

City of Morro Bay

Citizens Oversight Committee Agenda, Acting as Citizens Finance Advisory Committee

Mission Statement

The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life. The City shall be committed to this purpose, and will provide a level of municipal service and safety consistent with, and responsive to, the needs of the public.

NOTICE OF SPECIAL MEETING TUESDAY, AUGUST 30, 2016 VETERANS MEMORIAL HALL – 5:30 PM 209 SURF ST., MORRO BAY, CA

ESTABLISH QUORUM AND CALL TO ORDER

COMMITTEE MEMBERS ANNOUNCEMENTS & PRESENTATIONS – WELCOME NEW MEMBERS

PUBLIC COMMENT RE: ITEMS ON THE AGENDA

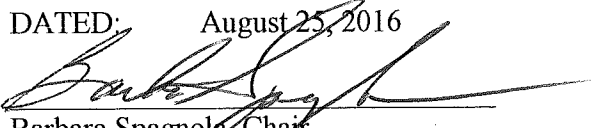
SPECIAL MEETING AGENDA ITEMS:

- I. PUBLIC WORKSHOP ON CREATING A PUBLIC-FRIENDLY BUDGET DOCUMENT
 - a. Objective
 - b. Background on Citizens Finance Advisory Committee (CFAC)
 - c. Budget Friendly Document Sample Templates
 - i. Three-page Summary Report Document
 - ii. Alternate Budget-in-Brief Document
 - d. Citizen Feedback and Suggestions
 - e. Next Steps

ADJOURNMENT

The next regular meeting will be held on September 20, 2016, at 3:30 pm at the Veteran's Memorial Hall located at 209 Surf Street, Morro Bay, California.

DATED: August 25, 2016


Barbara Spagnola, Chair

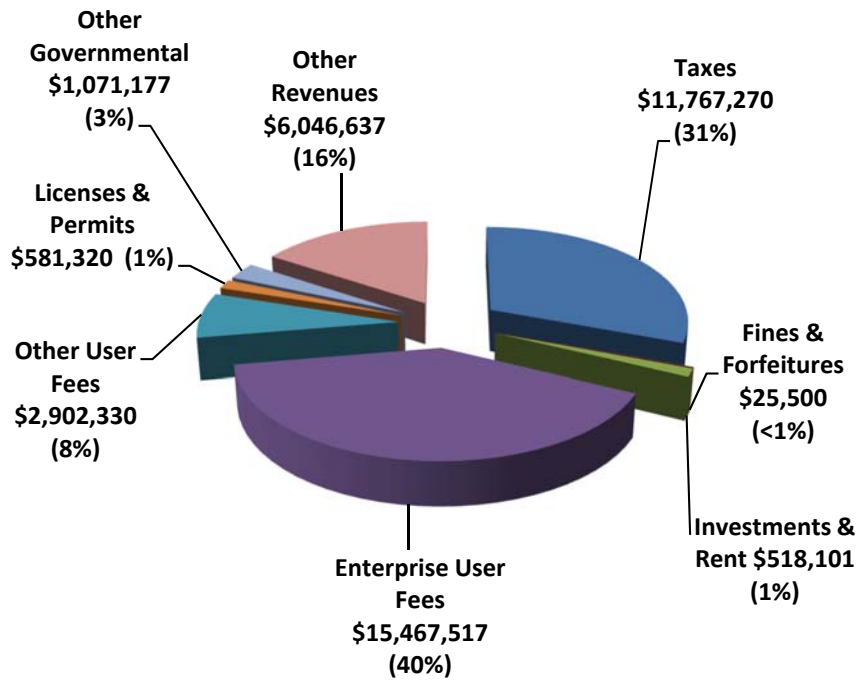
IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE THAT REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.



