

TOTAL BUDGET: \$ 29.1 MILLION

On behalf of City staff, it is my privilege to present the Budget in Brief for Fiscal Year (FY) 2020-21. The Recommended Budget is a balanced budget that is a statement of the City’s current financial position; a tool that projects future revenue and expenditures to guide service and budget-related decision-making; and a work plan for communicating, implementing and monitoring City operations, capital expenditures and Council priorities.

The events of 2020 are unquestionably unprecedented. This year will stand in history. The nation is experiencing an all-encompassing crisis: there is a public health crisis; there is an economic crisis; there is a social justice crisis; there is a mental health crisis. The City is impacted by all facets of this crisis and when addressing the financial crisis, cannot ignore the other three.

Despite these uncertainties, the City’s reliance on Transient Occupancy Tax (TOT) led the City Council to create a “Reserve for Economic Uncertainty” this past year. Ten years of steady growth in tax revenue, moderate increases in expenditures and services, and the Council’s foresight to maintain healthy reserves is allowing the City to weather the current financial crisis. Additionally, the City Council directed the formation of a Community and Economic Recovery Task Force for the purpose of guiding Council towards the City’s economic recovery.

According to Edward Everett, the former City Manager of Redwood City, this crisis is a “wicked” problem—but it is also a once in a lifetime event and opportunity to enact positive change. To address wicked problems, he says we must be creative, flexible, persistent, courageous, and engage our citizenry.

- Bob Nisbet, City Manager

STRATEGIC ELEMENTS

Infrastructure
and
Environment

Healthy
Communities
and Public
Safety

Fiscal
Sustainability

Inclusive
Governance

FY 20-21 COUNCIL PRIORITIES

Affordable
Housing

Emergency
Preparedness

Traffic
and TDM

Sustainability

Minimum
Wage

* For additional information on the Strategic Plan and Council Priorities go to: <https://www.half-moon-bay.ca.us/241/City-Council-Strategic-Plan>

