

TO: Mayor Marchione

Redmond City Council

FROM: Mike Bailey, Finance and Information Services Director

SUBJECT: Long Range Financial Strategy Process

DATE: September 10, 2013

At the City Council's study session on September 10th, staff will present an outline of the approach and timing recommended to review and update the City's long range financial strategy (LRFS). This strategy will be the foundation for the 2015-2016 Budget and include the Capital Investment Strategy as a component. The purpose of this memorandum is to review the proposed process and scope of the future discussions on the LRFS.

Attached is a brief outline of the scope and schedule for the review. The overall plan is summarized on the bottom of the first page as follows:

- September 10 Council Study Session discuss scope, framework and approach;
 assemble questions from Council for consideration in future discussions
- October 29 Council Study Session discuss budgeting priorities and goals for each priority to include service level assessments, projects and needs. Discuss gaps and resources.
- Early 2014 Council retreat create roadmap for CIS, LRFS and resources

As a point of reference, the existing <u>LRFS can be found here</u> (or also by scrolling to the bottom of the financial reports page on the web site).

We look forward to the discussion.

CityofRedmond

City of Redmond WA

2013 Plan for review of Long Range Financial Strategy

Long Range Financial Strategy update

- o Timing: March 2013 through February 2014
- Goals: Maintain financial stability, appropriate "price", and the community standards for levels of service
- Approach: Update the LRFS content, to analyze the funding challenges represented by the 2013-2014 budget and other factors and make recommendations to the Mayor and Council
- Process: LRFS Leadership Team to analyze funding challenges from an operational perspective and propose an update the content of the LRFS; Directors Team to analyze any identified funding challenges and make recommendations to the Mayor and Council; Council to consider goals and levels of service in context of budget priorities

• Capital Investment Strategy – 2013/2014 update

- o Timing: March 2013 through February 2014
- Goals: Maintain and develop capital facilities that meet community expectations and needs
- Approach: Update the CIS content, add any new data from new or updated functional plans, to analyze the funding challenges represented by the updated CIS (with focus on next 8 years) and make recommendations to the Mayor and Council
- Process: CIS leadership team to update the content for new or updated functional plans or other changes to the CIS (such as project cost or timing estimates);
 Directors Team to analyze funding challenges and make recommendations to the Mayor and Council; Council to consider priorities and projects in pursuit of the City's vision
- Overall Schedule (note: mid-biennium budget review schedule to be determined)
 - September 10 Council Study Session discuss framework and approach; assemble questions from Council for consideration in future discussions
 - October 29 Council Study Session discuss budgeting priorities and goals for each to include service level assessments, projects and needs. Discuss gaps and resources.
 - o January 2014 Council retreat create roadmap for CIS, LRFS and resources

City of Redmond WA

2013 Plan for review of Long Range Financial Strategy

Inputs to the discussion:

- Community engagement efforts (survey, focus groups, other potential involvement)
- Performance measures / Logic Models/Dashboard
- Comprehensive plan (focus on sustainability)
- Financial reports (including feedback from S&P rating services)
- Existing Long Range Financial Strategy
- Existing / Updated Capital Investment Strategy
- Facilities Condition Assessment
- Recreation Facilities Assessment

CIS Discussion Context

Regular maintenance; major maintenance; programs; projects

Catch up; keep up; step up

The overall Price of Government for the City of Redmond

Staff Leadership Teams:

Capital Investment Strategy

Rob Odle - Planning

Pete Sullivan - Planning

Colleen Kelley - Planning

Lori Peckol – Planning

Don Cairns - Planning

Craig Larsen - Parks & Recreation

Carolyn Hope – Parks & Recreation

Ron Grant - Public Works

Jeanne Justice - Public Works

Mike Bailey – Finance & Information Services

Malisa Files – Finance & Information Services

Ron Gibson - Police

Kristi Wilson - Police

Russ Albertson - Fire

Long Range Financial Strategy

Mike Bailey – Finance and Information Services

Jane Christensen – Executive

Jeri Rowe-Curtis – Executive

Colleen Kelley – Planning

Joel Pfundt - Planning

Katie Anderson – Parks & Recreation

Kristi Wilson – Police

Tim Gately - Police

Russ Albertson - Fire

Joe McGrath - Fire

Kelley Cochran – Public Works

Ron Grant - Public Works

Julie Howe - Human Resources

Malisa Files - Finance & Information Services