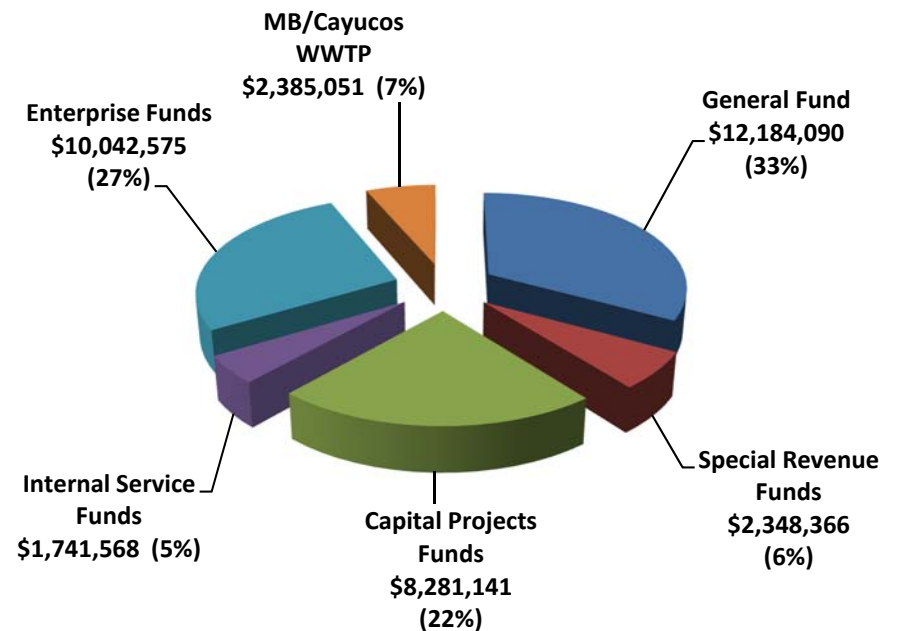
The City of Morro Bay's annual budget is more than just pages of numbers and data. It also communicates the priorities and strategic direction of our community based on goals and objectives established by the Mayor and City Council Members after input from our community. The purpose of this document is to provide citizens of Morro Bay with basic information about the City of Morro Bay's revenues and expenditures. Additional information about the FY 2016-17 Adopted Budget may be obtained by contacting the City of Morro Bay Finance Department or online at www.morrobayca.gov/DocumentCenter/View/9568.

FY 2016-17 Budget (Includes All Funds)

How is the Budget Funded?



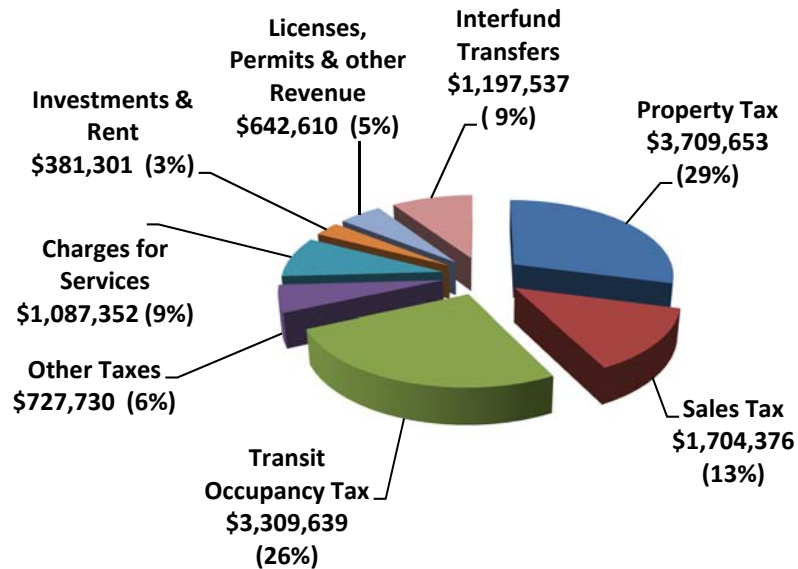
How is the Budget Spent?



