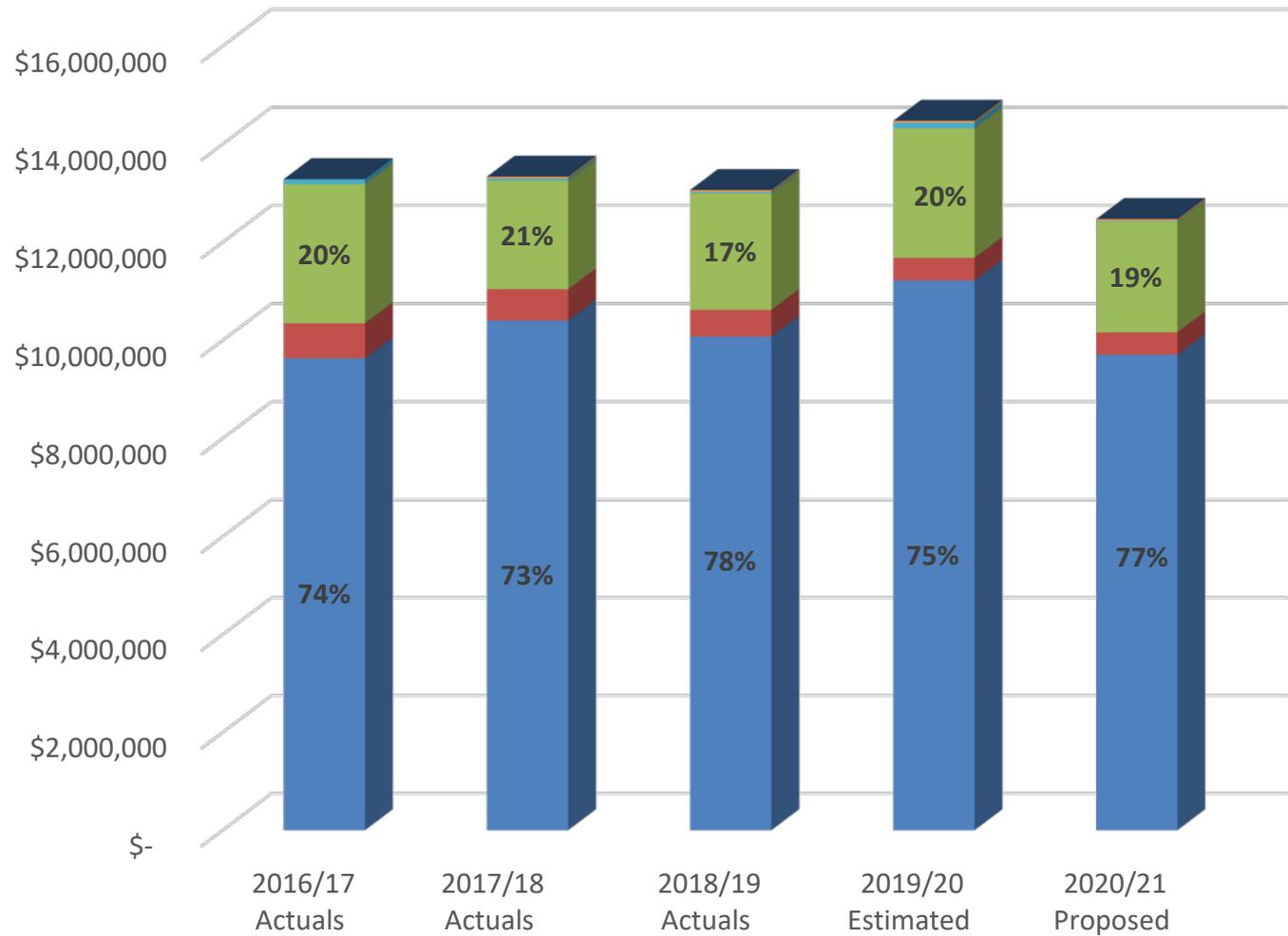
TOTAL CITY EXPENDITURES BY FUND



GENERAL FUND REVENUES BY TYPE

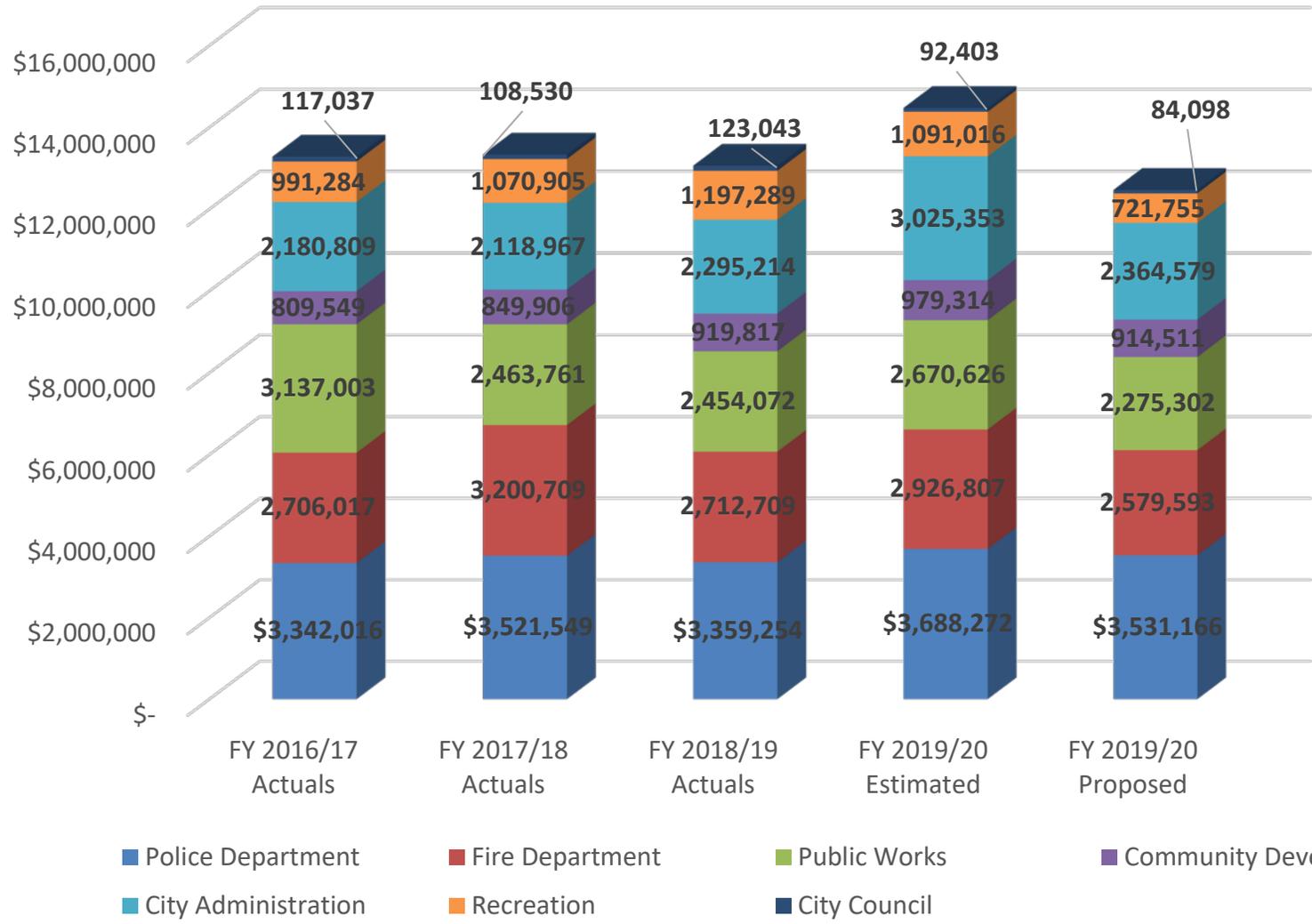


GENERAL FUND EXPENDITURES BY CATEGORY

