

10-Year Financial Sustainability Project

Council Subcommittee – First Meeting

January 13, 2014

Tonight's Agenda – 75 Min

- Problem/Challenge 5 min
- Deliverables/Timeline 5 min
- Services Provided 15 min
- Base Scenario & Assumptions 35 min
- Comments/Questions 15 min

Problem/Challenges

- Expenditures grow faster than revenues
 - Creates budget gap in future years
 - Services must be reduced if gap not closed
- Residents support current service levels
 - Some demands for increased service levels
- Development opportunities limited
 - Redevelopment is difficult and expensive

Plan

- 6 Subcommittee Meetings
- Examine strategies to address budget gaps
 - Revenue Strategies
 - Economic development
 - New/expanded taxes and fees
 - Levy lid lift renewal
 - Expenditure Strategies
 - Service reduction/reallocation
 - Realize efficiencies
- Develop recommendations

Timeline

- Jan 13 – 1st Subcommittee Meeting
 - Introduction, Base Scenario, Assumptions
- Jan 28 – 2nd Subcommittee Meeting
 - Revenue, Expenditure, and Economic Development Strategies
- Feb 10 – 3rd Subcommittee Meeting
 - Strategies (Continued), Core v QOL Services, Constraints, Options
- Feb 24 – 4th Subcommittee Meeting
 - Finalize Strategies, Develop Preferred Alternatives
- Mar 1 – 5th Subcommittee Meeting
 - Develop/Finalize Recommended Preferred Alternative
- Mar 31 – 6th Subcommittee Meeting
 - Final Revisions Based on Council Feedback

Deliverables

- Agreed Upon Strategy for Long-Term Financial and Service Sustainability
 - Analysis of challenges, revenue & expenditure strategies, economic development potential, etc
 - Examine various scenarios
 - Public outreach process
 - Staff and subcommittee proposed plan
 - Final draft report accepted by Council

Baseline Forecast

- Assumes No Change in Priorities
- Assumes Current Service Levels
- Assumes Limited Growth
 - Factors in future maintenance on planned CIP
- Provides Baseline for All Other Alternatives
- Other Assumptions Used

Base Scenario

- Begins with Baseline Forecast
- Assumes Revenues at 101% of Budget
- Assumes Expenditures at 98% of Budget
- Assumptions Based on Past History
- Illustration of Baseline and Base Scenario

Questions for Subcommittee

- Is the problem accurately identified?
- Is this the right approach?
- Are the base assumptions reasonable?
 - Any changes you'd like to see?
- Any specific questions re: revenues, services, expenditures, etc you'd like to have answered for our next meeting?