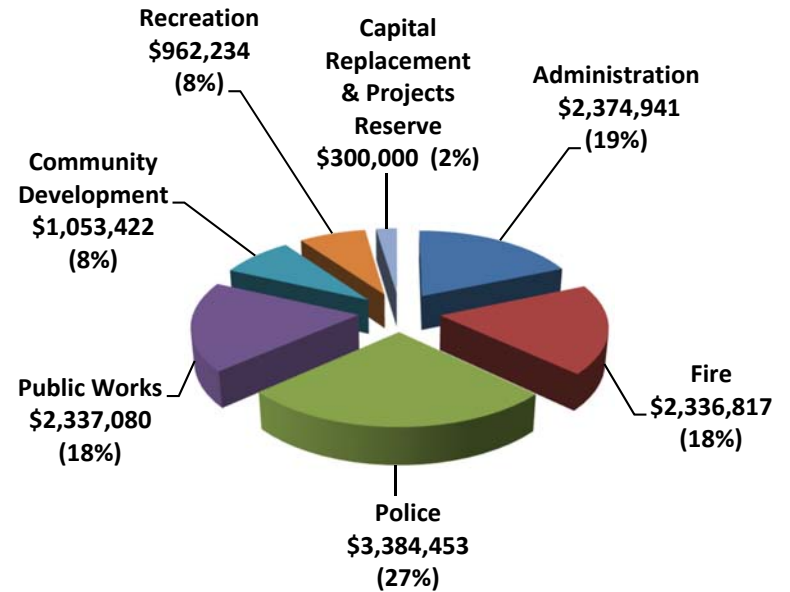
What is the General Fund?

The General Fund is the main operating fund for the City of Morro Bay and provides for core services including Public Safety (Police/Fire), Public Infrastructure Services, Recreation, Legal Services, Planning and Code Enforcement and Administration. The General Fund is supported primarily through taxes (sales, property, transit occupancy, business licenses and franchise taxes), various fees and charges for services collected from the city's Enterprise Funds. It is one of many city funds that make up the consolidated annual budget shown on the previous page.

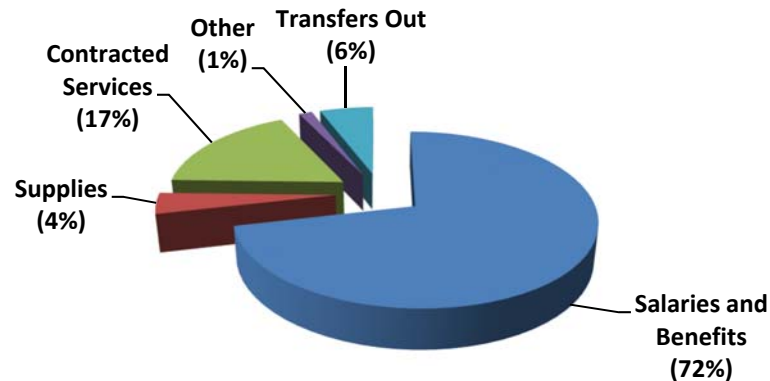
FY 2016-17 General Fund Projected Revenue: \$12,760,198



FY2016-17 General Fund Expenditures: \$12,748,947



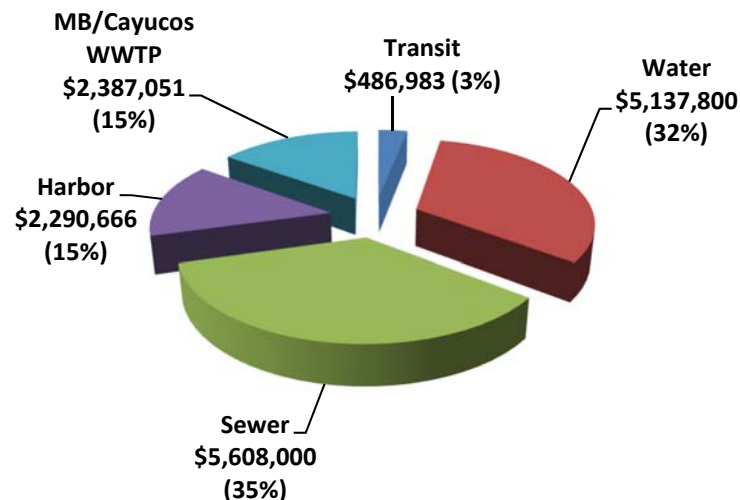
How Are General Fund Monies Spent?