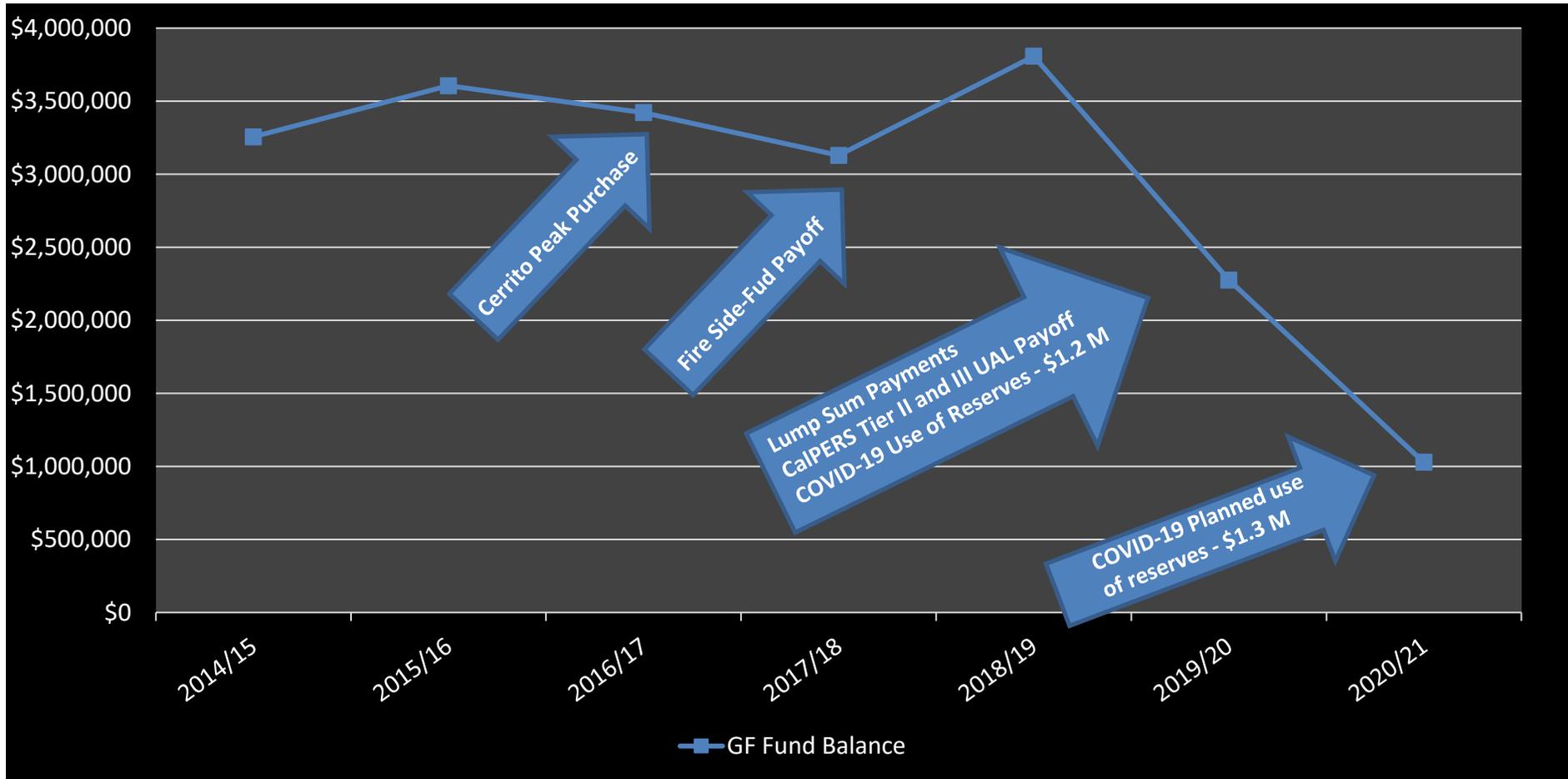


■ Salary & Benefits
 ■ Supplies
 ■ Services
 ■ Capital Outlay
 ■ Other
 ■ Debt Service
 ■ Equipment Replacement

