

Key Terms from Task Force Mission --Defined

Per Discussion at Meeting 6.

Fiscal Sustainability: The Task Force defines fiscal sustainability for Tacoma as a condition marked by several key parameters:

- On an ongoing basis, the City's income matches or exceeds its income, and expenditures support a level of service that maintains an attractive, competitive and livable city.
- The City maintains a strong debt rating, meeting debt covenants, and is able to borrow when needed.
- City reserves are at healthy levels and a reasonable "rainy day reserve" is available to address unexpected expenditures or economic downturns.
- Budgets reflect the City's long-term vision and support priority investments in the City's future.
- City government is pro-active, flexible, and not simply reactive to fiscal crises.
- There is predictability from year to year, for residents, businesses and City government.

Fiscal Integrity: The Task Force defines fiscal integrity as a set of characteristic behaviors around fiscal matters. To demonstrate fiscal integrity, the City is transparent, accountable and responsible in the expenditure of public funds. Budgeting, forecasting and financial planning are accurate. The public is aware of the City's priorities and the City's fiscal condition.

Competitiveness: The Task Force added the concept of "competitiveness" to its mission statement, based on the belief that remaining competitive is critical to supporting the City's long-term fiscal sustainability. The Task Force encourages the City to keep in mind the goal of competitiveness when budgeting. Does the budget support an attractive business climate? What are neighboring cities doing? Also, in the view of the Task Force an attractive business climate is more than just competitive tax policies: it is situation where businesses and their employees will want to live in Tacoma because it is a vibrant and livable City.