ANNUAL BUDGET PROCESS

December

Mid-Year Budget
review and adjustments

January - March

Community Workshops
&
Council Strategic
Planning & Priority
Setting

April

Council & Sub
Committee meetings

June

Budget Adoption

Revenues: \$29.1 Million

General Fund
\$12,807,303

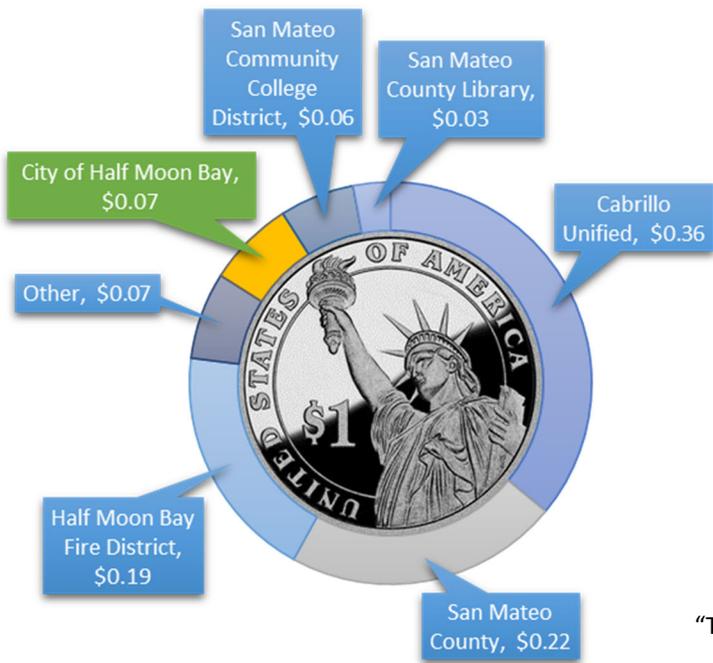
Enterprise Funds
\$6,035,204

Special Revenue and Capital
Project Funds
\$9,878,560

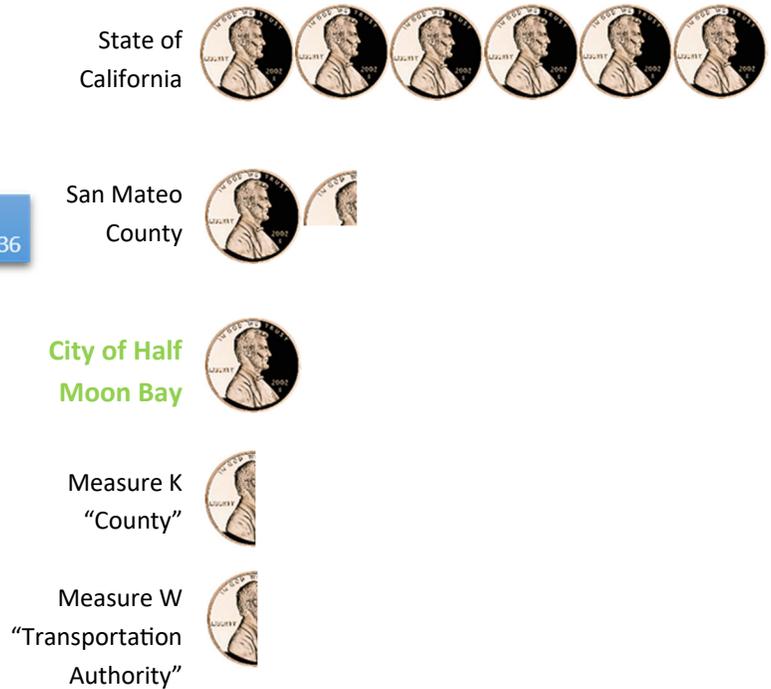
Internal Service Funds
\$351,403



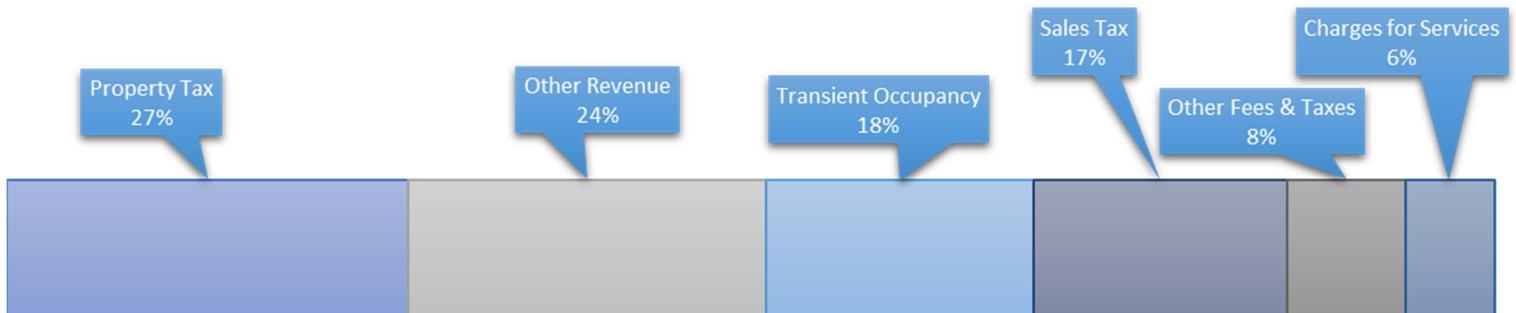
PROPERTY TAX DISTRIBUTION



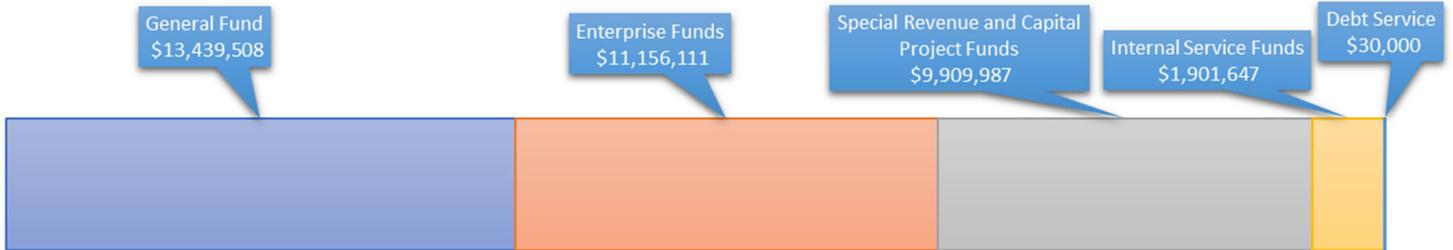
SALES TAX DISTRIBUTION 9.25%



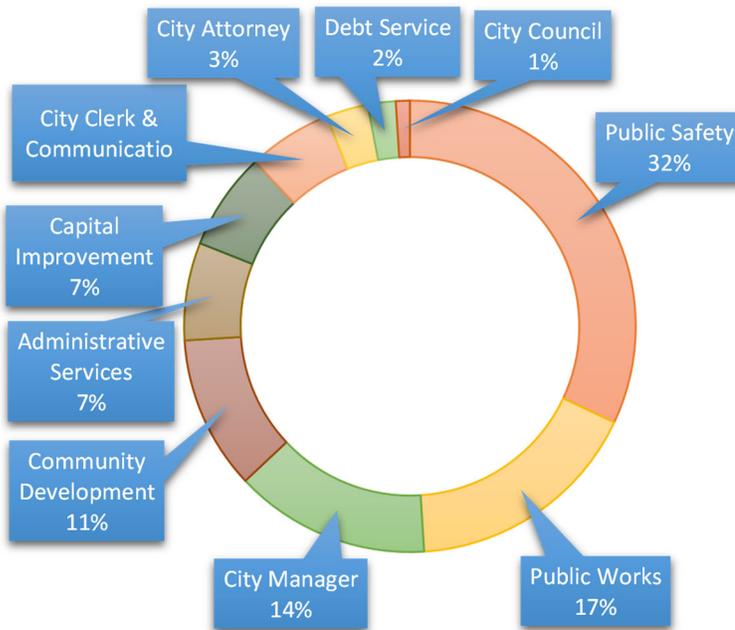
GENERAL FUND REVENUE TYPES



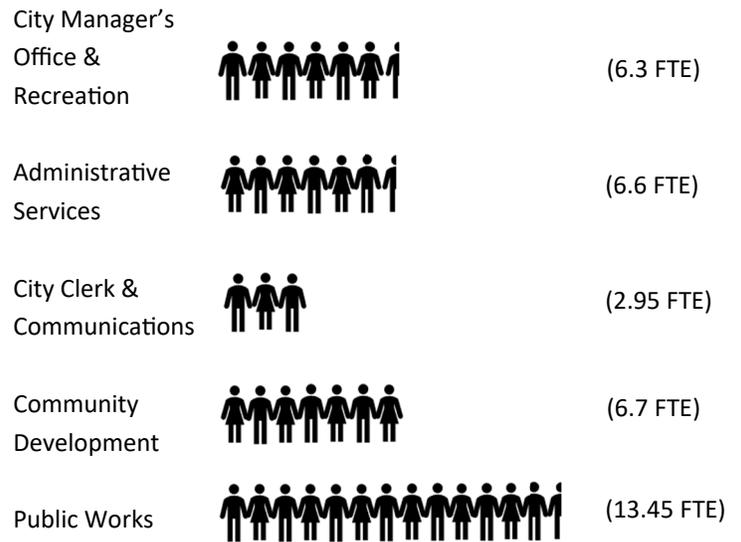
Expenditures: \$36.4 Million



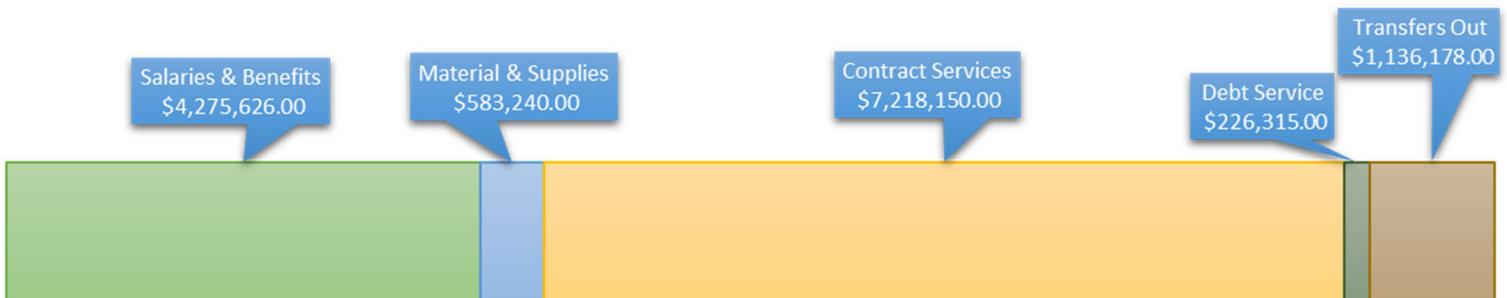
EXPENDITURES BY DEPARTMENT