GENERAL FUND EXPENDITURES BY DEPARTMENT



GF FUND EMERGENCY RESERVES



MEASURE Q

Proposed Budget of \$955k(E-5)

- Fire - \$506,687
 - Fire Station Debt, Equipment (PPE, Replacement Cardiac Monitors, Engine, salary and benefits to remain staffed at 4 firefighters per shift)
- Police - \$83,600
 - Body Worn Cameras, First Responder Kits
 - Payment to Other Agency (Bomb/Gang/Drug Task Force)
- Pavement Management - \$325,000
 - On Hold until spring/summer 2021 to ensure revenues are received or other public safety costs do not need to be covered
 - Transferred to the pavement management plan CIP
 - Supplemented with approximately SB 1 Gas Tax
- Asphalt Materials - \$40K
 - In-house staff can complete road maintenance work
- Reviewed and Approved, with comment, by CFAC on April 21, 2020 and May 19, 2020

TOURISM

Proposed Budget - \$384,606

– \$550,000 in Assessments

- Expenditures:

- \$24,000 in Salary and Benefits

- Defunded 1.75 FTE positions (Tourism Manager and Administrative Assistant)

- \$358,000 marketing, public relations and community event support

- \$25,827 Admin support (GF and IT)

- No GF contribution to TBID

- Leave approximately \$300K in reserves to offset revenue loss if needed

INTERNAL SERVICE FUNDS

TOTAL CITY EXPENDITURES

BY FUND

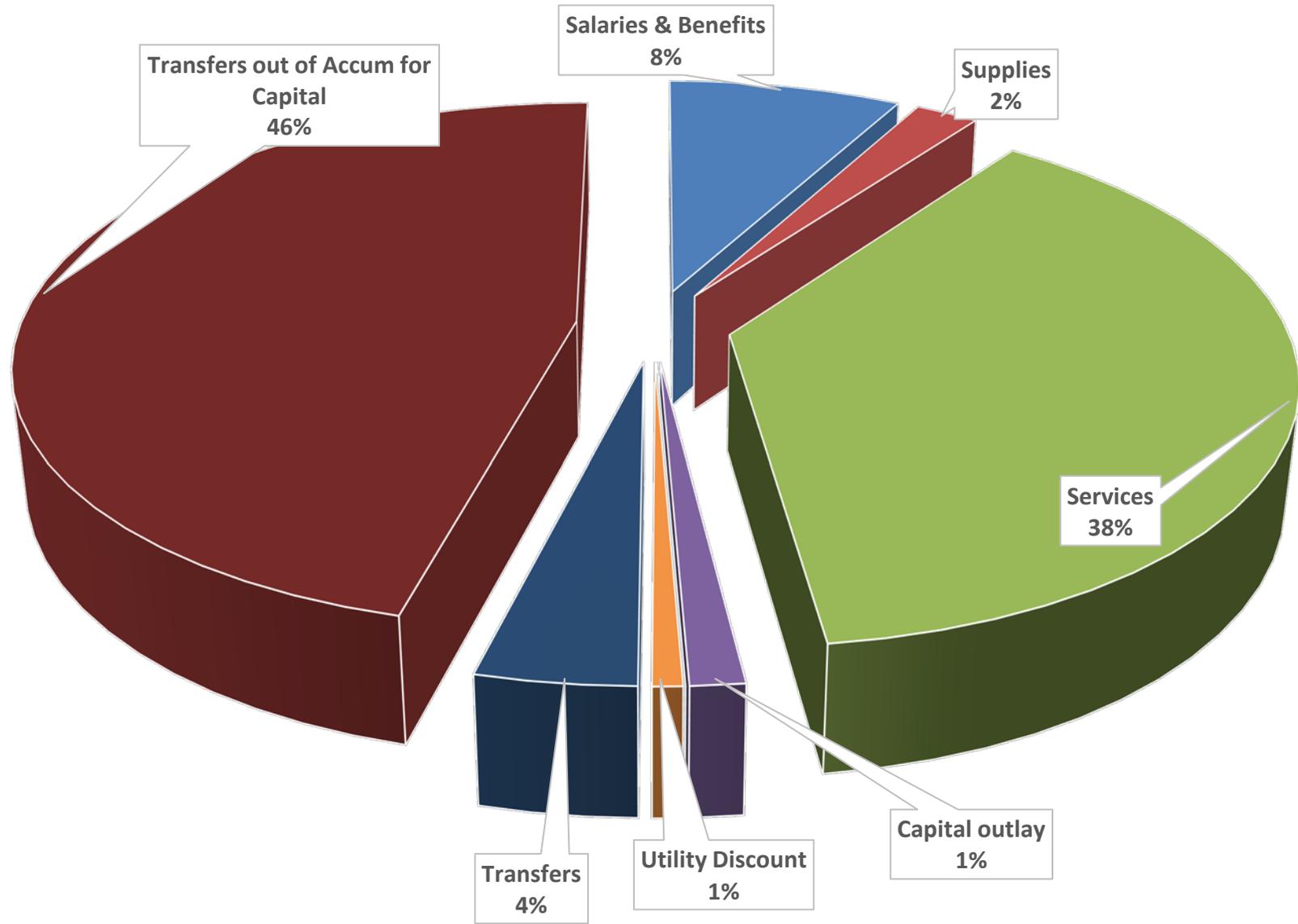
(Excludes Transfers Out)

Fund	Fund Name	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed - Expenditures	2020/21 Proposed - Transfers	2020/21 Total Proposed
<i>Internal Service Funds</i>									
	Risk Management	1,272,557	1,465,245	1,532,175	1,521,845	1,585,929	1,564,961	-	\$ 1,564,961
	Information Technology	329,829	410,925	564,645	509,384	509,742	523,060	-	523,060
	Facility Maintenance	78,712	67,004	38,740	99,500	60,234	25,000	-	25,000
	Vehicle Replacement	95	167,992	-	-	-	-	-	-
	Capital Replacement	-	-	-	-	-	-	-	-
	Project Accumulation	-	-	-	-	-	-	-	-
	Compensable Leave	236,870	-	85,362	-	20,289	19,769	-	19,769
	Emergency Reserve	267,266	328,666	242,481	642,970	1,852,947	-	1,304,172	1,304,172
									-
TOTAL Fund Exp		\$ 30,000,845	\$ 29,055,935	\$ 30,138,217	\$ 39,854,666	\$ 28,354,256	\$ 27,893,111	\$ 16,285,384	\$ 44,178,495

