

Recover and Revitalize:

Recap of 5-year budget strategy discussions



Overview

A 5-year view:

1. Context
2. Prioritizing Needs
3. Policy Discussion

Next steps

1. CONTEXT



Council's Direction

- Council Strategic Plan and Policy Goals set priorities:
 - Develop a funding strategy for the Council's Strategic Goals and Objectives
 - Promote environmental resiliency
 - Meet operational needs
 - Restore pay-go capital and vehicle replacement programs
 - Expand building and street maintenance
 - Sustain enterprise funds

We were developing a 5-year plan

- Council approved Strategic Goals and Objectives for 2020-2022
- Council retreat identified priorities
- 5-year budget strategy meetings were beginning

We met challenges:

- COVID
- Equity
- Climate



2. PRIORITIZING NEEDS



5-year Budget Plan Themes

1. Environmental Sustainability
2. Capital
3. Human Services
4. Human Capital
5. Transportation
6. Operational Sustainability
7. Economic & Financial Sustainability



Revenues

- a. What was the impact of revenue-neutral tax rate decisions?
- b. Understand the debt fund
- c. Understand rules governing fees
- d. Charge for credit-card fees?
- e. Adjust stormwater fee?

➤ Review all fee/cost decisions through a racial equity lens.



Maintenance and Operations

- a. Fund deferred maintenance (roads, buildings, parks etc.).
- b. Review initial costs vs long-term savings (e.g. solar panels, staff time).

➤ Changes we've made in response to COVID that should continue?



Employees

- a. Evaluate \$15/hour min wage and our living wage.
- a. Implement class and compensation study (timing, cost, front-line worker compression, competitiveness).



Special Initiatives

- a. Identify a special projects fund (flexibility, unexpected opportunities e.g. mobile home park)
- b. Invest in Downtown for economic recovery?
- c. Leverage long range recovery efforts with the County/partners.



3. POLICY GUIDANCE



Policy Guidance for the FY 2022 Budget?

1. 2021 revaluation philosophy – how to manage natural growth in tax base?
2. Review revenue streams for cost-recovery and equity
3. Identify highest priority areas for consideration in budget (not in order):
 - Environmental sustainability
 - Community sustainability (equity, safety, housing)
 - Economic recovery
 - Maintenance and operations
 - Flexibility to respond to the unexpected

4. NEXT STEPS



Next Steps

- Review Council priorities – retreat 2021
- Receive County property revaluation data - spring 2021
 - assessed valuation
 - property tax rate
- Evaluate economic impacts – ongoing
- Focus budget process – spring 2021
 - Council Retreat February 5,6 & 8
 - Initial Budget Public Forum February 24
 - Budget Work Session March 17
 - Budget Work Session April 14