

City of Tacoma Fiscal Sustainability Task Force

Wednesday, August 21, 2013, 4:00 – 6:00 P.M.

Tacoma City Hall –7th Floor Room 708

(NOTE NEW LOCATION)

Meeting 5

Proposed Agenda

1. **Welcome, Introductions** (5 min.)
2. **Review and Approval of Today's Agenda, Housekeeping Items** (5 min.)
3. **Approval of Meeting 4 Summary** (3 min.)
4. **Review of List of Task Force Member Questions; Response to Questions asked at Meeting 3** (10 min.)
 - a. **Other Cities data: major revenue sources under category of "other."**
 - b. **Percentage of B&O service filers (#, revenue) from businesses outside the city**
 - c. **Current City General Obligation Bond Issues— what projects funded?**
5. **Presentation and Discussion: City Innovations and Performance Tracking** (25 min.)
6. **Presentation and Discussion: Financial Situation Overview Wrap Up** (10 min.)
 - a. Expenditures
 - b. Revenues
7. **Review/Discussion/Action: Proposal for Phasing Work Plan and Recommendations** (10 min.) *Attachment A*
 - a. **Is the 4-phase approach to Task Force work acceptable or should it be modified?**
 - b. **Is the framework for Task Force recommendations (4 quadrants) acceptable or should it be modified?**
8. **Discussion: Phase II: Towards consensus on a problem statement. *Based on the information presented, and your experience, how would you describe the City's financial situation?*** (30 min.) *Attachment B*
9. **Discussion/Possible Action: Work Topics for the Task Force.** (20 min) *Attachment C*
 - a. **List of Work Topics**
 - b. **Homework** *Attachment D*
10. **Adjourn**

Next Task Force Meeting: Wednesday, September 11, 4:00 – 6:00 P.M. at Central Library, Olympic Room, 1102 Tacoma Avenue South. **Proposed Agenda:**

1. **Review/Action: Consensus Problem Statement**
2. **Review Task Force “Homework” on Short Term and Long Term Revenue and Expenditure Ideas**
3. **Additional Potential Revenue Ideas from City Staff (without endorsement)**
4. **Discussion: Criteria for Task Force Definitions--opening discussion on defining terms.**
Fiscal sustainability? What are the key components of this?
Competitiveness?
Fiscal integrity?
5. **Review/Potential Action: Report back from Work Plan Subcommittees— Recommendations for Scoping Task Force deliberations.**

Attachment A

Proposal for Phasing Work Plan and Recommendations

At meeting 4, Karen proposed the following 4 phase work plan for the Task Force, with a goal of developing recommendations in 4 target areas. Are these acceptable to the Task Force, or should they be modified?

4-Phase Work Plan

Phase I: Learning about the City's Budget, Revenues and Expenditures

- *Nearly completed; learning will continue as we explore recommendations.*

Phase II: Reach Consensus on a Problem Statement: Is there a Structural Budget Deficit? Is it Serious? What other key consensus items can be identified at this point?

- *Discussion/Possible action on initial draft statement at Meeting 5 (8/21)*

Phase III: Identify a Framework and Criteria for making recommendations

- *Discussion/Possible action at Meeting 5*

Phase IV: Select Focus Areas and Develop recommendations

- *Discussion/Action for Meeting 5 and remaining Task Force meetings.*

Proposed Framework for Task Force Recommendations ("4 Quadrants")

	Expenditure Cuts / Efficiencies / Best Practices	Revenue Adds
Short Term (remainder of this biennium and the next biennium— through 2016)		
Longer Term (3 -10 years: 2017-18 biennium and beyond)		

Types of actions: A. City can implement on its own (perhaps requiring vote); B. City can seek through negotiation with labor; C. City can request from legislature/ fed'l govt.; D. City can seek through agreements with regional partners

Attachment B:

Problem Statement Discussion (Agenda Item 8)

Based on the information presented, and your own experience, how would the Task Force describe the City's financial situation?

The purpose of discussion is to get input from all Task Force Members on the following four questions. Input will be used to prepare a draft consensus problem statement for the Task Force to review/revise/approve at next meeting.

1. Roundtable: Has the City made a credible case that it has a structural gap between revenues and expenditures over the next 2 biennium?
 - a. Yes or No?
 - b. Are there major caveats to your answer ("yes, but...")?

2. Roundtable: How would you describe the City's financial situation? Is it a major concern or a minor concern, or..?
 - a. What specific data points are most concerning to you?
 - b. Do you see the challenge as mostly a short term issue or do you see it as posing longer-term challenges (and what are those longer-term challenges)?