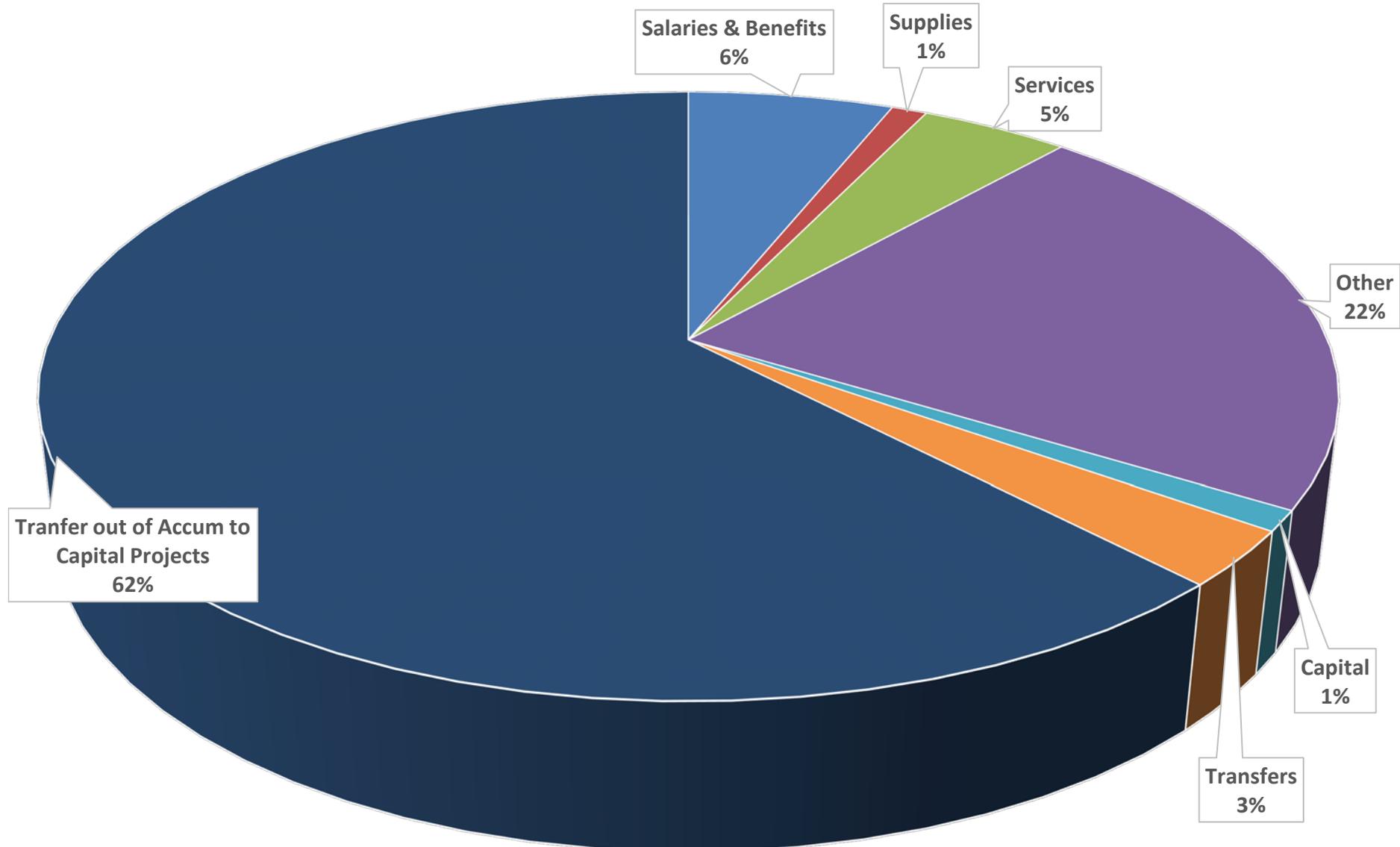
OTHER FUNDS

Fund	Fund Name	2020/21 Proposed - Expenditures	2020/21 Proposed - Transfers	2020/21 Total Proposed
<i>Other Funds</i>				
	Transit	200,451	113,470	\$ 313,921
	Bike Path	-	-	-
	LTF Roads	-	-	-
	Opportunity Fund	683	-	683
	Community Development Grants	-	-	-
	Economic Development Fund	120,000	-	120,000
	General Plan Maintenance Fee	15,500	-	15,500
	Housing In-Lieu	50,000	-	50,000
	Parking In-Lieu	-	22,000	22,000
	Government Impact Fees	-	49,919	49,919
	Park In-Lieu	-	-	-
	Harbor State Park Marina	5,000	-	5,000
	Triange Lot - Boat Yard Storage	16,100	-	16,100
	State Gas Tax	-	226,455	226,455
	Lower Cost Visitor Accomodations	55,111	-	55,111
	Traffic Safety	-	10,000	10,000
	Special Safety Grants	100,046	-	100,046
	Fire Donation Fund	-	-	-
	Jamaica Joint Defense	-	-	-
	Strategic Investment Spending Plan	-	-	-
	PEG Access Fees	-	117,628	117,628
	Community Development Plans	-	-	-
	County Tourism	338,714	6,913	345,627
	Assessment District	5,757	705	6,462
	Cloisters Assessment District	136,928	11,362	148,290