What are the Enterprise Funds?

The Enterprise Funds capture revenues and expenses necessary to provide water, sewer, harbor and local transit services. These are operated as separate and distinct not for profit businesses and the revenue received by each enterprise may only be used to operate, maintain and improve those services being provided. For example: Revenues from water and sewer fees may only be used to maintain and improve the water and wastewater utility systems – not to fix the streets or hire additional police officers and firefighters.

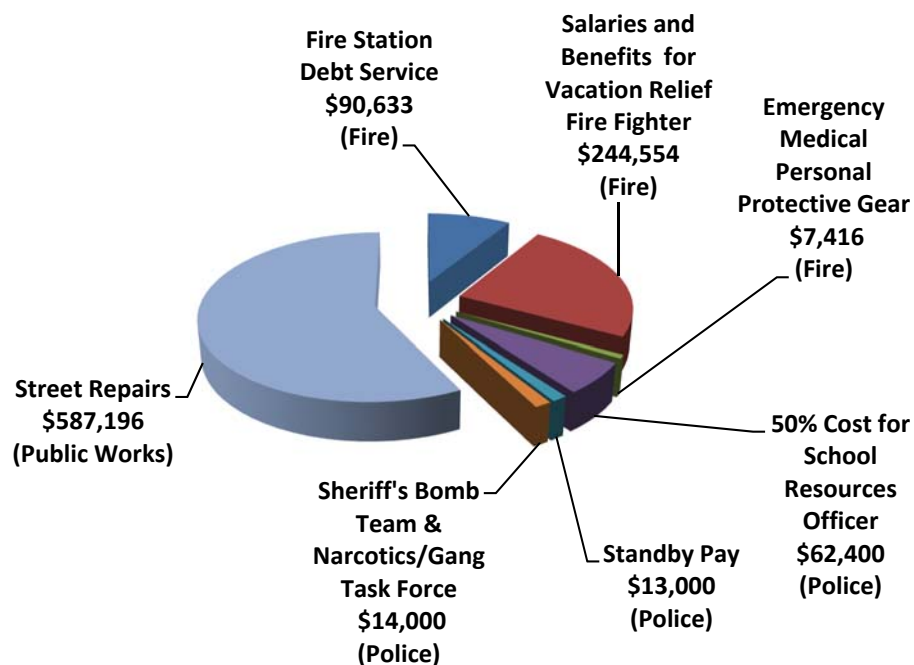
FY 2016-17 Enterprise Funds:



What is Measure Q and how is the Money Spent?

In November 2006, the citizens of Morro Bay voted for a ½ cent district sales tax commonly known as “Measure Q”. The text of Measure Q states that its purpose is “To preserve Morro Bay’s safety and character by funding essential services including upgrading firefighter/paramedic equipment, fire stations, Police, street and pothole repairs, improving storm drains and to protect the bay from pollution and other general city services.” Measure Q also established a Citizens Oversight Advisory Committee whose purpose is to conduct a semi-annual review of tax revenues and expenditures and report its findings to City Council. The annual estimated revenue from Measure Q is divided among departments based on the language in the Measure, campaign polls and department requests.

FY 2016-17 Measure Q Projected Revenues: \$1,019,199





2016/2017 CITY OF MORRO BAY BUDGET IN BRIEF

INTRODUCTION TO THE ANNUAL BUDGET

Morro Bay's annual budget is a key communication tool, illustrating to the public the City's strategic direction, sources of funding, and types of expenditures. This document seeks to condense the budget into information, tables and charts for the use of the general public.

The City's total combined annual budget for the Fiscal Year 2016/17 is \$38,379,852.