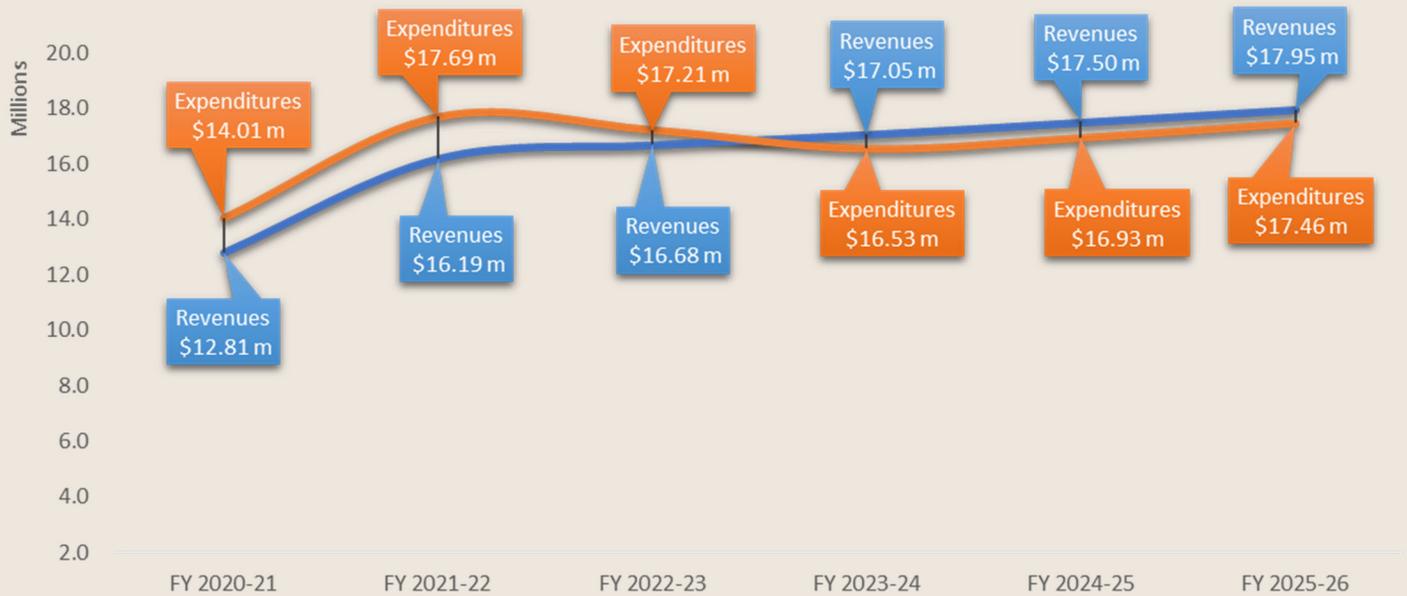
CITY STAFFING LEVELS



GENERAL FUND EXPENDITURE TYPES



5-YEAR FORECAST



* In deficit years reserve balances may be used to balance the budget.

HERE TO SERVE

Council:

Mayor Adam Eisen
Vice Mayor Robert Brownstone
Councilmember Deborah Penrose
Councilmember Harvey Rarback
Councilmember Debbie Ruddock

Finance Subcommittee:

Mayor Adam Eisen
Councilmember Debbie Ruddock

City Contact Information:

Main: 650.726.8270
Email: finance@hmbcity.com

FREQUENTLY ASKED QUESTIONS

What is a Fiscal Year and when does it begin and end?

The fiscal year is a 12-month period used to measure revenues and expenditures. The fiscal year begins every July 1st and ends June 30th of the following calendar year.

What are General Fund reserves & how much kept in the reserves?

Half Moon Bay has two General Fund reserves for the purpose of smoothing out reductions to City revenues during economic downturns or emergencies.

The General Fund Reserve is the City's primary reserve and holds a balance equal to 30% of General Fund expenditures for the current fiscal year.

The Economic Uncertainty Reserve is a secondary reserve and holds a balance equal to 20% of the General Fund expenditures for the current fiscal year.

What are restricted funds & why can't we use them to pay for services?

Restricted funds such as special revenue, grants, assessment funds, etc., often have legal restrictions and mandate collection and expenditure of these funds for specific purposes.

**ADDITIONAL BUDGET AND OTHER
FINANCIAL DOCUMENTS CAN BE FOUND
ON THE CITY FINANCE WEBSITE**

[HTTPS://WWW.HALF-MOON-BAY.CA.US/201/FINANCE](https://www.half-moon-bay.ca.us/201/finance)