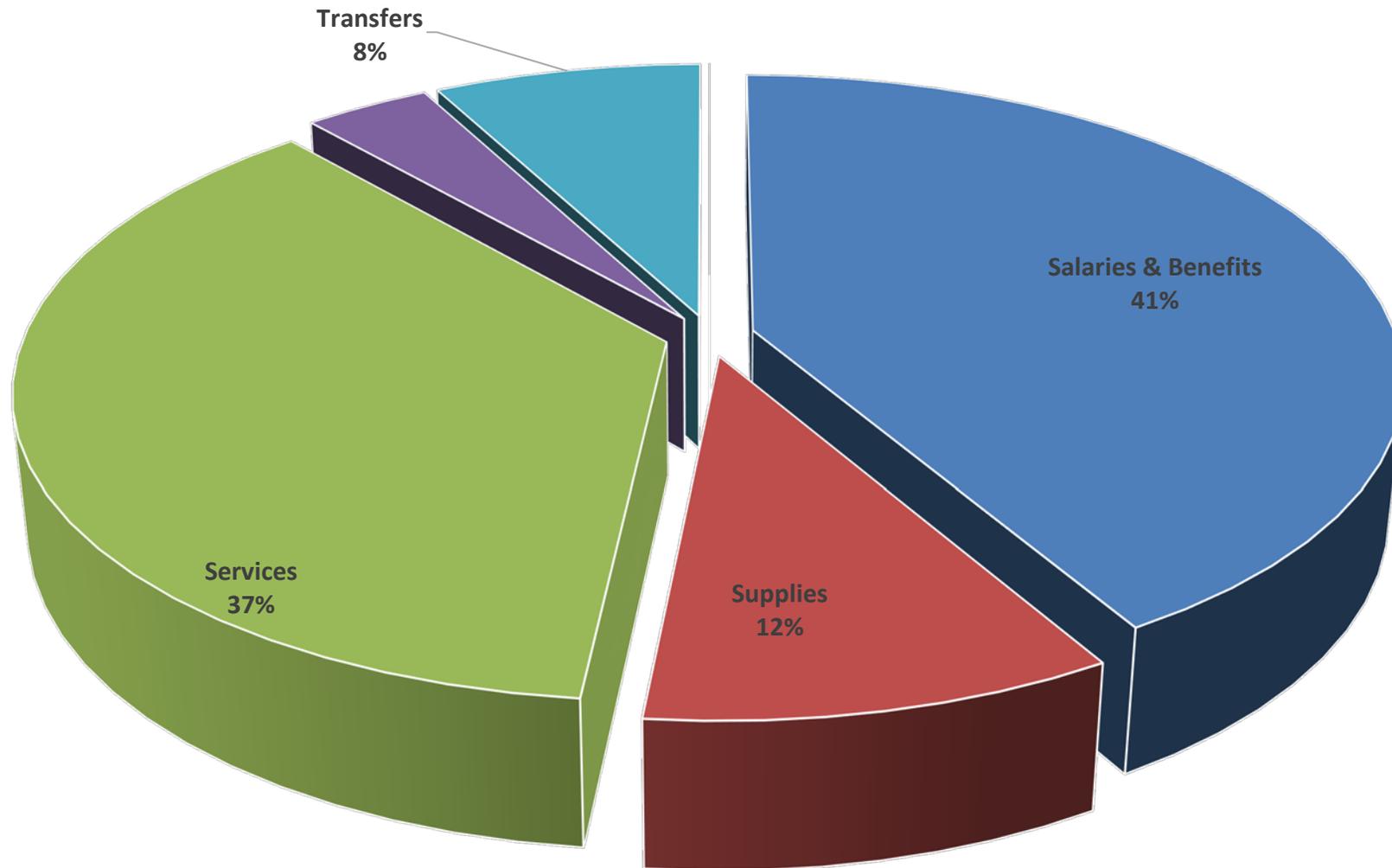
WATER ENTERPRISE FUNDS - \$7.5M



SEWER ENTERPRISE FUNDS - \$9.2M

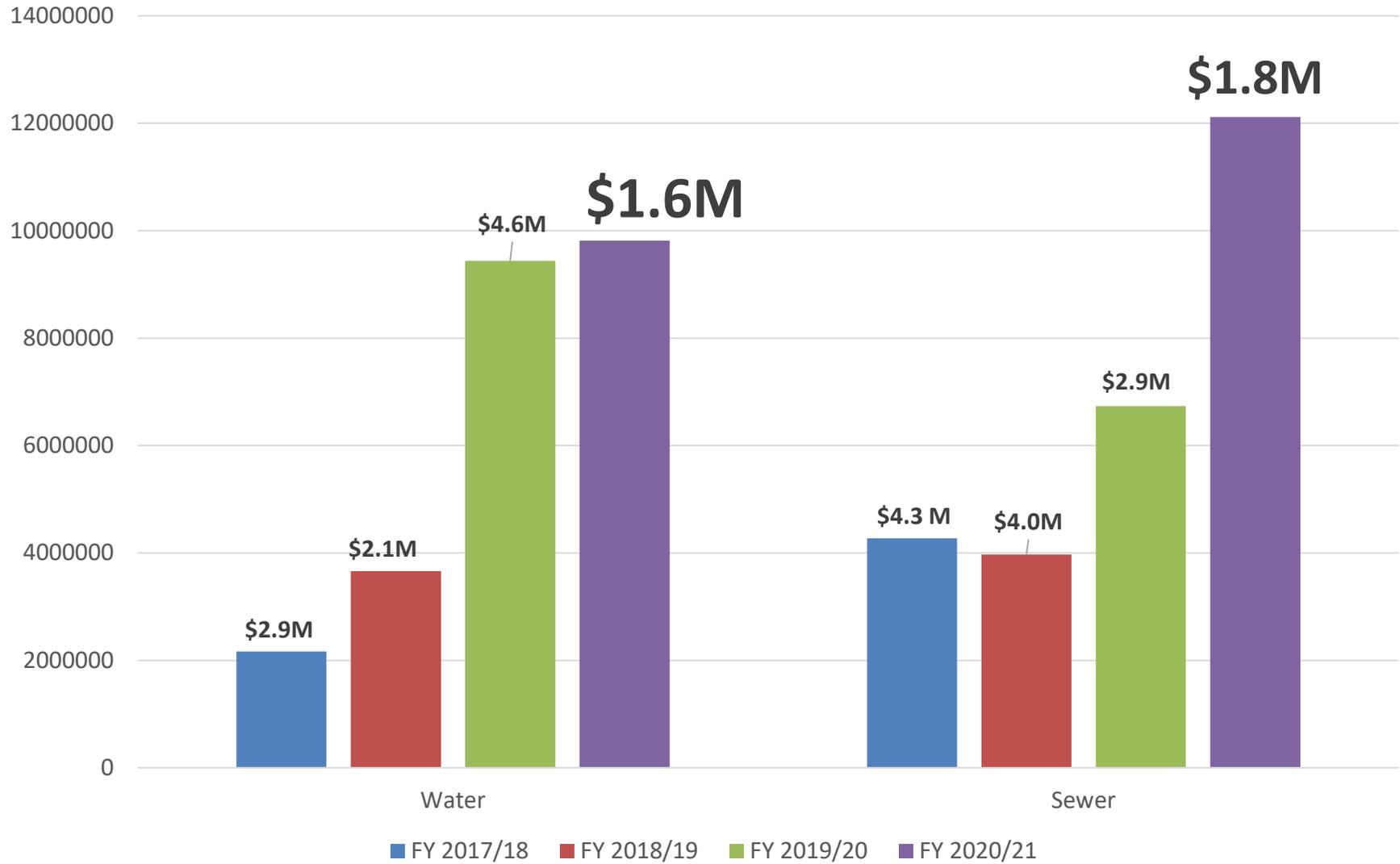


WWTP FUND - \$2.7M

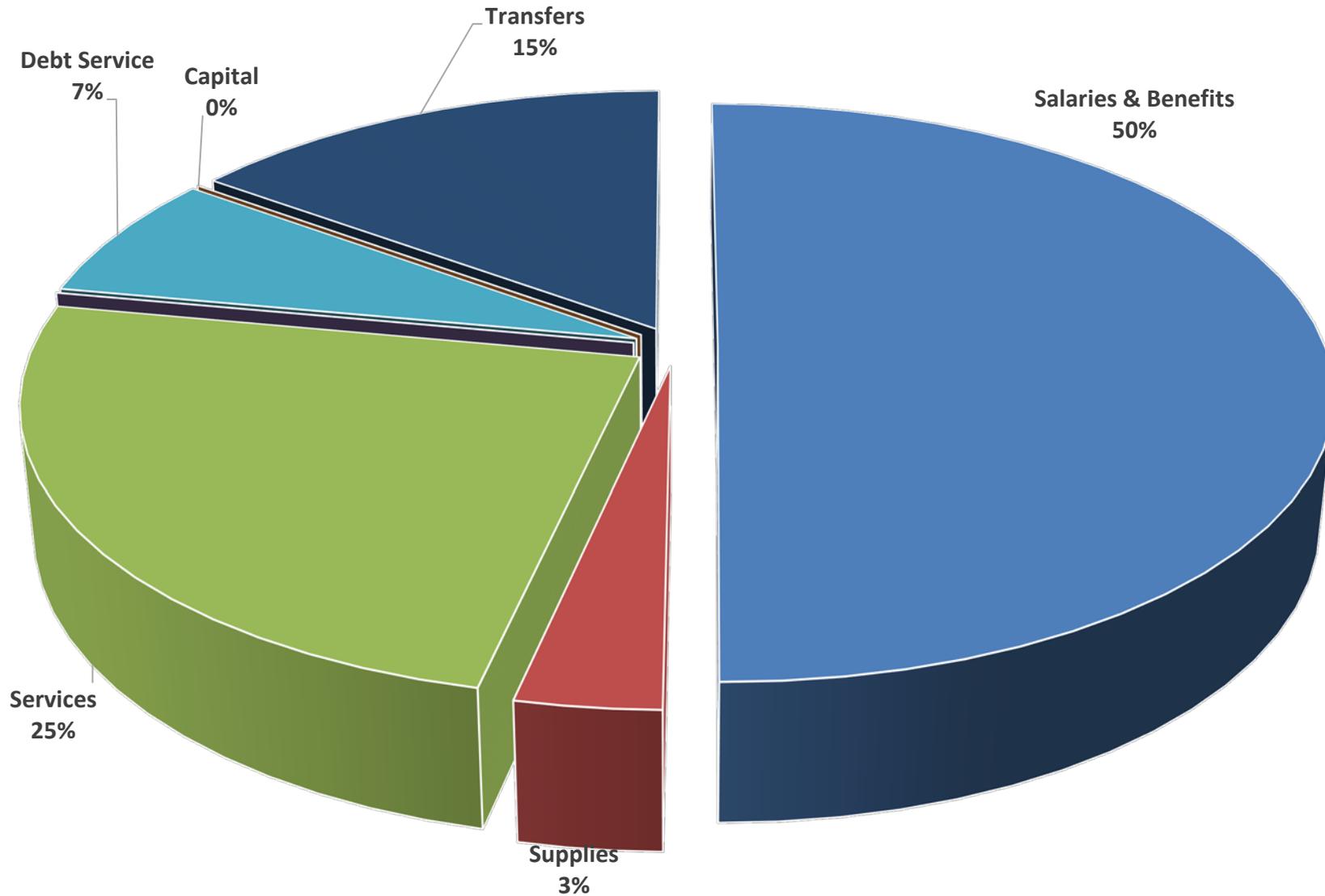


■ Salaries & Benefits ■ Supplies ■ Services ■ Capital ■ Transfers ■ Accum