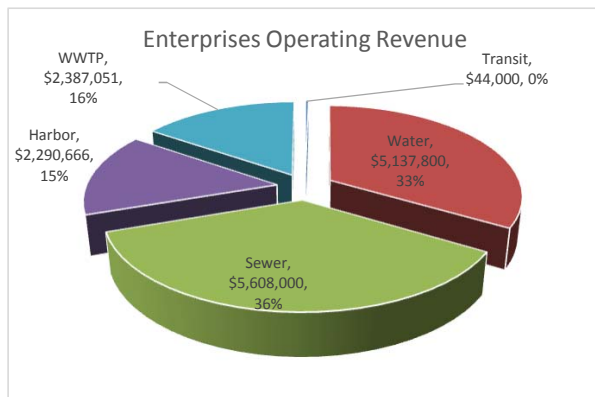


**ADOPTED ANNUAL BUDGET
2016/17**

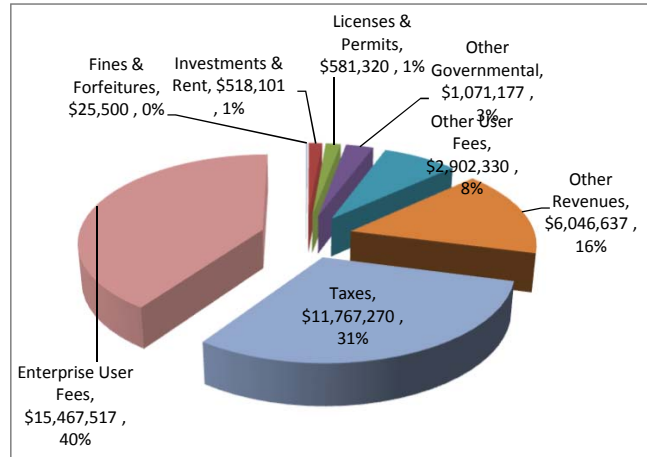
CITY COUNCIL STRATEGIC GOALS

The City Council's Strategic Goals were developed and adopted in 2016. These goals are at the heart of what our community expects from its local government, and are captured in our 2016/17 Adopted Annual Budget, which allocates the needed resources to achieve our shared vision.

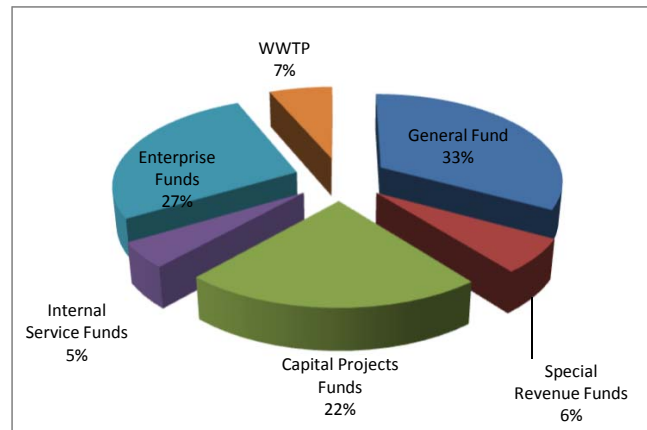
The City Council's Strategic Goals can be found on our website: <http://www.morro-bay.ca.us/920/City-Goals-Objectives>



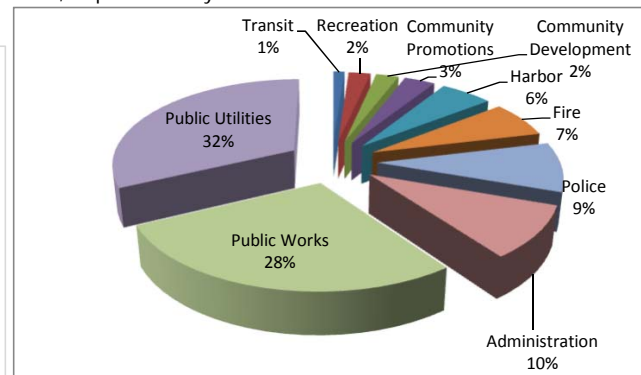
HOW IS THE BUDGET FUNDED?



HOW IS THE BUDGET SPENT?