3. On the expenditure side, what are the challenges you see?

For example, it would be helpful to hear concerns about:

 - a. actual or potential impacts on the City government sustainability, City businesses, City residents and neighborhoods, City livability, etc.
 - b. how you perceive the options available
 - c. ease or difficulty of implementing solutions

4. On the revenue side, what are the challenges you see?

Again, it would be helpful to hear concerns about: –

 - a. actual or potential impacts on the City government sustainability, City businesses, City residents and neighborhoods, City livability, etc.
 - b. how you perceive the options available
 - c. ease of difficulty of implementing solutions

Attachment C

Developing Task Force Recommendations: Proposed Task Force Work Plan Topics (Agenda Item 9)

This is a list of proposed work plan topics, not a meeting schedule. We have 5 meetings remaining.

1. Collect, Vet, Discuss and Recommend Action Items in each of the **4 Framework “Quadrants”**:

- a. Short-Term Efficiencies, Cuts
- b. Short-Term Revenues
- c. Long-Term Efficiencies, Cuts
- d. Long-Term Revenues

Work on this item will begin with **homework** (Att. D) for the Task Force to submit ideas.

*There appear to be at least 3 other areas around which the Task Force **may** wish to have a panel discussion or subcommittee effort. These are described below. In each case, the questions are:*

- “Should this be integrated into Item 1 above, or is this deserving of a special focus?” and
- “How will this inquiry help the Task Force make its final recommendations?”

2. **Best Practices Recommendations** (targeting efficiencies, potential expenditure reductions).

Suggested topics from the Task Force to date include:

- a. Fire
- b. EMS
- c. Pension
- d. Health Care

3. **Longer-term issues around: City vision, livability and economic development**

4. **Partnering with other governments (e.g., the port) and possibly other institutions** to more effectively, efficiently address challenges facing the City (and those other governments and institutions operating in the city).

Are there additional topics that should be added to this list? Deleted from the list?

Next Steps on proposed Work Topics:

A. Best Practices Recommendations:

If the Task Force wishes to pursue Best Practices issues as an effort separate from Item 1, **should a subcommittee be created** to take the lead on **scoping** the most promising/important areas for consideration by the Task Force? If so:

- **Who wishes to serve on the subcommittee?**
- **When should they report back?**
- **Is the following a helpful description** for the subcommittee's work?

The subcommittee is asked to identify two categories of best practices ideas:

- (1) things that should be recommended to the City to explore as part of the Task Force report that don't need further investigation by the Task Force given limited time; and*
- (2) things that the subcommittee thinks are worthy of further consideration but need additional discussion with the Task Force.*

All recommendations brought forward from the subcommittee are subject to final action/decision by the Task Force.

B. Longer-term issues around: City vision, livability and economic development

Should a **subcommittee** be created to recommend a **scope** for this discussion (for the Task Force's approval)? Perhaps to frame a **panel of invited speakers**, and **questions** they would be asked to respond to? And/Or?

- **Who wishes to serve on the subcommittee?**
- **How soon can they report back?**
- **Any other scoping instructions for the group?**
 - *E.g., focus on how the discussion can help the Task Force make recommendations?*

C. Partnering with other governments and institutions to more effectively, efficiently address challenges facing the City (and gov't.s, institutions operating here)

Should a **subcommittee** be created to recommend a **scope** for this discussion (for the Task Force's approval)? Perhaps to frame a **panel of invited speakers**, and **questions** they would be asked to respond to? And/Or?

- **Who wishes to serve on the subcommittee?**
- **How soon can they report back?**
- **Any other scoping instructions for the group?**

Attachment D: Homework DUE SEPTEMBER 3: Ideas for Efficiencies, Expenditure Reductions and Additional Revenues

Instructions: Complete and return to Karen Reed by September 3.

Email: kreedconsult@comcast.net (Karen will send this document out by email)

Mail: Karen Reed 4951 S.W. Forney St. Seattle WA 98116 / Questions? Call Karen at 206 932 5063, or send her an email.

Your responses will be collated and shared with the Task Force at our next meeting, without attribution. It is important that we hear from everyone! Please complete both pages. Jot down any cuts/efficiencies or revenue sharing ideas you would recommend or, that you may not recommend but think the idea is something that, for better or worse, the Task Force should look at seriously in order to address the financial challenge. If you have a question about the item, please note it on the form. Use additional pages as necessary.

	Expenditure Cuts / Efficiencies / Best Practices	Revenue Adds
Short Term (remainder of this biennium and the next biennium—through 2016)		

	Expenditure Cuts / Efficiencies / Best Practices	Revenue Adds
Longer Term (3 -10 years: 2017-18 biennium and beyond)		

Types of actions: A. City can implement on its own (perhaps requiring vote); B. City can seek through negotiation with labor; C. City can request from legislature/ fed'l govt.; D. City can seek through agreements with regional partners.