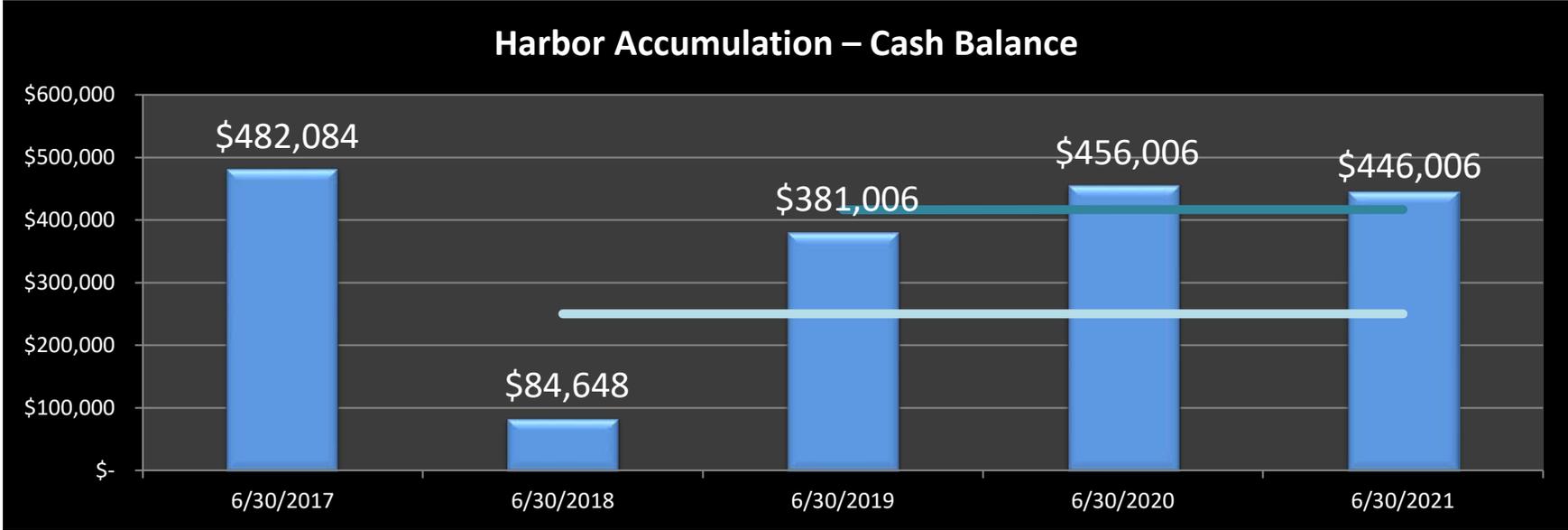
WATER & SEWER ACCUMULATION FUNDS



Harbor Enterprise Fund - \$1.9M



HARBOR ACCUMULTAION FUND



CAPITAL IMPROVEMENT PLAN

Streets Program Summary - \$837,135

- Street Reconstruction & Resurfacing
- Street Maintenance, Repair & Safety
- Storm Drains