It may be helpful to think of the different City funds as multiple "business enterprises." Just as businesses vary by size and revenue, so too do the various City funds. There is a tendency to equate the City's General Fund with the City's financial status as a whole, but it is important to remember that the General Fund is just one of the many funds, or places of City business.





2016/2017 CITY OF MORRO BAY BUDGET IN BRIEF

WHAT IS THE GENERAL FUND?

The General Fund provides core City services, including Police, Fire, Facilities and Parks Maintenance, Recreation, Finance, Finance, Admin, HR, IT, Community Development, Public Works, and Street and Storm Drain Maintenance. The General Fund is primarily supported by tax revenues (property, sales, transient occupancy, business license, franchises), fees, and charges that are collected within the City. The General Fund is where you see the greatest impact that your tax dollars and fees paid to the City have on providing services to the Citizens of Morro Bay.

The General General Fund budget has a surplus of \$11,251, and is broken down into revenue categories and expenditures here

The City's Cost Allocation plan was updated in 2009. This plan captures General Fund activities that are paid for by the General Fund, but performed for Enterprise Funds. An example of this is payroll. The Finance Department pays the cost of processing payroll for all of the City's employees. Some of those employees work for Enterprise, or Business-type, Funds, like the Harbor Department. The cost allocation plan captures the cost of processing their payroll, and "bills" the Harbor Department for that service.

Cost allocation plan transfers for 2016/17 are:

Transit	\$79,775
Water	\$286,679
Sewer	\$170,862
Harbor	\$276,986

ADOPTED 2016-17 BUDGET - GENERAL FUND

Projected Revenues

Property taxes	\$	3,709,653
Sales tax		1,829,224
Transient Occupancy Tax		3,309,639
Franchises		517,140
Business tax		519,520
Other taxes		62,424
State and Federal money		58,808
Investments (interest & rent)		381,301
Parking & Vehicle Code fines		12,500
Charges for services		1,087,352
Other revenues and Transfers in		1,272,637
Total revenues	\$	12,760,198

Projected Expenditures

City Council	\$	127,477
City Manager, Deputy CM & Contracts		1,155,242
City Clerk, Legal, Human Resources		357,080
Finance, Rental Property		696,820
Police and Support Services		3,384,453
Fire and EOC		2,336,817
Public Works		2,337,080
Recreation		962,234
Community Development		993,422
Vacancy savings		(338,035)
Transfers out		736,357
Total expenditures	\$	12,748,947

Major Contracts include:

City Attorney (General Fund 40%)	\$	150,000
Regional dispatch - Fire		123,899
Regional dispatch - Police		252,076
Animal services		70,130
AGP Video		60,000

CITY FACTS

Population:	10,722 as of January 1, 2016	
Incorporated:	July 17, 1964	
Area in square miles:	10	
Form of Government:	Council-Manager	
City Council meetings:	2nd & 4th Tuesday of every month	
Number of Parks:	13	
Sworn Police Officers:	17	
Police Station:	850 Morro Bay Blvd.	772-6225
Firefighters/Paramedics:	11	
Fire Station:	715 Harbor St.	772-6242
City Hall:	595 Harbor St.	772-6201
Public Works:	955 Shasta	772-6261
Recreation:	1001 Kennedy Way	772-6278
Senior Center:	1001 Kennedy Way	772-4421
Veterans Hall:	209 Surf St.	
Harbor Office:	1275 Embarcadero	772-6254

CITY OFFICIALS

City Council:	Jamie Irons, Mayor	550-6595
	Noah Smukler, Myr Pro-Tem	772-7668
	Christine Johnson, Member	305-3759
	John Heading, Member	909-9785
	Matt Makowetski, Member	471-7094
City Manager:	David Buckingham	772-6206
Deputy City Mgr:	Vacant	772-6201
City Clerk:	Dana Swanson	772-6205
Harbor Dir:	Eric Endersby	772-6254
Public Works Dir:	Rob Livick	772-6261
Police Chief:	Larry Todd, Interim	772-6225
Fire Chief:	Steve Knuckles	772-6242
Admin Svcs Dir:	Susan Slayton	772-6201
Community Dev:	Scot Graham	772-6261