

FOR IMMEDIATE RELEASE April 16, 2020 CONTACT: John Mauro, City Manager 360.379.5043 jmauro@cityofpt.us

CITY OF PORT TOWNSEND TAKES EARLY ACTION TO LIMIT COVID-19 FINANCIAL IMPACTS Measures anticipate reduced revenue and ensure critical operations continue through and beyond the crisis

PORT TOWNSEND – The City of Port Townsend is anticipating a significant drop in revenue related to the COVID-19 crisis and is taking proactive measures to ensure the critical operations that the community depends on continue through and beyond the current crisis.

Reduced business, trips, events and visitors all translates to a reduction in anticipated revenues in the 2020 budget. Early projects indicate significant reductions to sales tax, the majority component of the General Fund, which funds most departmental operations and staffing.

City Manager John Mauro says: "Just like flattening the epidemiological curve, we need to act quickly to flatten the financial impacts curve. The unfortunate reality is that we already have a very lean budget, so anywhere we cut hits bone right away."

Cuts to budgets across all departments include staff furloughs through June 30. A furlough is a temporary unpaid leave of absence, and not a layoff. Affected staff will be able to apply for unemployment support, including new provisions included in recent federal legislation like the Families First Coronavirus Response Act (FFCRA) and the Coronavirus Aid Relief and Economic Security Act (CARES). The City and the union are continuing to provide health insurance for staff during the furlough period.

"Taking early action will help us avoid or minimize deeper impacts and help ensure long term sustainability. The community should know that we're still delivering for them, but we're doing so on very limited shifts with exceptionally limited resources. We hope our residents are understanding as this might affect the service quality they expect and deserve."

The City continues to actively partner with agencies like Jefferson County, the Port of Port Townsend, the PUD and other organizations in the response to COVID-19 and to ensure recovery and build in greater resilience. "It'll take all of us working together to recover from these unprecedented and difficult times. The City is fully committed to working with partner agencies, organizations, businesses and residents to not just 'bounce-back,' but to 'bounce forward.' It may take time, but we're in it for the long haul and are ready to rethink and reinvent some of the things we do to create better lasting value."

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The Finance and Budget Committee will discuss the financial forecast and receive a briefing of actions to date at their virtual meeting on 4/28. Public comment is welcome. Information and an agenda will be posted to the City website in advance of the meeting.