Parks and Creek Summary - \$56,316

- Park Improvements
- Creek Improvements

Public Facilities Program - \$246,200

- Infrastructure
- Equipment

CAPITAL IMPROVEMENT PLAN

Water Capital Projects Summary - \$3,094,700

- Infrastructure
- Equipment

Sewer Capital Projects Summary - \$47,714,494

- WRF
- Infrastructure
- Equipment

Harbor Capital Projects Summary - \$10,000

- Infrastructure
- Equipment

Transit Capital Projects Summary - \$267,191

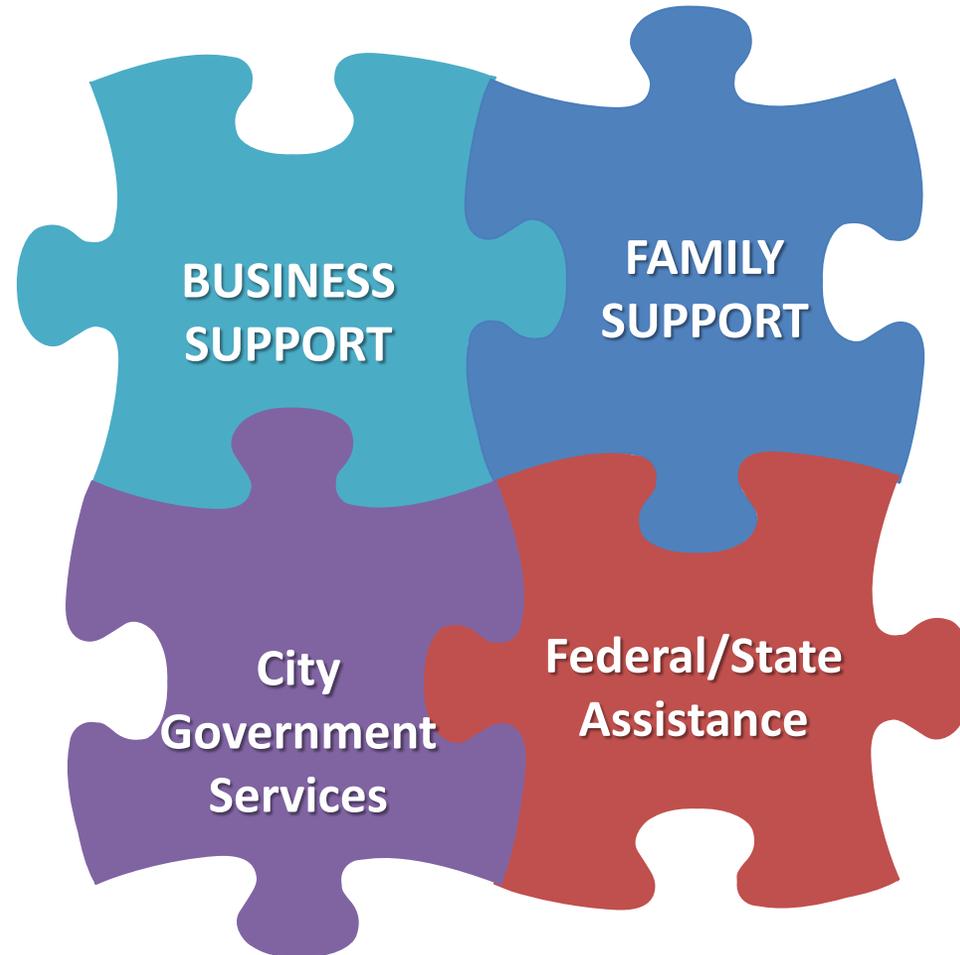
- Infrastructure
- Equipment

FUND BALANCE RESERVES

	2016/17 Actual YE Balance	2017/18 Actual YE Balance	2018/19 Actual YE Balance	2019/20 Estimated YE Balance	2020/21 Budgeted YE Balance
General Fund					
Undesignated Reserves	\$ 3,422,247	\$ 3,129,419	\$ 3,486,857	\$ 2,276,880	\$ 1,028,958
Total General Fund Reserves	\$ 3,422,247	\$ 3,129,419	\$ 3,486,857	\$ 2,276,880	\$ 1,028,958
Special Revenue Funds					
Measure Q	\$ 73,557	\$ 184,052	\$ 181,286	\$ 303,899	\$ 303,899
Tourism	283,021	301,284	41,114	-	165,394
Tourism Accumulation		245,507	245,507	158,712	158,712
Total Special Revenue Fund Reserves	\$ 356,578	\$ 485,336	\$ 222,400	\$ 303,899	\$ 469,293
Other Funds					
Transit	\$ 339,040	\$ 298,023	\$ 243,310	\$ 438,668	\$ 209,614
Bike Path	11,964	20,108	39,222	30,077	38,982
LTF Roads	21,546	21,739	70,518	70,518	70,518
Opportunity Fund	48,405	48,405	467	683	-
Community Development Grants	168,838	-	176,130	176,630	176,130
General Plan Maintenance Fee	-	(156)	15,500	-	-
Housing In-Lieu	116,810	287,918	233,699	290,199	250,199
Parking In-Lieu	354,264	367,680	358,759	358,759	336,759
Government Impact Fees	726,687	876,931	792,674	1,024,135	1,006,866
Park In-Lieu	9,926	267,415	122,431	272,431	272,431
Harbor State Park Marina	282,978	366,880	541,531	524,427	604,427
State Gas Tax	4,552	4,552	-	-	-
Lower Cost Visitor Accommodations Mitigation Fee	53,616	54,063	55,076	55,111	-
Community Benefit				250,000	250,000
Triangel Lot - Boat Yard Storage		173	7,698	9,092	17,992
Economic Development			1,049,473	984,473	982,279
Traffic Safety	-	-	-	-	-
Special Safety Grants	63,721	134,818	209,161	269,209	269,163
Fire Donation Fund	374,490	378,163	46,179	76,179	76,179
Jamaica Joint Defense	-	(3,977)	(3,977)	-	-
Strategic Investment Spending Plan	177,537	150,909	167,739	167,739	138,592
PEG Access Fees	-	65,000	13,625	138,516	65,888
Community Development Plans	262	262	262	362	262
County Tourism	29,770	67,894	(8,354)	38,239	38,239
Assessment District	72,105	71,394	16,690	52,908	55,065
Cloisters Assessment District	153,783	186,533	187,246	134,152	134,806
Total Other Funds	\$ 3,010,294	\$ 3,664,727	\$ 4,335,059	\$ 5,362,507	\$ 4,994,391

	2016/17 Actual YE Balance	2017/18 Actual YE Balance	2018/19 Actual YE Balance	2019/20 Estimated YE Balance	2020/21 Budgeted YE Balance
Enterprise Funds					
Harbor Operating	\$ (595,864)	\$ (491,070)	\$ (429,338)	\$ (501,279)	\$ (477,213)
Harbor Equipment Replacement	55,672	56,290	57,001	57,706	57,706
Harbor Capital	-	3,420	(49,256)	7,796	7,796
Harbor Accumulation	482,337	84,648	(71,046)	456,006	446,006
Water Revenue	513,068	2,082,896	2,403,704	-	-
Water Equipment Replacement	267,004	269,967	117,817	144,429	178,073
Water Capital	3,217	34,090	-	-	-
Water Accumulation	2,886,698	2,165,040	719,875	9,435,175	9,811,861
Utility Discount Program	312,496	413,305	544,093	573,824	566,824
Sewer Revenue	2,575,183	5,329,801	5,846,447	-	-
Sewer Equipment Replacement	684,109	423,172	463,669	465,465	521,521
Sewer Capital					
Sewer Accumulation	4,270,080	3,972,993	(37,345)	6,735,458	12,115,046
MBCSD WWTP	-	-	-	-	-
Total Enterprise Funds	\$ 11,454,000	\$ 14,344,552	\$ 9,565,621	\$ 17,374,580	\$ 23,227,620
Internal Service Funds					
Risk Management	\$ 577,400	\$ 509,850	\$ 430,703	\$ 369,119	\$ 378,794
Information Technology	229,319	173,154	275,142	238,784	330,716
Facility Maintenance	109,493	134,214	44,449	74,715	73,715
Vehicle Replacement	287,759	197,446	325,188	337,592	337,592
Capital Replacement	201,626	203,866	207,675	211,075	211,075
Project Accumulation	286,660	289,844	289,844	300,059	300,059
Compensable Leave	229,130	279,130	223,768	203,479	183,710
Total Internal Service Funds	\$ 1,921,387	\$ 1,787,504	\$ 1,796,769	\$ 1,734,823	\$ 1,815,661
TOTAL	\$ 20,164,506	\$ 23,411,538	\$ 19,406,706	\$ 27,052,689	\$ 31,535,923

ROCK SOLID TOGETHER: FINDING THE RIGHT BALANCE TO REBUILD OUR ECOSYSTEM



Strategies for Long-Term Sustainability and Transformational Change – Thoughts?

- City Manager's Round Table Group Recommendations
- 1% Sales Tax Measure on November ballot
- Sale of Properties
- RV Waterfront Camping
- Paid Parking
- Micro Loan Program?

TOGETHER WE ARE ROCK SOLID.

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Strategies for Long-Term Sustainability and Transformational Change – Thoughts?

- **Continue with and realign the City’s community conversation surrounding priorities to “Join the Conversation – Working Together Towards Recovery”**